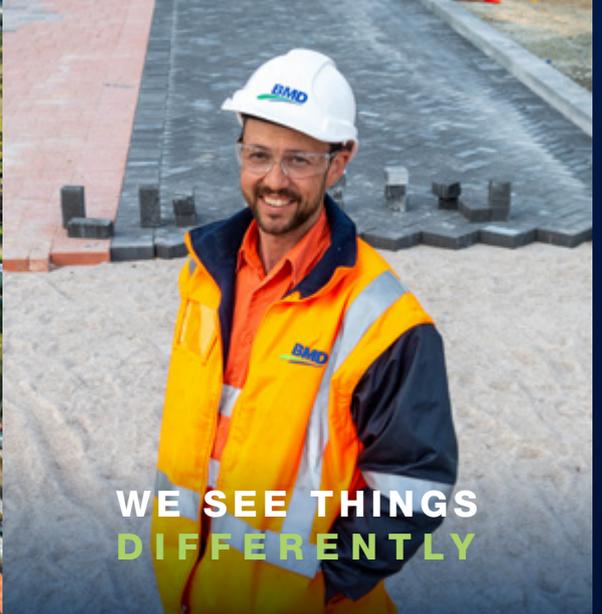




BMD Group Annual Review 2022-2023



WE SEE THINGS
DIFFERENTLY



ACKNOWLEDGEMENT OF COUNTRY

The BMD Group acknowledges the Traditional Custodians of the lands in which we operate and pay respect to Elders past, present and emerging.



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Chairman's report

Mick Power AM
GROUP BOARD CHAIRMAN

The last 12-months can be summed up in just one word, excellence. For a journey beginning in Brisbane's bayside, it's extremely rewarding to see our expertise and difference in terms of our relationship-orientated and collaborative approach continue to succeed across Australia and overseas.

Our successes over the year are a result of the unwavering dedication and hard work of each member of the BMD family. It has been a period of significant growth and achievement, marked by a record turnover. The challenges posed by the post-COVID landscape did not deter us; instead, they ignited a spirit of resilience and innovation that propelled us to new heights as we continued to enhance our strategy and maintain our high-performing culture.

This year presented tremendous opportunity. As I reflect on our achievements, I am reminded by the vision that has fuelled our journey. Our vision is grounded in the principles of family, resilience and the importance of building strong relationships. Today, I am pleased to see our values of family, determined, empowering, collaborative and striving to do better are not only upheld but ingrained in the very fabric of our company culture. The BMD family, now comprising more than 2000 people, represents the enduring strength of these values.

Our 20 Year Club members represent an important part of our culture and I would like to extend my heartfelt thanks to all 122 members for the way in which you embody loyalty and dedication. Your commitment to our business highlights the strength of our culture. This year, I was pleased to welcome 10 new members in Ben Evans, Dale Byrne, Troy Fenech, Rodney Sellars, Alan Smith, Stephen Brecht, Adrian Wilkinson, John Ciantar, Rodney Roberts and Todd Thornton. We also welcomed four members into the 25 Year Club: Michael Keynes, Andrew Nakov, Glenn Rose and Lisa O'Driscoll.

In the face of the industry skills shortage, our retention strategy has proven crucial. Additional investment in upskilling and training has not only addressed resourcing costs but also opened new opportunities for the career growth of our people. We are not just a company, we are a family and nurturing our talent remains at the core of our success.

This year our internal recognition program, the Dare Awards marked 10 years of celebrating the remarkable achievements of our people. The awards are a unique expression of our commitment to acknowledging outstanding performance aligned with our company values. Congratulations to the 15 winners for the way in which you go above and beyond for our business. These peer-nominated awards also provide a fantastic opportunity to celebrate our entire workforce for their contributions.

This year has been significant in the partnerships space as we have welcomed the Melbourne Vixens, the Western Sydney Wanderers and the BMD Rumble to our \$1 million sponsorship portfolio.

BMD has a strong track record of supporting sporting clubs, including the North Queensland Cowboys, BMD Northcliffe Surf Lifesaving Club, Brisbane Lions AFL and AFLW, BMD Wynnum Manly Seagulls men's and women's teams and the Queensland Rugby League senior women's state-wide competition, the BMD Premiership.

Our goal in the next 12 months and beyond is to deepen these partnerships by offering flexible employment opportunities at BMD for athletes outside of their sporting commitments and extending our presence in communities through associated grassroots clubs.

BMD has always been a relationship-orientated contractor and our recent acquisition in the UK reflects the way in which we intend to combine British expertise with our Australian capability. I extend my sincere congratulations to TUSP's founding partners, Richard Smith and Steve Hobden, as we embark on a future as TUSP powered by BMD. It represents not only our international expansion but a connection between continents, allowing us to share valuable insights and learnings.

Overall, the Group is in a solid position and I am pleased with the focus and discipline that has been applied by our leadership team to position BMD for the future. As we look ahead, the opportunities for positive change are abundant. With growth comes the responsibility to support our people internally, diversify our capabilities and expand our geographical footprint.

With an enormous amount having been achieved in FY23, I would like to thank our leadership team and our people for their hard work, passion and dedication over the past 12 months.

I would also like to thank my Board colleagues for their contribution and support. As we continue our journey, let us embrace the challenges and opportunities that lie ahead with the same energy that has defined us for over four decades.



CEO's report

Scott Power
GROUP DIRECTOR
CHIEF EXECUTIVE OFFICER

I am pleased to report to you on the BMD Group's performance over the last 12 months. The business has experienced exponential growth as we delivered on our strategy across the pillars of People, Process and Performance.

In the past year, our people have demonstrated an unwavering commitment to excellence across all projects and operations. From delivering a record turnover of more than \$2 billion to strategically expanding our geographic footprint and successfully diversifying our capabilities, we have leveraged the recent periods as a platform for scale.

Financially, this year has been a landmark one, marked by record turnover and our infrastructure business exceeding all targets exceptionally. Yet, we are not content with merely meeting expectations; our focus remains on continuous improvement and innovation to ensure sustained success.

Across the Group, we were awarded more than 324 projects and managed the successful completion of 285 projects across our Australian and international operations.

It has been incredible to see the strong performance delivered this year by our BMD Constructions division, which delivered record turnover and contributed over 68% of the Group's total revenue. This success is a result of the efforts in diversifying across sectors, allowing us to secure some milestone projects.

To ensure our diversification strategy maintains its strong trajectory and supports the sustainability of BMD, we have bolstered our operational management this year across the key areas of water and wastewater, energy and defence.

This year we successfully diversified our capabilities into new and emerging markets, whilst retaining strong growth in our traditional market sectors where we remain wholly committed to our clients and the delivery of key infrastructure.

Other key achievements include JMac growing and strengthening our building capability in the small commercial and low to mid rise residential market, and Urbex successfully launching new capabilities, bringing to market several exciting residential apartment products to capitalise on opportunities.

Our success has not come without its challenges. Escalation in costs and the availability of resources put significant strain on parts of the business at various times. It is in confronting these challenges that we refine our strategies, strengthen our foundations and emerge more resilient than ever before.

Our three year business strategy came to a renewal in June 2023. Focused on the pillars of People, Process and Performance, I'm proud of what we achieved in rolling out this strategic approach, including implementing a Group-wide structured training and education program for our people and leaders, bettering our safety and wellbeing processes for improved outcomes, and transforming our digital functions as a group of companies.

Through execution of our strategy, we delivered exceptional performance for our stakeholders, which is a great outcome and a credit to our people.

PEOPLE AND CULTURE

BMD was founded on the premise that success is achieved through people. This is truer now than ever before. What we have achieved this year would not have been possible without the incredible pool of talent we have across the Group.

We remain committed to retaining our people and have implemented strategies to provide ongoing benefits for them. This has involved significant investment in upskilling and training to foster increased opportunities for career growth, which has been particularly pertinent in this period of working across sectors.

We measure success in training by the direct benefits it creates for individuals and it has been rewarding to see significant movement across the Group. Growth in a business presents opportunities for our people and this year we have seen our people step into higher roles, new areas of the business, or accepting an opportunity to move interstate or internationally.

At BMD, we are committed to building a more diverse industry by increasing the number of women in construction. We believe in the power of inclusion because this leads to high-performing teams and best outcomes. While our representation of women is above industry standard, currently sitting at 19 per cent, we are not resting on our laurels and know there is more that we can do.

Notably, our collaboration with UNIQ You stands out as a source of pride this year, where our women actively served as mentors for young school students, offering valuable insights and guidance on career-related queries. As we champion the cause of diversity in the construction industry, we recognise the crucial role of early intervention and driving positive change.

In addition to this, we are proud of our long history working with, and within, Aboriginal and Torres Strait Islander communities. Our partnership with the Clontarf Foundation has been running since 2015 and aims to improve education, discipline, life skills, self-esteem and employment prospects of young Aboriginal men through exposure to our industry.

FUTURE-PROOFED PROCESSES

Our commitment to future-proofing our processes runs parallel to our growth. This is particularly important for the digital transformation of our business where we are invested in finding ways to utilise data for more efficient and effective decision-making to better outcomes across all operations.

This has been a transformative year in our digital journey as we secured a seven-year, \$17 million partnership with TechnologyOne that is set to re-engineer the way we manage our projects. The partnership will reduce inputs, maximise outcomes and equip our people with the tools needed to manage our pipeline of work.

OUR EESG JOURNEY

This year saw the BMD Group establish the Economic Environmental Social Governance (EESG) Committee to define and activate our approach to sustainability management and reporting, marking a significant step in our environmental, social and corporate governance (ESG) journey.

The launch of the committee highlights the ongoing maturity of the Group as we grow, diversify and expand into new markets in Australia and internationally. This growth will see an increase in legislative requirements and market expectations with respect to our performance in the sustainability space. The purpose of the EESG Committee is to provide oversight and guidance on BMD's sustainability and EESG strategy, particularly in respect to compliance with related laws, regulations and policies.

Made up of executives from across the Group, the role of the Committee is to advise the BMD Group Board on sustainability and EESG matters, risks, opportunities and trends. The Committee also works to ensure that BMD's sustainability efforts align with domestic and international legislative requirements and BMD's commitment to building a high performing, purpose driven workforce and inclusive culture.

HSEQ EXCELLENCE

Health, safety, environmental and quality (HSEQ) excellence is at the heart of everything we do – it's the BMD way.

This year as a Group, we recorded a total recordable injury frequency rate (TRIFR) of 4.2 across 8.5 million hours of work, which has notably improved on last financial year's result of 6.9. Our lost time injury frequency rate (LTIFR) also dropped to 0.9 this year from 2.2 in 2022. These improved outcomes highlight the success of our safety initiatives, particularly following the launch of HSEQ Excellence in 2022.

OUTLOOK

It has been an incredibly successful year and our outlook is very promising as we take our expertise to the world.

I am particularly excited by the opportunities that are emerging as a result of our international expansion. The combination of the AUKUS trilateral security partnership between Australia, the United Kingdom and the United States, the free trade agreement between Australia and the UK, and the opportunities in the nuclear sector mean there has never been a better time for Australian businesses to be in the UK.

This expansion provides our people with the opportunity to learn and return by experiencing working in new environments and different capabilities - which is particularly beneficial for the growth of our engineers and ultimately our business as we scale up in preparation for emerging markets.

I would like to thank each and every member of our BMD family for their hard work and contribution to a year for the history books. I would also like to thank my fellow Board of Directors for their continued stewardship, guidance and support. I look forward to seeing where the next 12 months takes us.



**OUR BUSINESS
IS OUR PEOPLE**



CFO's report

Craig Mortensen
GROUP EXECUTIVE DIRECTOR
CHIEF FINANCIAL OFFICER

The BMD Group experienced another year of significant growth which was the result of our business proving our capability and capacity to deliver projects of a scale that were once the domain of large international contractors. The commitment from our people garnered exceptional results for our infrastructure clients in all regions and across many sectors including defence, water, marine, roads and rail.

FINANCIAL PERFORMANCE

This year's financial performance has been marked by record turnover to reach over \$2 billion for the first time in the company's 44-year history.

