

# DYCOMGROUP



**DYCOMGROUP**

**CSR POLICY**

**2023**

Commercial in Confidence.

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### 1. ENVIRONMENTAL SUSTAINABILITY

This internal document has been compiled by the DyCom Group senior management team. It focuses on how the business adopts an Environmental Policy and the implementation of an Environment Management System (EMS).

It consists of three sections:

- An introduction setting out the scope of the Environmental Management Plan
- A review of the environmental aspects of DyCom's operations and their impacts
- The formal DyCom Environmental Management Plan

#### DYCOM ENVIRONMENTAL MANAGEMENT PLAN SCOPE

DyCom is an Information and Communications Technology (ICT) business based in Reservoir, Victoria.

From time to time it engages subcontractors to carry out specific tasks, mostly technical, and mostly in relation to client-related work. In August 2012 DyCom moved to its new premises in Newlands Road, Reservoir. The premises were refurbished to accommodate the staff. New air-conditioning systems were installed each with individual settings. In addition, a full building review was conducted resulting in the placement of a screen on every window to act as both a sun-filter, as well as for retention of heat in winter and cool in summer.

DyCom provides a broad range of ICT products and services to private and government customers both in Victoria and Interstate. Services include ICT system supply, deployment, on-site technical support and maintenance services. Six employees carry out business administration in the company's office. Four employees carry out sales, business development and marketing activities that involve constant travel to and from customers, prospects and other business associates. Six employees carry out technical functions that involve regular travel to and from customers and other business associates. Some employees use their personal cars for business related travel while some use the company fleet of service vehicles to carry out work activities. Work arrangements are flexible and most employees work from home or other locations with Internet connectivity.

The company head office is poorly served by public transport. It is relatively far from any train or tram lines and only serviced by two bus lines so on the occasions employees travel to work they come by car.

The company operations relate to the natural environment in a variety of ways. 'Environment' is understood as the biophysical elements that interface with human lives. These elements include air, water, soils, ecosystems, landforms other species of plants and animals. They also include human-made objects and spaces.

DyCom's management team has recognised that the company operations produce some environmental impacts in particular related to the generation of greenhouse emissions and e-waste, but these are all relatively low given the Group is basically an office-type environment. It also recognises that we live in a finite world and current natural resource consumption is unsustainable. They are reflected in the Group's environmental policy which provides the guidelines to manage the company operations with the goal of reducing the company's environmental impacts and liabilities.

The scope of DyCom's environmental management system will be limited to aspects that the management team believes that it can influence, thus recognising that while some specific impacts may be greater than others, it is unlikely that they will be influenced by the company's actions. For example it is understood that the manufacture of electronic equipment requires significant natural resources in particular mineral and metals and large amounts of fossil fuels for its production. It is not likely that its increased demand will be reduced in the short term regardless of DyCom's company actions. DyCom itself does not undertake any of the manufacturing but merely on-sells these goods with added-value services to the clients.

DyCom's Environmental Management System is based on the ISO14000 guidelines and the principle of continual improvement (Standards Australia 2004:1). It will use its Terms and Definitions and its Environmental Management Systems Model (Standards Australia 2004:5-6) to establish the company system and processes. However, in the short term it will not be certified to the ISO14000 Australian Standard.

From the company's preliminary assessment of its environmental aspects and impacts we have focussed on addressing the following environmental aspects:

- Power consumption
- e-Waste generation
- Natural resource consumption
- Fossil fuel use

### DYCOM ENVIRONMENTAL MANAGEMENT PLAN

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#### RESPONSIBILITIES

DyCom recognises that it is every employee's responsibility to improve the company's environmental performance and our small team understands company policy on this matter.

#### KEY PERFORMANCE INDICATORS

The Environmental Management Plan will set improvement targets and implement a number of Key Performance Indicators (KPIs). Key Performance Indicators will be based on the SMART framework (Simple, Measurable, Accessible, Relevant and Timely)

#### MONITORING, REVIEW AND REPORTING

DyCom's senior management team will review the business environmental performance on an annual basis to monitor progress and set improvement targets.

### MAJOR ENVIRONMENTAL ASPECTS

DyCom's Environmental Management Plan will focus on addressing environmental aspects with a level of significance of 15 or over, which includes the following (and please refer to Table 1 above):

- Power Consumption
- e-Waste Generation
- Natural Resource Consumption
- Fossil Fuel Use

All of these aspects contribute the business Environmental Footprint and Greenhouse Gas Emissions.

#### POWER CONSUMPTION

DyCom's operations consume power to provide basic office facilities such as lightning, air-conditioning, water heating, refrigeration and powering of computers, servers, telephony systems and network infrastructure systems. Electricity supply is sourced from a conventional power provider. Due to the building electrical systems there is no opportunity to sub-meter and account for the different subsystems. DyCom has set overall power consumption targets and a single KPI while implementing actions to address each of the components.