Our infrastructure division showcased remarkable work across all areas, but specifically in Queensland, Victoria, South Australia and the Northern Territory. Our capability in the defence and marine sectors grew exponentially including significant contributions from our work on the RAAF Base Tindal in the Northern Territory, where we currently have more than \$500 million worth of work in hand. The Top End will benefit from our work in the Territory, particularly the defence and marine sectors.

BMD Urban faced significant challenges stemming from the impacts of escalation, wet weather, and the inflexibility of construction contract models given the traditional allocation of unknown risks at the time of tendering. As a result, we worked to consolidate our resources within the business unit to focus on the key growth areas of Queensland, South Australia, Victoria and the Northern Territory.

While Urbex had a good year overall, it faced headwinds due to interest rate increases affecting the land market. Despite these challenges, our property arm remained a key performer, showing resilience in a challenging environment. Looking forward, we aim to secure more land to ensure a robust pipeline of work for our property development and urban businesses as we continue to further leverage our integrated offering.

Our engineering and design business, Empower holds an integral role in this integrated business model and has continued to grow and expand its offerings for our business.

Our commercial landscape construction and building division, JMac demonstrated high performance, this year making a clear distinction between its two main capabilities - landscape construction and building - as key contributors to turnover.

ACHIEVEMENTS

The rollout of technology advancements through our DigiLead project continued across our finance department and Urbex division, which is now a third of the way completed, and our focus is shifting to the infrastructure side of the business. With the pace of digitisation increasing and the world in which we operate changing fast, these advancements will capture efficiencies and significantly drive productivity through improved systems and processes.

We are also on track with the implementation of a strategic review of our commercial blueprint, which is crucial for the long-term sustainability of our operations. Following the successful expansion into the water and defence sectors, and offshore with continued growth in the Philippines and the acquisition of TUSP powered by BMD, we are well positioned to access new opportunities globally. As part of the strategic review, our focus will remain on regional expansion as we look to take advantage of international infrastructure programs in the key sectors of water, energy, defence and marine.

The success of BMD's infrastructure division is a result of our major strategic imperative - diversification - as water and defence projects have become equal contributors to transport in our portfolio. We now have a water project in every major Australian city.

We are particularly proud of our achievements in the defence space, with key projects operating in South Australia, Western Australia and the Northern Territory. Our support transitioning to renewables is also a notable achievement this year with the delivery of the Hawkesdale Wind Farm in regional Victoria and significant tendering for future projects taking place.

In the property and land development space in South East Queensland, we have seen continued success through the Minnippi residential development as well as new opportunities secured in Brisbane's bayside.

Investment in our operations in the Philippines has continued to deliver benefits. We have secured valuable infrastructure projects in the region, particularly in the water and marine sectors, and we anticipate leveraging our local experience to access upcoming defence work in Southeast Asia and the Pacific region.

CHALLENGES

Challenges have not been absent this year, with resourcing costs escalating due to the high demand for employees, particularly in engineering, operations and corporate roles. However, our people remain vigilant, resilient and adaptable in navigating these challenges.

To further support the operational growth of the business, we remain focused on streamlining processes. As part of this approach, we have established BMD Global Services in Manila to expand the corporate services function of the Group.

The property market's trajectory, influenced by interest rates and geopolitical issues affecting raw material costs, presented ongoing challenges. Since inception, BMD has established a relationship-first approach to doing business and we proudly leveraged our long-term partnerships to navigate these obstacles.

OUTLOOK

Looking ahead, despite economic and geopolitical uncertainties, our outlook remains positive. Our infrastructure division boasts a robust forward order book, validating the success of our diversification strategy and delivery of long-term growth.

Our property and land development businesses, with their potential for growth, and the promising outlook for our UK expansion, further bolsters our confidence. We are committed to geographical diversification and skill development, particularly in the nuclear and rail sectors, and this positions us for sustained success and contributions to major international projects.

As we move forward, our strategic imperatives of diversification, digital transformation, and international expansion will continue to be the cornerstone of our success. Our achievements this year have solidified our position as Australia's largest privately owned civil contractor and strengthened our international appeal as we unlock the considerable value of our pipeline over the coming years. Ultimately, we plan for continued growth, further geographical expansion and improved commercial results.

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 sustains our business growth and success.

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.



DETERMINED

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

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.



UNITED KINGDOM

PHILIPPINES

Our offices

Our experience extends across Australia, the UK and the Philippines.

Our capability enables us to deliver projects across the following sectors:

AVIATION

RAIL

PORT

RESOURCES

DEFENCE

TRANSPORT

WATER AND WASTEWATER

LAND DEVELOPMENT

COMMUNITY INFRASTRUCTURE

BUILDING

ENGINEERING DESIGN

LANDSCAPE CONSTRUCTION

AUSTRALIA



At a glance

PEOPLE

11% growth
in employees to
2000

Spent more than \$37 million
with 76 Aboriginal and Torres
Strait Islander businesses

19%
of our workforce
are women

More than \$1 million
invested into the communities in which we
operate through corporate partnerships and
community programs.

Worked with over
6000
Australian suppliers and
subcontractors
(27.6% annual increase)

\$487,000 average spend with
Aboriginal and Torres Strait
Islander businesses per vendor
(up 37% from last year)

Group revenue

PROCESS

\$1.45 billion
2019 - 20

\$1.46 billion
2020 - 21

\$1.64 billion
2021 - 22

2022-23
RECORD REVENUE

\$2.03 billion
(24.1% annual increase)

PROJECTS

324

projects awarded

285

projects completed

100

projects operating
at any one time

REVENUE BY BUSINESS UNIT

BMD Constructions	→	68.62%
BMD Urban	→	21.71%
Empower Engineers & Project Managers	→	0.24%
JMac Constructions	→	3.49%
Urbex	→	5.94%

Ranked #31

on IBISWorld's Top 500 Private Companies list reaffirming our status as Australia's largest privately owned civil contractor.

Ranked #37 in the Australian Defence Magazine's Top 40 Contractors.**Ranked #51** in the Prosple Top 100 Graduate Employers in Australia.

PERFORMANCE

Delivered projects valued up to

\$900 million

Approximately

\$2.9 billion

of work in hand

Largest ever water project secured with the award of the \$714 million Fitzroy to Gladstone Pipeline in North Queensland being delivered in joint venture.

Reduced lost time injury frequency rate from

2.2 in 2022 to 0.9 in 2023**8.5 million**hours were worked
across the Group



Living our values

With more than 2000 people making up the BMD family globally, our people are the foundation of our business. We have a distinctive way of seeing things differently, which is critical for high performance and empowers our people to bring the best to improve their work every day.

THE BMD WAY

After 44 years, our business will always be centred on our people. Retaining and attracting an inclusive, diverse and talented workforce remains one of our key priorities.

Over the last year we have worked tirelessly to expand our family globally, including project-specific recruitment drives, and increasing our offering of traineeships and apprenticeships. Our Human Resources team has also created a unique point of difference and level of support for our people working on FIFO/DIDO rosters. This is essential as we continue to win contracts in remote locations where our people are working away from home.

We have also shifted our focus internally in the hopes to retain longer term employees and are proud to have more than 7% of our people promoted internally across the business. We also expanded our graduate program intake over the last year. As the future engineers and corporate professionals of the business, we see it as the best opportunity to induct them on the BMD way from day one and provide the skills and experience needed to succeed for a growing career with us.

The growth of our people is a top priority and we are committed to nurturing careers by providing genuine and focused learning and development opportunities. Our performance and development platform, 'Perform at BMD' finished its first official cycle which was centred around goal setting and ensuring conversations and feedback occurs regularly within the business. Our Human Resources team will be partnering with managers moving forward to assist them in supporting our people to achieve their desired training and career progression objectives.

New starter days have been rolled out as a way to welcome new people, formally introducing peers and leaders to our values and the BMD way. Our onboarding process and retention tactics were improved, which saw the development of welcome packs for new employees and the launch of our rewards and recognition platform, Thrive. The unified employee engagement hub provides the best of recognition, reward, wellbeing, surveys, benefits and discounts to support talent acquisition, retention and values-driven growth.

We were thrilled to celebrate our people at the annual Dare Awards which were held in eight locations across Australia. Named after Dare Power, father of our founder Mick Power AM, the awards are focused around celebrating individuals and teams who live and breathe the BMD values and have demonstrated outstanding performance and significant contributions to the business. Out of the record breaking 1500 nominations received, 15 awards were announced, acknowledging our teams and people who dare to do things differently.

With the huge growth of new starters joining our BMD family, the knowledge and experience of our longstanding employees is more important than ever and a testament to the continued dedication of our people. Our 20 Year Club members are proud examples of the BMD way with this group indicating loyalty and dedication to BMD and custodians of our culture. With 10 members inducted within the last year, plus four members inducted into the 25 Year Club, we are very proud to have a total of 122 loyal members.



EMPOWERING FUTURE LEADERS

Investing in the learning and development of our people remains a key focus in BMD's retention strategy. Our founding leadership programs serve to develop emerging talent for the critical skills we need for the future. To enable us to foster this type of culture we have created four unique programs. These include, Foundations, Formwork, Fortitude and Leading HSEQ Excellence.

Our industry-leading graduate program, Foundations is uniquely designed for the next generation of university leavers pursuing construction industry professions, with a strong focus on setting participants up with the technical skills, knowledge and leadership behaviours to drive their career at BMD and create an impact everyday within our industry. We were delighted to see 52 graduates through the program in the past year.

Our Formwork program is focused on growing our up-and-coming leaders from field based roles into senior leaders. The field leadership program provides a connection to senior business leaders across BMD driving collaboration to enhance relationships and improve business outcomes, with 18 people completing the program this year.

The Fortitude program is our investment in the development of leaders, entrenched in our uniquely strong culture – what we call the BMD way. Participants are identified as future leaders within our business and explore a variety of real-world topics as they deepen their understanding of the business and forge strong networks with our senior leaders and one another. Twenty-one people completed the program within the past year and during that time, we have seen a number of internal promotions for participants from within the program.

We have also increased our leadership program offerings across technical areas including the pilot program, Leading HSEQ Excellence. Launched in Western Australia, the program was designed with a strong focus on fostering a culture of excellence in HSEQ and on understanding and adhering to governance principles. It was also established following a need to meet the gap between the technical and cultural proficiencies required for excellence. We were delighted to see 30 people through the pilot with discussions around launching this to the wider BMD business next year.

Fresh thinking is critical to progressive engineering and delivering transformative infrastructure. As a founding member of Constructionarium Australia, we were proud to contribute to the program's growth in both Queensland and Victoria. With collaboration, knowledge sharing and problem solving the key to success in our industry, this program ensures our next generation of engineers have the hands-on experience and skills needed to construct Australia's future.

DIVERSITY AND INCLUSION

We continue to build a more inclusive and diverse workforce which further enhances our performance and better reflects the communities in which we operate. The percentage of women in our business remains at 19% and we are committed to making improvements in this space.

Our Women@BMD working group aims to make progressive actions to create a positive culture for women. A proud achievement out of the group this year was our work with UNIQ You where our women continued to be mentors for young students by providing answers to career questions. A business, we are committed to improving diversity across the construction industry and early intervention is critical. We also see ourselves as having a leading role in increasing female representation in underrepresented industries more broadly and have been leveraging our corporate partnerships to achieve this.

This year we successfully launched the BMD Athlete Employment program which aims to leverage our affiliations and corporate partnerships. A particular focus has been on our affiliation with the women's teams to provide career opportunities at BMD. A focus of Women@BMD has been updating flexible work policies and providing a framework which allows these women to pursue a sporting career and a career off the field. With various major sporting partnerships across Australia and the increase in viewership of women's sport, it is an exciting time to combine these commitments through the program.



Our approach to community

At BMD, we continually strive to do what's right and to be known for making a positive and lasting impact in the communities in which we operate. Our commitment to our workforce sustainability, diversity and inclusion, social procurement, and legacy is ingrained in our culture.

We work collaboratively with various stakeholders, including government bodies, subcontractors and local communities, to ensure that our projects create a positive and lasting impact. Our dedication to meeting or exceeding social targets reflects our mission to promote equality and social responsibility within the construction sector.

Over our history through a relationship-based and collaborative approach, we have built an extensive network of industry professionals, earned trust from our clients, and continuously demonstrated our ability to deliver projects that meet the highest standards. This year we reported a spend of \$4.38 million with registered social enterprise companies.

SOCIAL PROCUREMENT

Veterans in Construction

BMD invests in job creations across the community and proudly continued our partnership with labour hire company, Veterans in Construction (VIC). VIC provides veterans with a platform to gain employment in the civilian sector after serving in the Australian Army Corps. The company was founded in 2018 for veterans by veterans and offers a thorough understanding of what attributes veterans bring to the workforce, helping returned servicemen and women to upskill and match with construction jobs suited to their skills and personal qualities. Our spend with VIC was \$3.7 million, with the skilled labour professionals engaged on our Hall Road Upgrade, Western Treatment Plant, and Hawkesdale Wind Farm projects.

OC Connection Enterprises

We proudly collaborated with Major Road Projects Victoria's (MRPV), OC Connection Enterprises (OCCE), and M1 Traffic on the Fitzsimons Lane Upgrade, raising the bar on sustainability and social procurement goals within the state.



In an Australian first initiative, close to 1000 end of life damaged bollards were 100% recycled into new eco-friendly T Top bollards. The new bollards are made from 100% high density polyethylene, while the base is made from 70-90% recycled black PVC. The bollards meet Australian Safety Standards and are safe for day and night use.

OCCE is a Social Traders certified social enterprise, employing over 90 people. Not only does this initiative provide meaningful long-term employment opportunities for people living with disability, it has environmental benefits, supporting the Recycling Victoria policy and environmental and sustainability targets.

NLA Logistics

The partnership between NLA Logistics and BMD on the Hall Road Upgrade project has been a game-changer for subcontractors by offering a reliable source of work within the local community. BMD's investment in providing comprehensive training and skills development on the project has led to the growth of the Indigenous and female owned business, and further supported Indigenous businesses through the supply chain. NLA Logistics represents a shining example of what can be achieved through a strong commitment to Indigenous capacity building and the creation of opportunities that can lead to generational change.

LEAVING A POSITIVE LEGACY

Community Assistance Program

We were proud to launch the BMD Community Assistance Program in January 2023, following the success of our COVID-19 recovery program in 2021. With two intakes annually, the program aims to make a difference for community groups, sporting clubs, schools or not-for-profits in the communities in which we operate. We proudly allocated \$55,000 in funding to 22 organisations around Australia in the program's first intake.



St John Vianney's Primary School

BMD was honoured to donate and install water stations at St John Vianney's primary school in Manly, Queensland to keep students healthy and hydrated. The 'hydration stations' project was initiated to boost student's water intake and features chilled water units and standalone bottle fillers. The project will equip the future generation with healthy and sustainable habits.

Children's Cancer Institute

BMD participated in the Townsville to Cairns Bike Ride (TCBR) and raised a huge \$10,000 for the Children's Cancer Institute - the highest figure raise in one day as part of the fundraising campaign. A total of \$300,000 was raised through TCBR to help fund childhood cancer research.

With over 200 children on average diagnosed with childhood cancer each year in Queensland alone, this was a fantastic cause to get behind. Thanks to the donations from the TCBR, the ZERO Childhood Cancer national clinical trial has treated more than 120 children with high risk cancers and seeks to provide every child diagnosed with cancer in Queensland access to precision medicine through ZERO by the end of 2023.

Brighter Lives Townsville Hospital Foundation

We participated in the Brighter Lives Townsville Hospital Foundation's Giving Day donation drive. Having been part of the Townsville and North Queensland community for almost 30 years, we provided two iPads to the Townsville University Hospital Intensive Care Unit so that they can support those who need it most. Not only will these iPads improve the overall patient experience, but they will also further assist the ability for patients to communicate with ICU nurses and staff, as well as loved ones who may not be able to be directly bedside in times of need. We couldn't be prouder to contribute to a cause that is making some people's lives that little bit brighter.



RECONCILIATION

We believe in everyone having a role to play in achieving a more reconciled Australia. At BMD, we recognise the deep-rooted traditions, values, and cultures of Aboriginal and Torres Strait Islander peoples across Australia. As we build and shape our nation's infrastructure, we remain profoundly aware of their role as the Traditional Owners and Custodians of Country throughout Australia.



This year our procurement spend with Aboriginal and Torres Strait Islander businesses was recorded at \$37.15 million on BMD projects, with 76 creditors. Our average spend per vendor rose from approximately \$355,000 last year to \$487,000 per vendor. This highlights our increased investment in businesses that are delivering beneficial outcomes nationally, and giving added strength to the positive and mutually beneficial relationships BMD is creating with Aboriginal and Torres Strait Islander businesses.

Through the commitments of our Reconciliation Action Plan (RAP), our vision for reconciliation is to champion meaningful consultation with Traditional Custodians based on the principles of integrity, transparency and inclusiveness to deliver beneficial outcomes and leave lasting legacies.

Since first implemented in 2017, BMD has successfully moved through the Reflect and Innovate RAP phases by executing strategies and partnerships that resulted in genuine skills development, employment opportunities, and growth for Aboriginal owned businesses and people across our entire operations. Since committing to the RAP, BMD has procured over \$155 million through Aboriginal and Torres Strait Islander businesses.



Over the year we have been working with proud Bundjalung woman and Aboriginal consultant Jenni Walke, to develop our 2023 RAP that will set an elevated foundation to launch greater commitments across our operations.

During NAIDOC Week, we proudly launched our RAP artwork. "Jarndu", by Gija/Bunuba artist and former BMD employee Eulalia Martin is a captivating piece of artwork that encapsulates the essence of BMD.

At its core, this artwork demonstrates the power of unity and togetherness, drawing inspiration from the deep-seated connections BMD holds with the land, sea and sky. Just as a family thrives on shared values, support, and growth, so does the BMD community, bound by a collective spirit that embraces empowerment, determination, collaboration, and a ceaseless pursuit of improvement.



LEAVING A
LASTING IMPACT

Our corporate partnerships



For over 44 years, BMD has invested in partnerships with organisations who align with our values.

We are proud to build long-standing relationships within our communities through our corporate partnerships, which have an average length of 11 or more years. We invest over \$1 million with these partners annually and continue to support local communities through grassroots and give-back initiatives.

Our commitment to supporting organisations is based on mutual respect, trust and embodying family values, and in partnering with organisations we are striving to achieve better outcomes across key areas including diversity, inclusion and reconciliation.

MELBOURNE VIXENS

We were thrilled to sign a one-year partnership with Netball Victoria and the Melbourne Vixens. With BMD committed to supporting career pathways for women in construction, this partnership presents opportunity to reach young women through a sport where the athletes are champions of leadership, empowerment and resilience.



WESTERN SYDNEY WANDERERS

This year, BMD signed onto a three-year partnership with the Western Sydney Wanderers. The partnership has a primary focus on the Women's A-League team and provides the perfect match to continue our commitment to drive female representation in the underrepresented industries of sport and construction. BMD has strong ties to the Western Sydney community where we have a robust pipeline of work. One of our main objectives of this partnership is to not only support a premier-grade sporting team, but also to engage with local grassroots clubs to understand how we can promote construction employment opportunities to women.

BMD RUMBLE

We were delighted to secure the official naming rights to the nation-wide skateboarding tour, the BMD Rumble. BMD's investment will provide the equipment and infrastructure needed for the tour over three years, with the partnership's aim to help grow the sport on a national level, including creating pathways for new skaters. The Rumble Pro Series was first awarded a grant through our COVID-19 recovery Community Assistance Program in 2021 to support its inaugural Rumble on the Reef event, which is now the largest skateboarding event in the southern hemisphere.



BRISBANE LIONS

As a major support partner of the AFL team and co-major partner of the AFLW team, BMD's relationship with the Brisbane Lions spans decades. Most recently we have begun discussions to provide career opportunities for these athletes within the BMD business to provide a pathway for access to a flexible career outside of sport. Throughout the year we were also proud to host BMD staff and their families at a number of events and family days.

WYNNUM MANLY SEAGULLS

BMD has a long history in the Wynnum Manly community. We have been the principal sponsor of the BMD Wynnum Manly Seagulls Rugby League team for over 20 years, and naming rights sponsor since 2017. Throughout the year we were proud to host BMD staff at several balcony games, furthering our commitment and support of the team.

QUEENSLAND RUGBY LEAGUE

Our partnership with Queensland Rugby League (QRL) has been running since 2022. The partnership includes naming rights to the BMD Premiership as well as being a major partner of the Harvey Norman Queensland Maroons - both women's teams, further highlighting our commitment to supporting women in underrepresented industries.

We take pride in our role as partner of the QRL BMD Indigenous Round and in 2023 we activated at Hostplus Cup games across Queensland. The partnership gives us great connections with rugby league communities in Queensland and allows us to continue our support of women's sport.

UNIQU YOU

We continued our support of UNIQU You as a foundational partner. Throughout the year our engineers engaged in sessions to educate the next generation of engineers and construction professionals to ensure STEM related fields are recognised as a meaningful career path for women.



LEGACY BRISBANE

This year we pledged a \$600,000 commitment over the next three years to Legacy Brisbane and the build of the new Legacy House. As a charity that looks after the widows and families of our veterans, we are looking forward to continuing to work closely to deliver meaningful outcomes.

IRONWOMAN BONNIE HANCOCK

BMD was honoured to support former Ironwoman and club member at BMD Northcliffe Surf Club, Bonnie Hancock who paddled 12,700 kilometres around Australia over 254 days in support of mental health. Bonnie claimed two world records for the fastest circumnavigation of mainland Australia by paddle and the longest 24-hour paddle. BMD provided support for fuel and logistics to Bonnie and her team, with all funds raised donated to Gotcha4Life, an Australian not-for-profit foundation that delivers mental fitness programs that engage, educate and empower local communities.



Safety and wellbeing

At BMD, safety is of paramount importance in everything that we do. We acknowledge that each individual plays a role in our safety culture, and as we continue to grow and diversify our portfolio of work, we must become more strategic and considered in how we promote safety across the business. For us, safety is about maintaining the health and wellbeing of our people each day and ensuring they feel empowered to take part in, and contribute to, BMD's approach to safety.

DELIVERING SAFETY EXCELLENCE

Across all operations, we completed more than 8.5 million hours of work this year with a total recordable injury frequency rate (TRIFR) of 4.2 - a significant improvement on last financial year's result of 6.9. Our lost time injury frequency rate (LTIFR) was also down year on year, from 2.2 in the 2022 financial year to 0.9. These results represent the significant dedication by our people and management to achieving safety excellence across the business.

BMD's HSEQ Steering Committee, which is made up of senior management from across the Group, continued to meet monthly throughout the year to discuss emerging and ongoing health, safety, environment and quality risks and trends. A key objective of the committee is to demonstrate leadership and foster a positive HSEQ culture. They also play a critical role in managing or providing unique solutions to key safety and wellbeing risks as identified by our people.

Across the Group this year, we focused on mitigating key risks surrounding line of fire, people and plant interaction, and spills, trips and falls after they were identified as our most common safety concerns. For each risk, relevant education materials were rolled out across business units with the goal of upskilling our people on how to appropriately manage or reduce these.

As an example, the line of fire campaign, which was rolled out across all sites, highlighted the positive steps that teams can take in planning our works to mitigate the risks of working near plant, including wearing the correct PPE and using the right tools, increasing awareness of surroundings, reviewing ABCs and ensuring a high standard of JHAs.

Safe Work Month was celebrated in October and was an opportunity to reflect on our safety outcomes from the previous 12 months and discuss opportunities for improvement. As a business, we value knowledge sharing as a key driver for improvement. As such, during Safe Work Month we encouraged our people to share examples of safety excellence from within their project and highlight the specific techniques involved. We have found this as a positive interaction between our people as it not only connects them with new knowledge from a different region, capability or sector but also creates an opportunity to celebrate the fantastic work being done in this space on a large scale.

MENTAL HEALTH AND WELLBEING

Our workplace wellness strategy is underpinned by a genuine concern and recognition of the unique nature of our employees and the work that we do. Crucially, we integrate wellbeing into our health and safety strategy and everyday operational procedures.