The systems that DyCom sells also consume electricity that generates Greenhouse Gas Emissions. One of the options is to inform customers of the equipment power consumption and greenhouse gas emissions generated during equipment operations. This information can be provided during the quoting process.

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### TARGETS

- Reduce the company power consumption – already achieved.
- Purchase Green Power from certified suppliers. This has been reviewed and it appears there are conflicting reports on its real effectiveness. Currently DyCom has not changed its suppliers.

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### ACTIONS

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#### IMPLEMENT REMOTE DESKTOP TECHNOLOGY (COMPLETE)

Use of thin clients has reduced energy requirements and carbon emissions due to lower power consumption

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#### FACILITATE REMOTE WORKERS (COMPLETE)

DyCom has setup information systems that allow staff to work from wherever they are located. Company policy and culture encourage staff to work from home which has a significant impact on reducing carbon emissions and energy usage due to travel.

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#### LED LIGHTING (COMPLETE)

We have 600 Square metres of office space in Reservoir and have recently completed a project to replace all lighting with energy efficient LED lighting.

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#### HEATING AND COOLING (COMPLETE)

We removed the centralised heating and cooling system and implemented an efficient system that provides heating and cooling into individual offices

### WASTE

E Waste is recycled where possible. We have a policy of refurbishing old equipment and passing it onto be used by people in need.

One of the major sources of waste we encounter is packaging materials such as plastic and polystyrene. Where possible we utilise suppliers who use recyclable packaging materials.

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### E-WASTE GENERATION

DyCom's business operations generate e-Waste from both internal use and customer operations, but we recognise we cannot control the actions of our customers.

DyCom regularly updates desktop and laptop computers (approximately every 30 months in average) and servers (every 48 months in average). After it reaches its useful life, equipment is decommissioned and sometimes redirected to other uses with the company's ICT operations, stored as spares or in many cases donated to social agencies to extend its useful life. In other cases the equipment is disposed through the local council electronic waste facilities. There are no records or process to establish the amounts of equipment disposed to waste facilities, but we do know we throw none of this into the landfill.

As part of DyCom's core business, we sell and deploy large amounts of computer and network hardware to customer's premises, in many cases replacing legacy infrastructure of equipment at the end of its useful life and in others adding hardware to the customer's systems. DyCom already offers a *"take back"* service for customer equipment that has been decommissioned as a consequence of an update project. This *"take back"* hardware is re-furbished for sale, re-used as spare parts to support other systems or disposed through a e-Waste accredited supplier. This service has been in part of the company's offerings for a number of years however the take up has been minimal.

Reducing the environmental impacts of DyCom's e-Waste generation can be achieved by extending the equipment life-cycle resulting in more efficient business practices. At this stage is unknown the current renewal rates for the company computing equipment. Extending these rates would significantly reduce the company operating costs and reduce its environmental impact.



### NATURAL RESOURCE CONSUMPTION

The most relevant activity that relates to natural resource consumption is paper use. DyCom's business consumes paper through its normal operations, although the rate of this is diminishing rapidly as the use of paperless and email transactions become increasingly acceptable. The paper used is recycled type. Printing is mostly single sided, but some paper gets reused to print on the clean side.

Some of the company's paper use includes:

- Sales Proposals (mostly now pdf)
- Products and Services brochures (now entirely pdf)
- Contracts
- Technical Manuals and Documentation
- Project / Services Specifications
- Internal and external communications (email or letters)
- Invoices and statements (much of it now located on the DyCom Group customer portal allowing customers to access all such documents anytime)

In order to reduce the company impacts we have reduced our overall paper consumption by substituting with electronic documents when possible and using paper more efficiently by printing on both sides of the sheet. As a consequence DyCom will set an overall target for paper use reduction promoting substitution when possible, much of which has been achieved.

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### FOSSIL FUEL USE

Fossil fuel use in particular petrol and diesel is one of the most significant aspects of the company operations. It has two major elements, employees travelling to and from the office and to customer premises while on business activities. The first element is driven by two main reasons: location of the office with a lack of efficient public transport options and employee preference for the utility of car travel. However employee travel can be reduced if the conditions are set to allow employees to work from home on a case by case basis. The option of working remotely is available to employees and widely used.

The second element is travel conducted on business activities in particular our service engineers that use the company fleet of vehicles. The service vehicles are utilities modified to carry special tools and spare parts. They are relatively fuel efficient mid size engines that use diesel. There are two options to reduce this important element. The first option is to reduce the amount of travel however it is relatively difficult to predict travel patterns due to the randomness of service work, and the second option is to improve the fuel efficiency of the vehicles, however this option is not available in the short term as the service vehicles are not due to be replaced in the next two years.