As we strive to do better in this space, our partnership with the Mental Health Movement (MHM) promotes and provides support for the mental wellbeing of our people. This partnership forms part of BMD's wider psychosocial risk management program that has been designed to ensure our people feel supported and identify any adjustments that need to be made to positively impact our workplace. In February, we initiated phase one of our ongoing program which involved a Group-wide survey to help reveal the psychosocial hazards in our workplace. Phase two is set to take place in the next financial year, which involves collating and understanding the data from phase one and will form the basis for our psychosocial strategy moving forward.

Our support of our people also extends to a long-standing relationship with MATES in Construction, an important industry resource engaged to conduct industry-backed, research-based awareness programs around suicide prevention and care within the construction industry.

LOOKING AHEAD

At BMD, our business is our people which is why we look out for each other, speak up when we notice an issue and share our lessons learnt to help each other throughout our journey. We are continually reviewing our health, safety and wellbeing management system against international standards and regulations to drive its continuous improvement.

This year, BMD's HSEQ Steering Committee welcomed safety expert and founder of Forge Works, Dr David Provan, to support the development of a new strategy for managing safety excellence across our growing portfolio, which is set to be delivered in the 2024 financial year.

CASE STUDIES

HANDS ON APPROACH TO SAFETY

BMD, in alliance with Main Roads Western Australia, Public Transport Authority, Georgiou Group, WA Limestone, BG&E and GHD, is delivering a major upgrade of the Tonkin Highway in Perth, Western Australia. Following a safety incident, the Tonkin Gap Alliance came together to recreate the scenario as part of a site reset. A discussion was facilitated whereby the project team was required to identify hazards, lines of fire and alternative methods when approaching the activity. This approach helped to visualise hidden lines of fire which are often learned only by experience.

BMD delivered an upgrade of the Douglas Water Treatment Plant in Townsville to enhance the facility's capacity to produce clean and healthy water for the region. As part of safety training, the project team took part in a game of call and response to highlight the importance of trusting the communication of others on site. Each participant took turns at being blindfolded as their teammates directed them through the 'site' (a space created for the activity) safely. The activity provided an opportunity to test the directional skills of the project team, which can be vital for the safety of everybody on site.



Creating a sustainable future

Sustainability remains a core objective at BMD as we strive to achieve excellence through solutions that not only safeguard our planet but enhance the wellbeing of the communities in which we operate. With a focus on innovation, we pride ourselves on a leaving a positive impact through strategic design, responsible project delivery and community-led initiatives as we work towards a more sustainable future.

PROTECTING THE ENVIRONMENTS IN WHICH WE OPERATE

Our environmental performance this year reflects our ongoing dedication to maintaining high standards across the Group, with our Class 1 environmental frequency rate remaining at zero. Throughout the year, we focused on having a strong reporting culture to allow projects to effectively identify risks and improvement opportunities across all projects - an initiative that helped to mitigate hazards and achieve our environmental objectives. As a result, we proudly maintained a 1.0 Class 2 environmental frequency rate over the last 12 months, which exceeded our Group target.

At BMD, we are uniquely positioned in the market through our vast capabilities, from our involvement in major infrastructure projects to our long history of delivering urban developments. As such, it is important that we are consistently exploring new and improved ways to operate. This is crucial for our environmental management system as we maintain the highest possible standards across all projects, and this year we invested in our people to support this improvement.

We implemented a shift in our approach to environment and sustainability management, evolving the roles and functions within these teams to align with an industry shift. This strategic move has contributed to improved reporting and consistent standards across the business.

Due to an increase in reporting, we saw a spike in the frequency of Class 2 environmental incidents for non-compliant vegetation disturbance, which included the damage or removal of vegetation outside of work areas or within retention spaces. To reduce these incidents, we encouraged all project teams to optimise our environmental performance through regular reviews of project boundaries to maintain compliance with our Environmental Management System.

Looking ahead, we are set to improve our environmental reporting technology through a new permitting system that will be implemented in the next reporting period. This is set to adequately assess environmental risks prior to ground and vegetation disturbance.

ENVIRONMENTAL INITIATIVES AND ACHIEVEMENTS

Several innovative environmental initiatives were implemented across projects throughout the year as we worked to improve our overall outcomes. These included the implementation of an Australian-first zero-waste technology on the Mickleham Road Upgrade in Victoria, the state-first trial of a sustainable solution bitumen on the Mitchell Freeway Extension in Western Australia and the implementation of high efficiency sediment basins across several BMD Urban projects across Queensland to treat large volumes of water more efficiently and reduce the safety risks of annual dosing.

In Western Australia, we celebrated excellence in local fauna management on the Hotham River Bridge project where the chocolate wattled bat population living in the soon-to-be decommissioned bridge were successfully relocated, causing no harm to the local mammals. This was achieved through a strategic action plan that involved staging works to align with the fauna’s natural movements ensuring the bridge could be demolished without impacting the bat population.

Building on the launch of BMD’s HSEQ Excellence mantra in late 2022, we zeroed in on showcasing how we implemented environmental excellence into planning and delivery across the Group.

In March, we celebrated Environment Month through an internal awareness campaign highlighting best practice management and initiatives implemented on our projects, calling on teams to submit their case studies. As a result, we received more than 50 submissions, an impressive outcome that was shared with all regions and business units.

Touted in front of the industry, one of our talented environmental advisors was recognised for demonstrating high-quality principles and initiatives by the National Association of Women in Construction (NAWIC) in Victoria.

HIGHLIGHTS:

- ▼ engaged suppliers to deliver renewable energy solutions to replace or supplement our diesel generators
- ▼ introduced the use of electric vehicles on a number of project sites equipped with EV charging ports powered by renewable energy
- ▼ conducted a pressure test focused on water pollution in Victoria that demonstrated compliance with General Environmental Duty
- ▼ reduced embodied carbon emissions from materials through recycling asphalt, glass fines and Class 3 and Class 4 pavement materials.



GROUND-BREAKING CASE STUDY IN CARBON REDUCTION

Mitchell Freeway Extension, WA | Main Roads Western Australia

In Western Australia, BMD Constructions delivered a ground-breaking case study with the use of Class 2 Enrobés à Module Elevé (EME2) with locally produced bitumen as a viable, sustainable solution on the Mitchell Freeway Extension. The project constructed 10,900 square metres (4200 tonnes) of the innovative, performance-based asphalt EME2, making it the first successful trial of this scale of the use of the material for Main Roads in WA.

IS PROJECTS DELIVERED	REGION	PROJECT	RATING
BMD has continued our commitment to achieve an Infrastructure Sustainability (IS) rating on several of our projects in partnership with the Infrastructure Sustainability Council of Australia. This year, we delivered an IS rating on the following projects:	Western Australia	Mitchell Freeway	Silver (Design v2.0)
		Tonkin Gap	Gold (Design v2.0)



Digital transformation

At BMD, we are committed to evolving our technological capabilities to streamline processes, minimise outputs and maximise outcomes. Remaining at the forefront of digital advancements across the industry is vital and through geographical expansion and increased capabilities, we continue to focus on our business being equipped with the right technology to support our growth.

Seamless integration across all operations of the Group is critical to the success of our business strategy, with technology continuing to play a pivotal role in this collaboration.

BMD's lead delivery forum for information and technology advancement, DigiLead has continued delivering its mission of improving our technology capabilities. Following on from the roadmap developed in the 2021-22 year, DigiLead's priority areas of advancement included enterprise resource planning (ERP), employee experience, health, safety, environment and quality (HSEQ), and project delivery.

TECHNOLOGYONE

This year we joined forces with TechnologyOne in a seven-year, \$17 million partnership. This remarkable investment into a major technology upgrade will transform and power our pipeline of projects. Our investment in TechnologyOne is ensuring sustainable growth of the Group and seamless integration between our vertically integrated business offering.

As part of this partnership, work has commenced to launch the use of TechnologyOne's ERP software, OneConstruction across the Group. Once fully adopted, the ERP application will absorb real-time reporting, procure to pay functions, staff identification, project and corporate onboarding, asset management, and project delivery.

PROTECTING OUR SYSTEMS

BMD's growth and flexibility as a contractor of choice means being agile and proactive in support of smart, more efficient systems for our stakeholders. BMD is investing in our enterprise architecture, systems applications, and data management through short- and long-term plans to ensure the ongoing digital advancement of all areas of our business.

Safeguarding the integrity of our information technology (IT) systems remains an essential priority. Our commitment to a unified system across diverse markets persists and we are on track to boosting productivity, functionality and accessibility across our projects without compromising critical information.

We are proactive in our approach to preventing cyber security attacks and we understand this to be an ongoing journey where our investment will only grow. This is particularly crucial in the finance, defence and international sectors where our people are regularly provided with the resources required to protect the integrity of bank details and private information.



CASE STUDY
AUSTRALIAN FIRST SAFETY TECHNOLOGY

Project: Mickleham Road Upgrade – Stage 1 | **Client:** Major Road Projects Victoria (MRPV)

Heavy vehicles operating on the Mickleham Road Upgrade - Stage 1 project are travelling safer as the first in Australia to benefit from new safety technology, MAX-SAFE.

The pioneering technology has been installed in a selection of heavy vehicles being used on the road upgrade, with the attention-grabbing audible and flashing light alert system set to help reduce the likelihood of unexpected collisions on the project.

The new MAX-SAFE system incorporates automatic detection capabilities within heavy vehicles, ensuring operators inside the cabin are promptly notified when vulnerable road users, such as pedestrians, cyclists, or scooter riders, are in proximity, especially during left-hand turning manoeuvres.

The MAX-SAFE initiative materialised following an early site walk-through between BMD and MRPV that highlighted the risks of vulnerable road users around the project site, with a high level of student pedestrian traffic from surrounding schools.

The advanced Side View™ technology used by the safety system is driven by artificial intelligence and smart cameras and has been specifically designed to identify vulnerable road users around the job site, making it capable of distinguishing them from other objects or obstructions to increase safety measures for the project’s lifespan.



Year in review

BMD CONSTRUCTIONS

Achieved record turnover of
\$1.22 billion
46% growth YoY

12 projects
awarded

11 projects
successfully delivered

83%
of projects were for
repeat clients

95% of FY24
budget secured through
pre contracts space



OUR CAPABILITY

Operating in a buoyant market, our major infrastructure division has yielded the results of hard work and commitment to deliver nation-building projects to report a record turnover in FY23 of \$1.22 billion - a substantial 46% increase year on year.

Specifically, our focused efforts on diversifying our capabilities and geographical spread this year have paid dividends as water and defence projects have become equal contributors to our transport and major infrastructure portfolio. Our people have remained the cornerstone of the business and through training and development, have supported the expansion of our capabilities across these new and existing sectors.

To that end, we have solidified our offering as the largest Australian owned civil contractor, successfully securing and delivering projects in the rail, port, transport, water and defence sectors.

MARKET UPDATE

The Australian construction industry continued its positive trajectory this year as state and federal governments leveraged infrastructure spending as part of post-COVID recovery efforts. While this opened the door for commercial success and exponential growth for the business, the industry still faced the impacts of prolonged skills shortages alongside continued escalation pressures on everyday commodities which presented challenges across all regions.

As a national contractor, we rely on our existing, positive relationships with our suppliers to forward plan, mitigate risks and reduce the impacts of nationwide resourcing concerns – this approach was critical for overcoming industry challenges. Additionally, we empowered our people to identify innovative ways to improve productivity and when needed, shift our mindset and approach to ensure deadlines were met and workflow remained consistent to meet our clients' requirements.

In the face of a competitive resource market, pressures around retaining our people grew. We adopted a retention-first approach to support our highly skilled and diverse workforce and maintain our unique ability to deliver projects ranging in value from \$1 million to \$1 billion.

Commercially, we had a positive year in the Constructions business to support the Group outcome of securing more than \$2 billion in turnover for the first time in the company's 44 years of business. This high performance materialised through a strong market position across all states and territories in which we operate.

Western Australia had the best year in its eight-year history with performance and delivery now in line with our Queensland operations. The West is currently home to our largest project on the books with the \$1 billion Armadale Line Upgrade Alliance being delivered for METRONET, illustrating the growth in our newest region. Additionally, we were awarded the Fitzroy River Bridge

project in the state's Kimberley region. As a business, we boast a unique ability to operate in regional and rural communities and this project combines our traditional infrastructure expertise with our rural work capabilities.

We have continued to demonstrate the value of our synergetic nature in the face of the industry's shift towards collaborative contracting models. Our people have built strong relationships with our clients through these models as we collectively strive towards best for project outcomes. This has transpired over the last few years with approximately 60% of our work completed through a collaborative contract model enabling sustainable, long-term planning across the business.

ACHIEVEMENTS

Our focus on diversification led to growth in the water and wastewater sector this year, which now represents almost 30% of our work in hand. As a key focus for the business, we have invested in training and upskilling our people to deliver projects in this sector across all regions.

In New South Wales, we successfully secured the Richmond System Wastewater Upgrade in Sydney's west. Adding to our achievements in the southern region, BMD Constructions was named a South East Water Integrated Program Delivery Partner in Victoria to secure 10 years of a consistent and reliable income stream upon which the business can forward plan effectively and provide sustainable opportunities for our people.

In Queensland, we secured BMD's largest water contract to date through the \$714 million Fitzroy to Gladstone Pipeline project. The technically challenging project is being delivered in a collaborative style contract for the Gladstone Area Water Board. Securing this contract was also a testament to our unique capability together with our ability to resource projects in regional locations.

The defence sector was another area of significant growth for BMD, notably at RAAF Base Tindal in the Northern Territory which has continued to yield returns as a project that has grown to deliver more than \$500 million worth of work in hand at the base. We have a long-standing history delivering defence projects across Australia, particularly in the Northern Territory, and our focus remains on growing this space in the future.

Also in the Territory, 12-months of effort in the pre contracts and commercial space materialised through the award of the Darwin Ship Lift joint venture contract. This project will build on our global capacity to deliver marine projects, which is a key capability and focus area for our offshore business in the Philippines, Prime BMD.

In Victoria, we have been expanding our resources and renewables capabilities as work commenced on the Hawkesdale Wind Farm where we are delivering the Balance of Plant works for Global Power Generation, Naturgy's international power generation subsidiary.

We continued our portfolio growth in the aviation sector with our projects at Western Sydney International Airport, including delivering the airside apron construction as a subcontractor to Multiplex and our joint venture with Seymour Whyte delivering a \$400 million landside and building works package.

OUR PEOPLE

BMD Constructions has gone from strength to strength and our people are critical to this success. This year, we welcomed an additional 385 people into the business, increasing our workforce by 55% across the country.

As we face challenges in the resourcing space, we have been investing in retention more than ever before. Led by our Human Resources team, we have introduced several initiatives focused on the sustainable engagement of our employees. New starter days have become an important part of this strategy where we introduce new team members to the BMD way.

We have consistently met our project targets for diversity across the business. Nationally, we are proud to have achieved over 20% of our team being women and in Victoria, this number sits at 34% as we continue to support opportunities for women to succeed in the industry.

FUTURE DIRECTION

Looking ahead, we will continue to explore opportunities in the water and wastewater and defence sectors, both of which remain a key focus in our national strategy. Across the business, we are investing in the right people and in training and development programs alongside key infrastructure bodies, to ensure our workforce is equipped with the skills to thrive in this space.

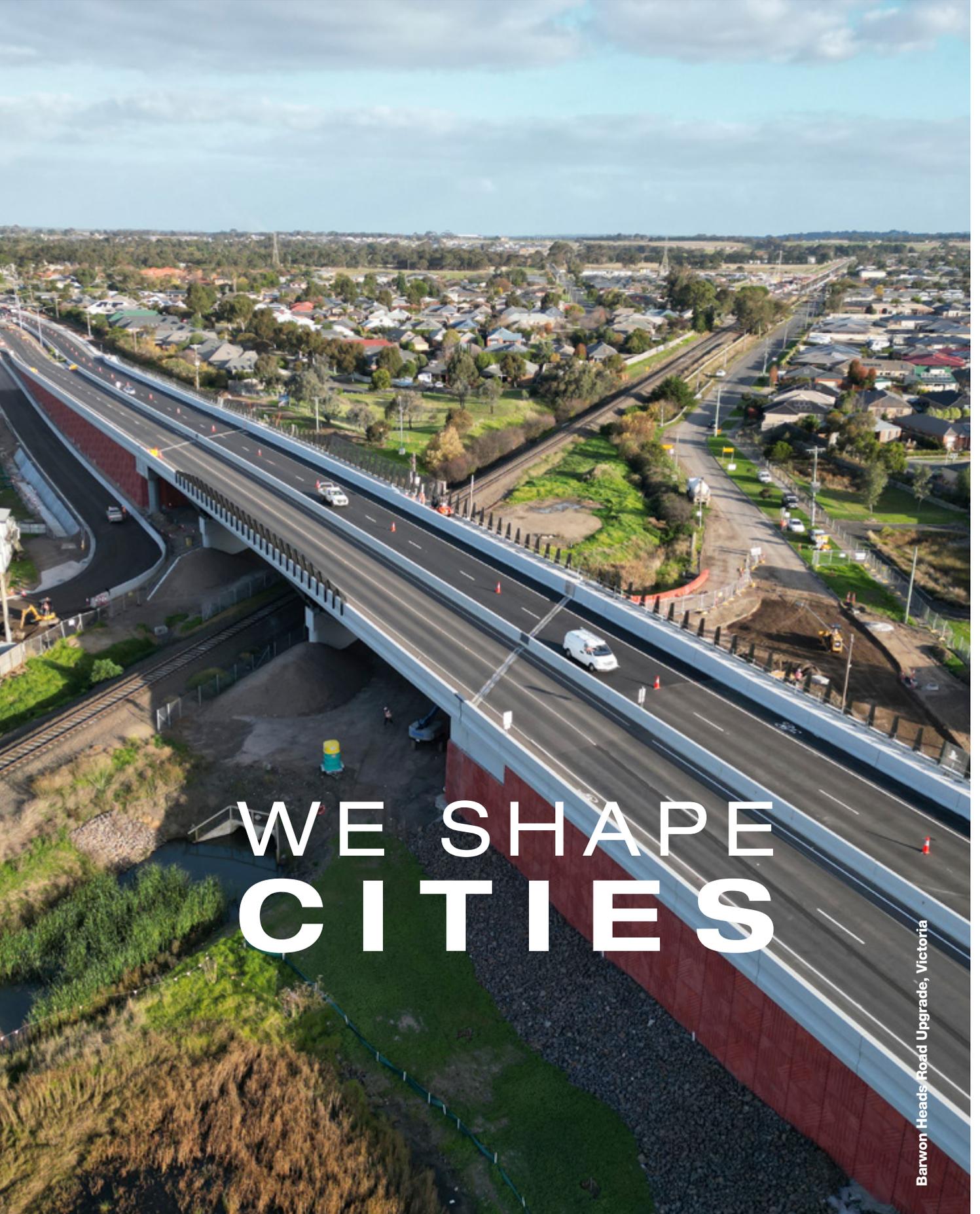
Renewables are also a significant growth sector, and we are leveraging our experience delivering the Crookwell Wind Farm in 2018 and the currently progressing Hawkesdale Wind Farm to provide innovative, cost effective and reliable solutions for clients.

Through our strong national footprint and our proven track record of delivering projects in regional and remote areas, we are well-positioned to support growth industries in the energy and renewables sector, such as hydrogen and pumped hydropower in the coming years.

The transport sector will remain a core feature in our national strategy as we continue to support our clients to deliver major infrastructure projects and build on our extensive experience and capabilities.

Above all else, our focus remains on the safety of our workforce, and we are developing a three-year safety strategy designed to help our people reach their full potential in terms of personal safety leadership. As part of this process, we will be increasing our investment in training and development across the board to not just improve on safety results but also increase the capability of our workforce.

We are also mindful of providing the right opportunities for our future leaders and key to this is continuing to explore smaller scale projects that provide the opportunity for our people in the foundational phase of their career to receive the hands-on experiences necessary for delivering nation-building projects.



WE SHAPE CITIES

Barwon Heads Road Upgrade, Victoria

Year in review

BMD URBAN

Over \$630
million in turnover

\$340 million
worth of work won

2432 lots
awarded across the year

76 projects
reached practical completion



OUR CAPABILITY

BMD's capability in the urban development space this year has solidified our position as one of Australia's largest urban development contractors. Our Urban business forms the foundation of our integrated delivery model and has been operating since our establishment in 1979. Our ability to deliver integrated services for whole-of-life project delivery to the urban development sector paired with our relationship-based approach to business has continued to set us apart in a competitive market.

Our urban division continued its diversification trajectory this year across our three key focus areas of residential subdivision developments, detailed infrastructure works and work within the water and wastewater sector.

MARKET UPDATE

BMD Urban had a very successful year - particularly in North Queensland which continues to deliver strong outcomes due to existing relationships with state and local governments and the private sector. North Queensland continued to contribute significantly to the BMD Urban results again this year.

In South Australia, our focus has been in the residential land space, which took off at a pace we haven't seen since first entering the region in 2007. Our strong relationship with Walker Corporation has been a key driver in the residential development sector, as we continue to deliver multiple works as part of the Riverlea residential development project.

Our South East Queensland teams also had a highly productive year, particularly in the second half with several infrastructure projects awarded and commencing works, including significant progress delivered for the Springfield Greenbank Arterial Road project for Ipswich City Council and the commencement of works on the Bellavista Boulevard Duplication project for Stockland.

ACHIEVEMENTS

Our performance this year was a testament to the dedication of our people. We reached practical completion on 76 projects and secured \$340 million worth of work, primarily through land development with 2432 lots secured.

Our continued focus on HSEQ Excellence has seen results this year, particularly in the safety space where we saw a 32% reduction in our total recordable injury frequency rate (TRIFR) nationally and a three-time reduction in our lost time injury frequency rate (LTIFR). The key to this success was the increased focus on 'line of fire' training, which included proactive education and empowering business leaders and the workforce to become safety advocates. The campaign was designed to reduce preventable 'line of fire' incidents by highlighting the risks and mitigation tactics through an awareness campaign rolled out across toolbox talks, through onsite collateral such as awareness posters and during pre-start discussions.

Additionally, we continued to implement our PPE Perfect initiative which helps our people set an example in bringing the correct and accurately fitting PPE to work.

In the Australian Capital Territory, we reached practical completion on our works as part of the Gundaroo Drive Duplication project (formerly William Slim Drive) for ACT Government. The project faced substantial challenges, particularly surrounding the skills shortage requiring a number of our people to relocate for the works, with the successful on time and on budget outcome being significant for our client and our business.

In North Queensland, our upgrade works on the Bruce Highway from Bowen to Proserpine reached practical completion as part of the Bruce Highway Upgrade Program (BHUP). Our success on this project highlighted our unique ability to operate within regional communities and recognises our ongoing achievements working with the Department of Transport and Main Roads.

We reached the halfway point on the Gold Coast Turf Club (GCTC) Track, Tunnel and Lights project for the Queensland Government, Racing Queensland and the GCTC. Once completed, the \$63 million upgrade will boast refurbished existing tracks, new lights for night racing, an equine tunnel to the infield and a new all-weather synthetic track.

In the Top End, we reached practical completion on the Muirhead North Stage 1A project being delivered for Defence Housing Australia. We were awarded the 200-lot contract following the successful completion of Stages 1-7, demonstrating our commitment to delivering quality project outcomes leading to repeat work.

In Victoria, we reached practical competition on the three packages we delivered for the Banksia Upgrades at Melbourne Airport. The project was completed on time and with no major interruptions to Melbourne Airport operations across nine major shutdowns, and over 59,407 hours worked without a recordable injury, which was a credit to the project team who navigated expected challenges of existing services, additional scope and micro tunnelling.

We also reached practical completion on the Atherstone development project in Melbourne's west, which included eight subdivision projects and two main roads delivered for Lendlease and Melton City Council. The multi-staged project was a significant example of our outstanding project work in the land development sector as works were delivered on time, within budget and safely.

Over in Western Australia we successfully reached practical completion on Cecil Avenue East in Perth where we were engaged by City of Canning to deliver a functional and flexible streetscape with a slick metropolis feel. The project was delivered in five key stages with collaboration essential for success due to a multitude of stakeholders involved in the project.