One important element to consider is that travel due to service work trends to reflect company revenues and profits, and the recognition given to the fact that the more remote work we do, the greater the profits. Currently, the DyCom Group's focus on remote work has reduced vehicle usage to client sites by around 30%. It is very important to allow for increase travel as the company grows its business and market share.

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### **GREENHOUSE GAS EMISSIONS**

One of the company options is to report on its total Greenhouse Gas Emissions. This measure can be calculated based on the previous KPIs using standard reporting methodologies and making some decision about what Scope Emissions will be reported upon. Limiting the reporting to Scope 1 and 2 Emissions is relatively straightforward to calculate while adding Scope 3 emissions will add a significant layer of complexity on the reporting. One of the future options for DyCom may be to become "carbon neutral" by purchasing voluntary offsets on the total company greenhouse emissions.

### ENVIRONMENTAL INCIDENTS

An environmental incident is where the works or activity is under DyCom's supervision or control and can be defined as:

- where actual environmental harm occurs, or there is a situation where there is a real chance that environmental harm could occur
- unauthorised damage to cultural, built heritage or artefacts
- unlawful under any environmental or cultural heritage legislation (except sections 319 and 320 of the Environmental Protection Act—environmental harm).

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### RESPONDING TO AN ENVIRONMENTAL INCIDENT

Due to the nature of work under DyCom's control it is extremely unlikely that there will ever be an environmental incident, however if it were to occur, the staff or contractors involved are expected to report the incident to DyCom management. If the incident is reported to DyCom by an outside party our response is the same.

As soon as DyCom management become aware of the incident we follow government guidelines to ensure the incident is dealt with appropriately.

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### PROCEDURE FOR INVESTIGATING AN ENVIRONMENTAL INCIDENT

Once we are made aware of an environment incident, we follow government guidelines for investigation and if necessary engage an expert to assist

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### PROCEDURE FOR IMPLEMENTING CORRECTIVE ACTION

In the unlikely event of an environmental incident, our policy is to engage the relevant experts to assist us in the resolution and implementing processes to ensure that there is not a repetition of the incident.

## 2. SOCIAL SUSTAINABILITY

### SOCIAL ENTERPRISES

There are two of the DyCom Group members that are in themselves 'social enterprises'.

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#### DYCOM SMARTSTAFF

DyCom SmartStaff is back office services outsourcing business providing employment to both local and offshore staff. Our offshore team are primarily sourced from the Philippines and DyCom SmartStaff pays well and looks after the team in many ways which are documented on the website : <https://dycomsmartstaff.com.au/>

We provide temporary office based resources which are ideal for workers who are normally disadvantaged and so the staff we are particularly interested in locally are generally older, retired, disabled or unable to travel from their residences to a place of work.

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#### CULTIVO

Cultivo is a 'business incubator' providing business assistance to businesses in developing nations. It is fully funded by the DyCom Group.

More information can be found on the Cultivo website : [www.cultivo.com.au](http://www.cultivo.com.au)

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#### PEOPLE FROM DISADVANTAGED BACKGROUNDS

Our staffing business lends itself to engaging office workers from disadvantaged backgrounds and selecting people in these situations tends to be our preference as we find them more committed and reliable.

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#### COMMUNITY INVESTMENT

DyCom SmartStaff reserves 5% of gross revenue to fund Cultivo. We also work with an organisation called 'ChangeTheOne' (<http://changetheone.org/>) and provide support and funding on a regular basis.

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#### RELATIONSHIP WITH NON-PROFIT ORGANISATIONS

We have close relationship with 'Change The One' which is not for profit organisation founded by Peter Nicholls to build schools for disadvantaged children in developing nations and also assist Vietnamese people affected by Agent Orange.

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### EMPLOYMENT PRACTISES

The DyCom Group has a number of progressive employment practises and leadership principles that are based on industry leaders like Jack Stack and Ricardo Semler.

The founder of the DyCom Group has written a book and created a business course called Build To Exit which has sections focussing on exemplary employment practises.

More information this can be found at [www.BuildToExit.com.au](http://www.BuildToExit.com.au)

Below is a summary of a couple of sections :

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#### 4.1 CREATE THE ENVIRONMENT

A key role of the business owner is to create an environment where the team want to proactively engage in the achieving the vision and goals of the business whether or not the owner is present. Some key aspects of this are:

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##### COMMUNICATE THE VISION

The owner or leader needs to create and communicate an inspiring vision for the business. A business without an exciting and inspiring vision will not have a lot of success motivating staff to engage proactively.

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##### DEFINE THE CORE VALUES AND PRINCIPLES

Solid and consistent core values are another important aspect of the environment that need to be defined and communicated by the owner or leader.