Muirhead North Stage 1A, Northern Territory

CHALLENGES

While operating in a more stable environment than the previous years of disruption, resourcing remained the biggest challenge facing the industry. We felt the impacts of a global workforce shortage, which prompted a consolidation of our resources to focus on the key growth areas of Queensland, South Australia, Victoria and the Northern Territory. Through this move, we were able to improve our services and focus on delivering quality outcomes across high value projects.

During these challenges, the strength and resilience of our people has shone through, ensuring that our projects and clients were not impacted by resourcing concerns felt by the industry. Our collaborative contracting model was critical in delivering quality work on our projects as we could rely on existing relationships, from subcontractors to suppliers, to deliver the best results for our clients.

FUTURE DIRECTION

As we look to the future, our focus is set on expanding our capabilities across key growth sectors including residential, infrastructure, water and wastewater and commercial building (in South Australia) while remaining true to our residential and commercial land development legacy.

Finding the right people for the right roles across BMD Urban is critical to our growth strategy and providing the training and resources to succeed in new and emerging sectors for our business will remain a top priority. As an example, over the last few years we have bolstered our capability delivering specialist projects in the water and wastewater sector by equipping our people with the relevant training and experience to deliver quality projects in this space.

Key to our success has been our ability to self-perform critical elements in many cases versus subcontracting these activities. Self-performance of earthworks, sewer, water, stormwater reticulation along with gas, communications and electrical conduits has been business as usual since inception.

We are adding to these capabilities with our own kerb machines and retaining wall crews to provide supply chain surety across these services.

As part of our strategic plan, we will continue to build a profitable and sustainable business by focusing on our people, growth and industry relationships in order to deliver operational excellence.



WE CONNECT COMMUNITIES

Year in review

EMPOWER

Over
90 projects
awarded

More than
150 projects
completed

OUR CAPABILITY

Empower continues to enhance our reputation for delivering increasingly technically complex projects, by coupling extensive in-house expertise with allied specialist companies.

We are improving our capability in project managing broader design teams to deliver services in new sectors and locations nationally. We specialise in residential, commercial and industrial development, infrastructure and resource projects across metropolitan, regional and remote areas.

MARKET UPDATE

As raw land sales softened, primarily due to pressures from interest rates and uncertainties in the construction industry, we shifted our focus to new and creative solutions. This enabled us to achieve excellence in the master planning of our bigger communities, such as The Heights, Zuccoli and more recently Southern Thornlands.

Activities within the built form sector also softened this financial year and we worked closely with these clients to ensure their developments continued to be serviced. Getting approvals in place for the inevitable pickup was a key focus across the year.

The slowing in the development market has coincided with an uptick in the infrastructure market. With this market movement, our involvement in the provision of construction contractor services has been on the rise and is expected to remain positive for some time to come.

Strategic collaborations with Urbex as part of the BMD Group's vertical integration model has continued to enhance Empower's capabilities. Along this line of action, we also focused on delivering construction contractor services, including built form, complex document management, erosion and sediment control and temporary road works, across infrastructure developments with BMD Constructions and BMD Urban.

ACHIEVEMENTS

Empower has consistently met revenue targets and this year was no exception as we experienced steady growth across the board. Over the past year, we have consistently delivered responsive solutions to our clients, demonstrating our commitment to supporting our internal business operations and building on well-established foundations with external clients. Diversification of our portfolio has seen a strong pipeline of work in hand as well as moving into urban design and landscaping, and sustainability design.

We achieved practical completion of the Minnippi Golf Course in Cannon Hill, Queensland, a highly intricate engineering project that had been in the works for over two decades - a major milestone for our business. As the project grew, challenges around the environmental and sustainability design became evident. To ensure these impacts were not felt through the program and had minimal impacts on the client, we strategically leveraged the BMD Group's vertically integrated business model to deliver innovative solutions. These included the implementation of stormwater harvesting and management, as well as the use of recycled railway sleepers as sand bunkers, resulting in substantial cost savings for the client should the site experience flooding.

Also in Queensland, we successfully completed all activities as part of the Capestone development in Mango Hill. The master planned community was delivered alongside Urbex and included over 2000 lots. The project was also inclusive of the first new railway station built in the region in several years, a recycled saltwater lake, complex earthworks management and land development. While the project wasn't without challenges, its completion was the result of our ability to collaborate across the BMD Group on community-building projects.

Empower has a long history of working within regional and remote communities, which was leveraged to secure the Northern Peninsula Area Regional Council (NPARC) Water Infrastructure - Design and Project Services project in Bamaga, Far North Queensland for the Queensland Government's Department of State Development, Infrastructure, Local Government and Planning. As part of the project, we have been engaged to design a 2.5-kilometre trunk water main replacement and prepare a technical specification for the relining of six water balancing tanks in the remote Northern Peninsula Area. We look forward to growing our water infrastructure experience through this project.

We are proud of what we have achieved through our construction contractor services this year, which has seen Empower contribute to the Douglas Water Treatment and Deception Bay Interchange projects in Queensland and the RAAF Base Tindal project in the Northern Territory alongside BMD Constructions.

FUTURE DIRECTION

We are continually striving to do better by focusing on our strengths and looking at ways to collaborate with new and existing clients. With that, we seek to maintain our position as market leaders in residential land development and master planning.

We are also investing in digital engineering innovation to improve the time and effort required to produce highly detailed and professional models. The intent is to experiment with how this data flows between government and regulators, clients, consultants and construction contractors to better understand how the data is used. This area of modernisation is an important step in producing better outcomes for the future.

Another area of growth identified for Empower is continuing to deliver quality solutions within regional and remote communities, particularly in Far North Queensland and Western Australia where we have delivered proven outcomes of resilient essential services for Aboriginal and Torres Strait Islander peoples. Looking ahead, we are set to explore more prospects in these regions.

With the construction industry ever evolving, we continue to drive our vision by delivering industry leading services, challenging our people, being the engineers of choice, and identifying profitable opportunities.

Year in review

JMAC

Over
\$61 million
in turnover

Pipeline of
\$70 million
work in hand

53 major projects
secured and over 70 minor
works awarded

90%
of work was secured from
repeat clients

42 projects
reached practical completion



OUR CAPABILITY

Combining capabilities in both landscape construction and building, JMac Constructions has the expertise to deliver beautiful outdoor spaces and state-of-the-art buildings to clients and communities across Australia. With our ongoing success reflected through long-term relationships and a strong network of subcontractors, JMac is continuing to build on momentum and is strongly positioned for the new fiscal year.

Across the business, we have made a clear distinction across our two main capabilities – building and landscape construction – which contribute to 30% and 70% of our work across Australia respectively.

ACHIEVEMENTS

JMac has continued to build on our commercial landscape origins while securing a pipeline of more than \$25 million worth of building work over the last year contributing to our \$70 million of work in hand.

This diversification has been well-received by the industry and our repeat clients, particularly local and state governments with key project wins in South East Queensland, including the Kooralbyn International School and projects for Logan City, Brisbane City and City of Gold Coast councils.

A recent push to open new park, sporting and recreational amenities has also helped to boost landscape construction work for JMac. Our ability to provide value for money combined with the outstanding quality of the projects we deliver has ensured that we continue to be the repeat contractor of choice for many local councils.

Major projects for councils include Pioneer Valley Mountain Bike Trails (Mackay City Council), playground and sports courts for the Bruce Comben Reserve (Hobson Bay Council) and a range of projects for Townsville City Council.

JMac has experienced multistorey building success with work progressing on Wellington Street in South East Queensland, which is our first standalone residential building project due for completion in early 2024. Setting a benchmark for our building capabilities, this \$10 million project is also the first of its size and scale for our team.

Collaboration remains at the heart of JMac operations, with successful combined projects underway including the Hillside Mooloolah Valley residential development for Urbex and the SCT Modal and Brisbane Metro projects for BMD Urban and BMD Constructions.

Remaining true to our founding origins, JMac continues to successfully construct unique landscapes of all shapes and forms including streetscapes, boardwalks, buildings and other structures, sporting facilities, playgrounds, parklands and water play areas.

JMac was the principal contractor for the Southport Broadwater Parklands Play Attraction which won the 2023 awards for Play Spaces and People's Choice from the Australian Institute of Landscape Architects (QLD). We completed the destination playground for City of Gold Coast in 2022 and the unique play space was awarded due to its capability for play across all ages and abilities.

This year we achieved a major milestone in the sporting and infrastructure market as we reached practical completion on the multi-million-dollar sporting precinct SomerFields delivered for Somerville House in Brisbane, Queensland. The precinct includes six fields, ten multipurpose courts and a 400 metre, eight-lane grass track with areas for throws and jumps to be used for athletics, cricket, hockey, football, netball, softball, touch and tennis.

JMac has continued to evolve and expand our portfolio of work and as a result we have completed some unique projects, including the installation of the light towers at the Brighton Homes Arena in Springfield, Queensland, the new home of the Brisbane Lions AFLW team. The project was an impressive achievement for our team with the successful erection of four 50-metre light towers, weighing just over 20 tonnes each highlighting JMac's adaptability and capacity to provide tailored solutions for our clients.

We continue to build on our reach in both metropolitan and regional areas, with 70% of JMac's turnover generated from South East Queensland, 18% from North Queensland and 12% from Victoria.

OUR PEOPLE

Resourcing concerns continue to pose workforce challenges across the industry but our established relationships, loyal and long-standing staff and proactive approach to procurement has helped to minimise the impacts on our projects.

With a focus and commitment to training and upskilling our people, we are proud that 40% of our workforce have been with the business for more than a decade.

Our performance this year has highlighted that our business is our people, and we continue to be the contractor of choice for larger and more complicated open space and public infrastructure projects, and our focus is on emerging as a key player in the building infrastructure space.

FUTURE DIRECTION

Looking to the future, JMac will continue to grow by capitalising on existing private and public client partnerships and seeking to expand our diverse capabilities and offerings. With the Brisbane 2032 Summer Olympic Games fast approaching, the sporting and infrastructure market has become a focal point for our business more than ever before. We are set to leverage our previous success and grow our strong client relationships to secure projects within this space over the coming years.



Year in review

URBEX



Minnippi Golf Course, Queensland



OUR CAPABILITY

Urbex continues its trajectory as a major player in the Australian development market and an innovator of residential and commercial development, delivering best practice in project structuring, planning, management, delivery and marketing.

We undertake development projects in sole ownership, joint venture and consortium partnerships across Brisbane, Sydney, Melbourne, Darwin, Perth, Cairns, Townsville and Mackay. Urbex's key markets span both urban and regional areas, showcasing our adaptability and commitment to delivering the best possible results to clients and communities.

Our unique offering lies in the BMD Group's business units working in vertical integration with one another to provide driven teams who deliver value for money and innovative engineering solutions. By drawing on the skills and capability of the BMD business to approach projects as a single unit, margin costs are reduced, local resources are leveraged, and program delays are met with constructible solutions for an expedited delivery and high quality finish.

ACHIEVEMENTS

FY23 has been a year of both challenges and achievements at Urbex. In the face of various market pressures, we continued to demonstrate our prowess in the Australian development market.

Our commitment to innovation and geographical diversity has enabled us to effectively overcome the challenges presented by supply chain disruptions in a highly constrained development environment.

We prioritised our areas of expertise, continually explored new capabilities, and pursued comprehensive solutions through the BMD Group's integrated business model, allowing for the successful delivery of land despite these challenges. This achievement stands in contrast to other developers that were forced to suspend their delivery programs due to supply chain issues and a constrained development environment.

We had a busy year across all regions but particularly in Queensland with the successful completion of the Minnippi Golf Course, which forms part of the Minnippi Residential Community in Cannon Hill. This showcase project highlighted our vertical integration model by utilising BMD Urban, Empower Engineers and Project Managers and JMac Constructions throughout.

Construction commenced on The Wellington Collection, a \$22 million luxury development in Brisbane's Manly. The project is one of the first being delivered through our new above ground development division Urbex Living, which was launched late 2021.

In North Queensland, we commenced construction on the Somers & Hervey Estate in Townsville, marking our eighth master planned community in the region since 2003.