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##### SUPPORT AND ENCOURAGE GROWTH AND PARTICIPATION

Supporting and encouraging personal and professional development, innovation and participation are essential for an environment where people will come to work and engage at high levels.

Whilst it is the role of the owner or leader to **create** this environment, it is the role of a manager to ensure that it is implemented. The owner or leader may or may not be involved in that implementation.

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#### 4.2 MANAGE FOR RESULTS

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##### IMPLEMENT THE ENVIRONMENT

The 'environment' has been defined by the owner or leader. The managers role is to implement that environment which includes ensuring core values are kept, supporting personal and professional development, supporting innovation and communicating the vision.

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##### SELF-MANAGEMENT

Many business owners get involved in 'micro-managing' their staff because they have difficulty 'letting go'. The best result is to aim to have people managing themselves and the managers role is then more about supporting the team to achieve what they need to achieve. That is a positive step towards creating a business that operates without the owner and also will save time and money.

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##### CHART THE COURSE

A key role of a manager is to implement the strategy. The owner or leader will set the goals and the manager will manage the resources to achieve them. This will include deciding whether the resources

required are internal staff, contractor, partners or outsourced labour. Bringing in the right resources at the right time for the right cost is an essential role of management.

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### 4.3 CREATE A WINNING CULTURE

#### INDIVIDUAL

A great culture starts with happy staff. Looking after staff individually and making sure their needs are met is a requirement for the culture you are developing.

#### TEAM

Getting your team to work together in harmony is one of the key objectives of a manager creating a good culture. This involves hiring well, group activities, good communication and ensuring that the team members are all engaged in supporting the corporate vision and goals.

#### CUSTOMER

Having good customers and treating them well will ensure that they treat your business and your team well. Great relationships are an essential component of a good corporate culture. There are times when the customer is not a good fit and in order to maintain the cultural values it may be necessary to end the relationship.

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### 4.4 ENGAGE THE TEAM

#### THINK OF YOUR TEAM AS BUSINESS PARTNERS

As you grow your business your staff will most likely be your single greatest asset. If you treat them the same way that you would treat a good business partner, they will step up and be like a partner in your business. Brian Tracy had a great saying that even if you are working for a boss, you are in effect working for your own personal services organisation. It just happens that your current employer is your largest client.

Look after your staff and they will look after the business.

#### STAKE IN THE OUTCOME

Many business owners get into business because they dream of the freedom that the business will ultimately bring them. One of the first freedoms we dream of is financial freedom. Having a program that provides staff with a percentage of the profits or some form of equity in the business, will increase engagement and a sense of ownership.

#### PARTICIPATION

Another freedom we dream of is being more in control of our environment. Getting staff involved in how the business is run and also how the benefits are distributed can be very motivating. It is also a very powerful and essential step towards creating a business that works without you.

### 3. ECONOMIC SUSTAINABILITY

#### LOCAL EMPLOYMENT

DyCom is a small business with a large reach. Some years ago we made a commitment to engaging with partners in regional areas where we did not have staff. We now have partners across Victoria and some in Queensland where we provide employment to local businesses in these areas.

We have a commitment and policy to continue growing our business in this manner.

#### LOCAL SUPPLIERS

Our policy is to purchase goods and equipment from local suppliers. This ensures that we get good support. In many cases our suppliers keep stock of product which enables us to provide quick turnaround.

#### PRODUCT LIFECYCLE

As an organisation, internally we extend the life of our information systems by using thin client technologies that typically extends the life of our equipment by two to three years. We are also associate with a philanthropic organisation who takes our old PC's and installs Linux on them for use by disadvantaged people in the community.

Where possible we use products that have recyclable packaging.

#### CULTURE

DyCom believes that the responsibility of management is to look after staff in a number of ways. It is the belief that by ensuring our staff are treated equitably and ethically, they will in turn look after clients and suppliers in a similar manner.

This culture is embedded in our organisation and has been since inception in 1989. A testament to this is the number of ex staff who see our organisation as a valuable stepping stone in their career paths. Many of these staff have continued to do business with us over the years.

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#### FINANCIAL

We always pay our staff above award rates and are receptive to requests for pay increases.

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#### LIFESTYLE

It is the belief of management that business and work should not get in the way of life balance and family. It is part of the 'Build To Exit' training and also an embedded part of the DyCom Culture.

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### **FLEXIBILITY**

In keeping with the culture DyCom provides the flexibility for staff to work from home or wherever they are located. requests for time off always take priority and our team enjoy a nine day fortnight.

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### **SUPPORT**

Managements role is to look after staff and in turn staff will look after clients. When there is unresolvable conflict, management may decide to part ways with the client. We expect clients to treat our staff with the same respect we do and if this cannot be achieved then it is business we do not need. This is documented in more detail in our staff manual.

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### **PERSONAL GROWTH**

DyCom supports and encourages personal and professional growth of staff.