In the Northern Territory, we completed a 10,000 square metre community park at Zuccoli Village which was launched through a successful community event. Additionally, we completed Phase 3.6 and commenced Phase 3.7 of the project.

Progress continues on the Mandalay Estate in Victoria, a project managed by the Newlands Group in joint venture with Urbex. The project is further facilitated through the integrated service offering provided by BMD Urban and JMac. Notably, this development has achieved record-breaking sales this year, a result of the project team's commitment to delivering a community that upholds the highest standards in planning and urban design.

To the west - our first Western Australia project - Homebrook Gosnells in Perth has been progressing well with over 50% of lots sold by the end of June 2023. The ongoing success of this project highlights our adaptability when operating in new markets.

Nationally, we sold over 480 lots and brought 211 to market. We had 13 active residential estates available for public purchases across the year and maintained a consistent schedule of land releases to the market, with new releases occurring every four weeks.

Urbex Acquisitions has had remarkable success this year securing prime sites within the strategic targeted growth areas of South East Queensland and we look forward to celebrating further achievements in line with our national strategic approach to expand geographically and diversify our portfolio.

OUR PEOPLE

The achievements across our projects this year are the result of contributions by exceptional and diverse individuals who comprise Urbex nationwide. In the past 12 months, our staff retention rate has remained robust and we expanded our team in response to our growing portfolio, specifically by strengthening our marketing and development teams.

Strategic collaborations with Empower, BMD Urban, and JMac have enhanced Urbex's capabilities, enabling the use of shared expertise and resources to drive successful project outcomes throughout the year, despite the unpredictable market conditions.

CHALLENGES

This year, Urbex faced unique challenges in the shifting real estate market, with interest rate hikes and tighter lending criteria alongside supply chain, and labour cost constraints impacting civil development and housing construction. To address these challenges, we focused on our continued expansion, sourcing new capital partners to manage equity and debt requirements effectively.

The rate hike cycle placed significant pressure on the affordability of homes, affecting potential buyers' purchasing power. Alongside this, stricter lending criteria set by mortgage providers has made it more challenging for potential buyers to secure finance, contributing to a subdued market environment.

We also grappled with ongoing supply chain constraints and increased labour costs, leading to delays and cost overruns across construction and negatively impacted consumer sentiment towards building new homes. To overcome these challenges, we were proud to lean on existing long-term relationships with the BMD Group's supply chain to minimise program delays and mitigate further risks. Our industry relationships were also effective in assuring our clients of our ability to navigate the unstable market as we work towards long-term success and growth through a project-first approach.

FUTURE DIRECTION

We have strengthened our expertise significantly over the last few years, particularly with the recent introduction of Urbex Living, and we will continue to focus on innovation and exploring new capabilities as a way of capitalising on emerging opportunities, new markets, and providing end-to-end solutions through the BMD Group's unique offering.

Due to the recent increased demand on land, we've been aggressively chasing down new opportunities and sites for master planned communities across Australia.

Whilst we have a national focus, our priority is currently the development of South East Queensland where opportunities are rapidly increasing.

Our long-term projections are incredibly strong, despite the challenges facing the industry, and we expect to see an uptick in growth in those key locations as early as mid-next year.

We're also seeing increased appetite for the likes of Perth and Melbourne where we are currently identifying partnership opportunities. We are working with all types of governments to unlock land that is of a suitable quality for master planned communities in these identified areas.

Project excellence

The construction of the Minnippi Golf Course in Cannon Hill, Queensland, Brisbane's first public golf course in more than 70 years, was successfully completed in July 2023 after a three-year development and construction period as part of the Minnippi Residential Estate.

A 10,000 square metre community park was completed at Zuccoli Village in the Northern Territory, along with a successful community event launch which marked a significant accomplishment.

Mandalay in Victoria achieved record-breaking sales. Under a joint venture partnership between Newlands Group and Urbex, we have been delivering the 'resort-living' community since 2008 alongside BMD Urban and JMac. The development is located just 40 minutes from Melbourne's CBD.

Construction commenced on The Wellington Collection in late September 2022, an exclusive collection of six luxurious apartments and two stunning townhomes in Manly, Queensland. The development launched to market in late 2021 and has an anticipated completion date of late March 2024.

Construction of The Banks at Logan Reserve, Queensland was completed in early 2023, with almost all of the 200 lots sold.

Bulk earthworks on Stage 21C commenced and construction of the 12.8-hectare lake at Capestone at Mango Hill, Queensland was completed. Demand for the development has remained high, with over 60% of the lots sold in a sub-release.

Construction has commenced on two of the seven planned beachfront, two-storey homes as part of The Beach Collective development at Dunes Harbour Beach Mackay, Queensland.

Progress is continuing successfully at the Arc on the Point development in the Redlands, Queensland with Stage 3 commencing this year. Embracing 25 beautiful hectares of the district, Arc on the Point will feature nearly four hectares of open space, parkland, neighbouring playgrounds, picnic ground and conservation areas.

50% of the land at Homebrook Gosnells in Perth, Urbex's first Western Australia project, sold this year. The development only launched in 2022 and is a testament to our ability to successfully adapt to new markets.

Progress on construction of Stages 3 and 4 of Hillside Mooloolah Valley continued successfully in Queensland with two exclusive land releases launched in mid-2023. The residential community is set amongst approximately 40 hectares of nature, open space and waterway corridors in the Sunshine Coast's peaceful and relaxed Mooloolah Valley.

Construction commenced on the first stage of Somers & Hervey in Townsville, Queensland, and the project was launched for registration of interest. The newly developed residential master planned community is located in the scenic Upper Ross region of Townsville's south-west.



**WE SEE THINGS
DIFFERENTLY**

Year in review

PRIME BMD



OUR CAPABILITY

Our operations in the Philippines, as Prime BMD see us working across marine, dredging, water and general infrastructure. We are focused on providing innovative, relevant and environmentally conscious infrastructure solutions for communities in the Philippines and beyond, built timely, consistently and safely. In April 2023, we celebrated six years of operation in the region. By valuing our people and collaborating with our partners, we continue to deliver exceptional services with sustainable outcomes.

ACHIEVEMENTS

Over the last financial year, Prime BMD delivered a record turnover and secured 12 new projects, with the majority being for repeat clients. This marks the highest tender strike rate in our relatively short history of operating in the Philippines and makes for a positive 2024 as political stability is expected to bring increased investment and market certainty.

The water sector in Metro Manila continues to provide opportunities for Prime BMD, and we are set to leverage our experience in this sector to capitalise on these prospects. We successfully completed the Cabading Reservoir and Booster Pump Station, a design and construct project in the Rizal Province that will deliver 80 million litres of treated water to the east zone concession area for Manila Water.

Work continues as part of our five-year dredging campaign with International Container Terminal Services, Inc (ICTSI) at the Cavite Gateway Terminal in Tanza. We have identified this as another key growth sector for the business, with it offering the potential for further geographical expansion. On the back of this growth, we have doubled our marine fleet in this period.

The marine infrastructure sector has remained a profitable area for our business, with two major projects secured over the year. We were awarded the design and construct contract for the new marine facility at the Manila International Airport for Boskalis - which will be our first project with this client.

Another new client welcomed to our portfolio this year was renewable energy developer, AC Energy. We have been engaged under an Early Contractor Involvement (ECI) contract to develop the concept of a jetty facility for their wind turbine components. AC Energy plans to develop a wind farm along the Philippines' eastern seaboard, and we hope to convert the ECI into ongoing works and the construction of the jetty.

Our consistent growth has been made possible through our relationship-based approach to contracting, which has resulted in delivering the majority of projects for repeat clients. Through this approach, we have secured another two contracts for ICTSI, including delivering Berth 8 at the Manila International Container Terminal and Basin Dredging. To date, we have secured 10 projects for ICTSI, and we look forward to continuing our partnership as we work towards a combined goal of delivering

sustainable growth in the marine sector. Work has commenced in delivering the East Bay Water Treatment Plant in consortium with Acciona for Manila Water. With increased investment in water infrastructure projects in Manila in response to the growing population, this project will provide an exciting opportunity for us to expand our capabilities in this space.

OUR PEOPLE

We have experienced continued growth of our workforce to align with our expansion, and this year we focused on training and development, particularly around leadership and cultural diversity. At Prime BMD, our business is our people, and we are entering an exciting time of growth and career advancement for our workforce with the diversification of our offerings.

Safety remains the number one priority across all areas of operation. Over the last year, we recorded 12 million hours of work across our operations, and our total recordable injury frequency rate (TRIFR) remains at one. However, we continue to strive towards achieving HSEQ Excellence. As part of this commitment, we rolled out an internal campaign aimed at improving safety outcomes by empowering our people to become safety advocates on their projects and encouraging additional reporting.

CHALLENGES

The Philippines' construction sector, like most markets, continues to face a challenging inflationary environment with the escalation of material costs. However, we were able to overcome this by relying on our industry connections to secure the best-priced materials.

We also experienced (and continue to experience) the skills shortage felt globally, which was exacerbated by the global demand for Filipino resources. As such, we implemented a retention strategy designed to support the growth and development of our workforce, and we are proud to have several of our people celebrating five or more years with our business.

FUTURE DIRECTION

With political stability increasing market certainty, Prime BMD is embarking on an exciting time of potential growth. Our record tender strike rate has been matched by a recent commitment to additional capital expenditure in plant and equipment to support this growth. The water and wastewater, marine and dredging markets provide opportunities for expansion, and we will continue to leverage our experience in these sectors while remaining focused on diversifying our capabilities to future-proof operations. We will also continue to invest in our people, technology, and equipment as part of this. In early 2023, we moved into a new office space in Makati City that provides more space to collaborate and expand our workforce, which is critical as we look to grow our footprint in the Philippines and beyond.

BMD now in the UK

ACQUISITION

BMD's geographical diversification strategy focuses on delivering sustainable growth. We have continued to maximise opportunities, which this year presented us with expansion to the United Kingdom. In January of 2023, the BMD Group entered the UK market, leading to the acquisition of local infrastructure consultancy, TUSP (the ultimate solutions partner) to form TUSP powered by BMD in April 2023.

For two decades, TUSP has been working within the transport, rail and construction industries. Building on our approach to establish local teams, the acquisition aligned with our goal of ongoing global expansion and diversification, following on from our successes in Australia and internationally with Prime BMD.

OUR CAPABILITIES

No matter which region of the globe we operate, our approach to business remains consistent. Collaboration is at the core of our success, and we deliver a partner-based approach with our clients in the UK as we provide advice on strategic direction and support project performance.

Seeing things differently in our approach to solving our clients' challenges, we offer specialist services backed by traditional and innovative consulting methods. Through the amalgamation of our Australian and UK expertise, our combined leadership capabilities sit amongst the top consultancy firms globally.

Demonstrating strength in our offshore operations just months after the acquisition, TUSP powered by BMD was selected as an expert consultant by the UK's Department for Transport to support rail and other transport mode agreements, major projects and programs, and its policy and strategic work in transport. Worth up to £600 million and run over an initial three-year period, the entire framework will call upon TUSP to provide expert consulting services for transportation project and program management.

OUR PEOPLE

The acquisition of TUSP represents an exciting opportunity not just for the growth of our business but for our people. This year, we recruited 16 talented Australians to relocate to the UK to join a dynamic environment blending both Australian and British knowledge and expertise.

With diverse skills, experience, and fresh perspectives, these individuals join the collaborative team to drive UK projects to new heights, fostering a greater alliance and exciting innovations.

FUTURE DIRECTION

Our UK operations are set to climb as we combine local forces and global expertise to grow our portfolio in the transport, energy, defence and infrastructure sectors.

As a result of record levels of investment, the UK market is experiencing an unprecedented demand for engineers and project managers, which provides both a challenge and opportunity to our business as we grow our workforce.

The water and wastewater sector is presenting as an emerging market, and we intend to leverage our expertise in this sector from Australia to bolster our capability and support the diversification of our portfolio in this space.

Finally, the AUKUS program of work presents a unique opportunity for our UK operations, and we have expanded into three new geographic locations - Derby, Barrow-in-Furness and Devonport - to accommodate this.



Delivering city shaping infrastructure



We have a proud history of delivering transformative major infrastructure, vital to the needs of Australian cities and communities.



MITCHELL FREEWAY EXTENSION, WA

| Main Roads Western Australia | \$232 million

BMD's joint venture team, the Mitchell Freeway Extension Joint Venture (MEJV), was engaged to construct the 5.6-kilometre Mitchell Freeway Extension from Hester Avenue to Romeo Road to deliver a new, high-standard north-south transport link in Perth's northwest.

From the project's outset, a priority focus for MEJV, Main Roads and all stakeholders was the reduction of environmental impacts of the project through both material reduction and product substitution. Into delivery, MEJV made significant achievements in the areas of sustainability, local participation, contributing to the growth of Western Australia's construction industry, and providing opportunities for Aboriginal peoples.



MT CROSBY EAST BANK WATER TREATMENT PLANT FILTER UPGRADE, QLD

| Seqwater | \$38.5 million

BMD was engaged to deliver upgrade works at the Mt Crosby Water Treatment Plant in the western suburbs of Brisbane. The treatment plant is a critical asset for the safe delivery and supply of over 50% of the water produced by the utility provider for South East Queensland.

Given the project was undertaken in a fully operational water treatment plant, maintaining operations was key to the success of the project. Through careful planning and staging, BMD successfully improved the asset life of the structure and increased sustainability of the control system with no service interruptions to South East Queensland's water supply.



FITZSIMONS LANE UPGRADE, VIC

Major Road Projects Victoria (MRPV) | \$110 million

BMD was engaged to deliver the Fitzsimons Lane Upgrade in Templestowe at Foote Street, Porter Street and Main Road, including the intersection of Main Road and Leane Drive in Eltham.

The project team successfully completed four expedited construction blitzes within the original time frames with no overruns of blitz timing, achieved practical completion five months early and delivered the project under TOC value, all while raising the bar through industry leading initiatives across sustainability and social procurement for disadvantaged Victorians.



WESTERN SYDNEY AIRPORT - LANDSIDE CIVILS AND BUILDINGS, NSW

Western Sydney International Airport | \$382 million

BMD, as part of the AeroWest joint venture, has been engaged to design and construct the Landside Civils and Buildings package at the new Western Sydney International (Nancy-Bird Walton) Airport, which involves the design and construction of carparks, roads, bridges, utilities connections, operational building and landscaping.

The project reinforces our capabilities in the delivery of infrastructure to the aviation sector and is progressing with a robust environmental management framework which includes initiatives using recycled and sustainable materials during construction to reduce emissions. Works are on track to be delivered by December 2024.



HAWKESDALE WIND FARM, VIC

Global Power Generation (GPG), Naturgy Group | \$38 million

BMD has been engaged to deliver the Civil Balance of Plant elements for the Hawkesdale Wind Farm, which includes the construction of wind turbine foundations, access roads and hardstand areas, electrical cable installation for the turbines and construction of the O&M Compound and 33kV Substation. Once complete in 2024, the windfarm will comprise of 23 turbines with a total output of approximately 97 megawatts.

Collaboration has been key to success on the current program, as well as the establishment of a permanent onsite concrete batch plant producing over 120 cubic feet per hour.



RAAF BASE TINDAL AIRFIELD WORKS AND ASSOCIATED INFRASTRUCTURE - RUNWAY AND TAXIWAY, NT

Lendlease

BMD has been engaged to deliver the apron and taxiway facilities for the KC-30A multi-role tanker fleet at the RAAF Base Tindal. The project, which is expected for completion in December 2023, includes extending the existing runway and taxiway, construction of a new aircraft movement apron and terminal pad, bulk earthworks, lighting, and service installation and relocation.

Due to the strong outcomes being delivered on this project, BMD was awarded an additional two contracts at the Northern Territory base this year, bringing our work in hand RAAF Base Tindal to more than \$500 million.

Developing Australia's communities



For more than four decades, we have been delivering urban developments and infrastructure vital to keeping Australian communities connected.



MUIRHEAD NORTH STAGE 1A, NT

Defence Housing Australia | \$7.2 million

After successfully completing Stages 1-7 of the development, BMD delivered Stage 1A of the Muirhead Estate project, comprising of 200 residential lots designed to meet the housing requirements of Australian Defence Force members serving in the Darwin area.

Completed in October 2022, the project demonstrates BMD's dedication to client satisfaction, successfully managing and engaging stakeholders, with a strong local community interest in the development.



STURT HIGHWAY JUNCTION UPGRADES, SA

Department for Infrastructure and Transport (DIT) | \$18 million

BMD was engaged to transform two existing junctions into roundabouts and add a left turn deceleration lane on the Sturt Highway in South Australia. As a major undivided rural arterial road, the Sturt Highway forms a vital connection between the Northern Expressway near Gawler in Adelaide's north and Riverland and Victoria in the east.

Despite a significant increase to the original scope, the project was completed 91 days ahead of schedule. BMD's safety-focused culture led to the delivery of the project lost time injury (LTI) free over the 33,000 hours worked.



BANKSIA UPGRADE PACKAGES, VIC

| Australia Pacific Airports - Melbourne (APAM) | \$14 million

BMD was contracted over three packages of work to deliver civil works for the Banksia Upgrade to service a new manufacturing and storage facility within Melbourne Airport's Business Park. BMD's work involved the high voltage infrastructure, Macedon Way infrastructure and civil infrastructure contracts.

Through 3D modelling, the team successfully completed 198 metres of tunnel boring, 633 metres of direction drilling and the installation of infrastructure across 131 separate service interactions without impacting existing services. The project was delivered on time and within budget with over 59,407 hours worked without a recordable injury.



Image courtesy
of City of Canning

CECIL AVENUE EAST UPGRADE, WA

| City of Canning | \$9.9 million

BMD was engaged to upgrade Cecil Avenue East through major road and landscape works as part of Perth's Canning City Centre Regeneration Program. The upgrade formed part of the Council's metropolis vision which included establishing dedicated bus lanes that could also be used by cyclists and taxis, wider footpaths, mature trees to increase the tree canopy, rain gardens, smart infrastructure, and interactive artistic features for the public to enjoy.

With high levels of interest in the project, BMD understood the upgrade's importance to the local community and was committed to delivering the works as safely and as quickly as possible, whilst still achieving the high-quality outcomes expected by all stakeholders.



GUNDAROO DRIVE (FORMERLY WILLIAM SLIM DRIVE) DUPLICATION - PACKAGE A, ACT

| ACT Government | \$17.8 million

BMD was engaged to deliver works for the duplication of Gundaroo Drive (formerly William Slim Drive) between Chuculba Crescent to Barton Highway and Ginninderra Drive to Baldwin Drive. The scope included duplication works completed with 1400 tonnes of heavy-duty dense asphalt, electrical relocation involving under boring, construction of kerb and gutters, installation of stormwater pipes, subsoil drainage, streetlight installation, and landscaping works.

BMD successfully managed unexpected challenges throughout construction, particularly relating to a workforce shortage early in the program. The project team worked collaboratively with the ACT Government to close out the project safely and successfully.



GOLD COAST TURF CLUB TRACKS AND LIGHTS PROJECT, QLD

| Gold Coast Turf Club | \$52.7 million*

BMD has been engaged to deliver the track refurbishment works and new lighting infrastructure for the Gold Coast Turf Club (GCTC). The GCTC is integral to the Queensland racing industry and BMD has demonstrated our project first commitment through the development of a strategic program that enables for horse racing events to continue regularly throughout works.

A significant achievement in innovation, the broadcast lighting associated with the program is one of the largest in Australia, with 30 and 40 metre poles being installed across 40 locations. The lighting will ensure the GCTC can increase their operating hours as it enables night-time racing events, and all works are set to be completed by December 2023.

*Value specific to BMD works.



Capestone Mango Hill, Queensland

Integrated master planning in action

Solving challenges through engineering and experience to connect and sustain communities.



This master planned community places lakeside living at its core, offering residents an unparalleled blend of relaxation and modern living.

CAPESTONE MANGO HILL, QLD

| Urbex Pty Ltd

When cultivating the concept of a unique master planned community and its distinctive value proposition, a strong emphasis was placed on establishing a connection with nature and incorporating both passive and active open spaces.

The primary community goals revolved around creating expansive and vibrant lakeside living areas, while also prioritising top-tier design and quality. The development of Capestone's parklands, green spaces, and public open areas has been thoughtfully integrated into the overall master planning process.



This acclaimed project stands as a testament to our expertise in a vertically integrated model, resulting in its award-winning status.

MINNIPPI GOLF COURSE, QLD

| Urbex Pty Ltd

Minnippi Golf Course located in Brisbane is a fresh offering and innovative golf club experience, with a focus on flexibility and inclusivity. As the first new public golf course in the city in 70 years, Minnippi has the advantage of reimagining the traditional golfing experience.

The facility is located on the site of a former council landfill, and its transformation into a golf course is central to the surrounding residential development, turning it into a community asset.

Creating vibrant community spaces

Bringing the community together through the creation of unique landscapes, sporting facilities and building infrastructure.



Seabrook Reserve Upgrade, Victoria

JMAC



SOMERFIELDS, QLD

Presbyterian and Methodist School Association (PMSA)

JMac was engaged to build the multi-million-dollar sporting precinct SomerFields, delivered for the independent all-girls boarding and day school Somerville House in Brisbane.

Setting the bar high for school facilities in South East Queensland, the precinct includes six fields, ten multipurpose courts and a 400 metre, eight-lane grass track with areas for throws and jumps to be used for athletics, cricket, hockey, football, netball, softball, touch and tennis.

This project showcased JMac's superior stakeholder management, community consultation, client communications and high-level project management skills by adding 30% more to the scope and only extending the program of works by four short weeks.



SEABROOK RESERVE, VIC

Hume City Council

JMac was engaged to deliver the Seabrook Reserve park as part of the \$2.7 million sporting and recreational project for Hume City Council.

Nestled alongside the Merlynston Creek, Sirius College and the Victorian NRL Centre of Excellence, the park featured two large shelters providing toilets, BBQs and seating areas for the general public, a large artistically designed multi-purpose court area with outdoor fitness equipment, numerous playground features including stainless steel slides, flying foxes, swings, trampolines, and a large rope climbing feature.

Combating earthwork challenges due to La Niña causing wetter than usual conditions, JMac worked closely with the Council to minimise program extensions and meet all project deadlines, ensuring the play facility could be enjoyed by the community.



CASTLE HILL HANDRAILS, QLD

Townsville City Council

In a highly complex and intricate location, JMac was engaged to remove the existing unsafe handrail and install a new compliant modular handrail system at the popular lookout and walking location, in Castle Hill in North Queensland.

Used by hundreds of people daily, Castle Hill is a major fitness hub with numerous walking tracks and visitor lookouts. The scope of works included installing approximately 350 metres of new handrail by core drilling posts into the existing granite rock.

Due to the challenging location of this project, JMac employed innovative thinking to engage helicopter lifts to move materials into position. The project was strategically managed to ensure minimal disruptions to pedestrian tracks with closures only required during the helicopter lift operations.





Exporting our unique offering offshore



BMD has operated in the Philippines since 2017 as Prime BMD, a jointly owned subsidiary with a long-term client and partner Prime Infra.

UPPER WAWA DAM PUMPING STATION, MANILA

Wawa JVCo Inc. | PhP 3.2 billion

Prime BMD has been engaged to design and construct a pumping station at the Upper Wawa Dam as part of Metropolitan Waterworks and Sewerage System's (MWSS) plan to improve water supply and delivery to Metro Manila.

The project scope includes the construction of an over 1000 metre long access tunnel, a 72.1-metre-deep shaft for the pumping station, and an almost 2000 metre conveyance pipeline. Scope also includes ongoing excavation works, backfilling and laying of river run materials for both the east to west road and access road, and east portal preparation for upcoming tunnel works.

The team is on track reach a significant milestone in late 2023 with the completion of the first tunnel as part of the project since work commenced in October 2022. This crucial tunnel will play a key role in transporting water from the Upper Wawa Dam to the pumping station, ensuring a reliable and sustainable water supply for the region.



Our leaders

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Chief Executive Officer



Craig Mortensen

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Paul Fogarty

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Dare Power

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