

Joss[®]



**2017
ANNUAL
REVIEW**



PAUL'S MESSAGE

Joss Group Directors left to right: Colin Joss, Bob Bennetto, Adam Joss and Paul Joss.

As 2017 draws to a conclusion it's fitting to reflect on this year as I write my maiden annual review. Col has officially "passed the baton" to myself and every day I am reminded how big the shoes are to fill. Luckily, I have my brother, and wing man Adam as Director of Operations, Col in the office next door and fellow Director Bob only a phone call away. This combined with an incredible team of senior managers and great staff, will make sure that we steer the ship in a similar direction to that of Col.

On reflection of our parent's achievements, it is with great pride Adam and I realise what an incredible transformation the Company has gone through. From very humble beginnings as a subcontract commercial contractor with three staff and an office in the garage of our family home, building domestic custom homes and slowly increasing the number of employees so the company could crack into the commercial market in its own right. It wasn't until 1985 the company completed its first project over \$1M, and in 1993 the company had won its first project over \$10M, and from that moment it was "hang on to your hat" as we constructed many multi-million dollar construction projects and achieved multiple Awards for Excellence including the NSW Most Outstanding Project for the entire State. This success continued in 1997 where we were successful in winning the Schools Maintenance Contracts and a new division was created - Facility Management as we know it today. Through the early 2000's till today both Construction and Facility Management have grown to become leading businesses in their own right with over 1600 staff and 13 offices throughout the region.

This year has seen many of our construction projects successfully draw to completion including the \$49M Mann's Shopping Centre, MITA 4 Community Housing Project in Broadmeadows, a cross laminated timber manufacturing facility for the Delaney Family and their tenant XLam who bring an exciting new industry to the city of Wodonga, Yambil Dentistry Clinic in Griffith, and some continued work for Charles Sturt University with various Learning and Teaching Upgrades at their Orange and Bathurst campuses. The tendering department has also been in overdrive as we bid for new work and the recent successes include MITA 5 Redevelopment works in Broadmeadows valued at \$28M for the Commonwealth, \$10M Olive Street Affordable Housing for St Vincent De Paul in Albury, \$5.6M Yackandandah Hospital Redevelopment, new \$12M Distance Education Centre (DEC) at Queanbeyan High School and a new P-6 school in North Gungahlin valued at \$27.5M in the ACT should set us up for another good year.

The Company has increased its presence in the ACT with a dedicated Construction Manager and the purchase of new office and warehouse in Canberra for our Construction and Facility Management teams. We have also expanded into the civil construction market with a devoted Civil Infrastructure Manager based in Albury and look forward to both initiatives making contributions to the wider group in the years to come.

Facility Management Land and Housing contract has settled into a steady pattern of work as the team sort through the nuances of a very challenging contract. The Whole of Government contract team including Cleaning and Maintenance have had a very busy and productive year

but now have to find an extra gear as they look for savings and opportunities to ensure we are competitive in this next round of tendering with its increased scope and areas serviced. Other substantial projects from our "other works" team have successfully completed some significant projects including new works and renovations at St Francis School Leeton, redevelopment works to the Wollongong Detention Centre, and various Roof Replacement projects for the Department of Education. Some work in hand at the moment include Deniliquin Hospital Renal Dialysis Clinic, and a very interesting assignment for Land Management Services, maintaining an 84,000 ha property in the lower reaches of the Murrumbidgee River floodplain between Maude and Balranald, for the NSW Government. The contract covers such diverse works as building roads, water channel works, fire breaks, repairing fencing and vermin eradication, and demonstrates that we can be nimble and flexible enough to be able to deliver unique outcomes depending on the client's requirements.

Total Warehouse Solution division sadly draws to an end, making the way for a new industry in its place, independent to the Joss Group interests. The decision was certainly not taken lightly as we had fought hard and left no stone unturned with new management to try and realign the business and try to make it successful, but sadly realised the vision was never achievable. A big thanks to our team for their efforts in this endeavour.

The Board is pleased that the budgets have been met for 2017 and has set realistic projections for 2018 as we strive to ensure a safe and steady environment for our teams to work in and which allows a continuity of work that provides for sustainable growth.

The Joss Group is currently divesting our Quest Apartment portfolio with the sale of Quest Nowra and has just released to market the Wodonga and Griffith Quest Apartment buildings. This will open up new opportunities for further investment with the Quest group and others in new locations.

Everything looks set for 2018, Construction have a full book of projects in front of them, and in March we should see the result of the Facility Management Whole of Government contract.

From a carpentry gang to now a national services and construction company is quite an amazing achievement and one which could not be achieved without the enthusiasm, support and dedication of an enormous team of loyal and committed staff. The Board acknowledges and thanks all those employees on the site and in the support areas, for their dedicated and willing contribution over the last year and more importantly recognises and appreciates our clients who have trusted us to deliver their projects and services in a safe and efficient manner.

Adam and I will continue to build on this success by developing and growing the business with a sustainable and balanced approach, whilst ensuring that we uphold the family's values and support of the regions.

Regards, Paul.

Paul Joss
Managing Director, Joss Group



JOSS GROUP COMPANY DIVISIONS

From humble beginnings in 1975, privately owned company Joss Group (Colin Joss & Co Pty Ltd) has experienced significant growth and development to establish itself as a leading provider of a range of quality complementary services across regional NSW, Victoria and ACT.

Today, Joss Group consists of 2 main divisions:

- Joss Construction
- Joss Facility Management - Maintenance & Cleaning

Our head office is located in Albury NSW, with regional offices located in Deniliquin, Griffith, Wagga Wagga, Bathurst, Dubbo, Wollongong, Batemans Bay, Canberra, Bourke, Broken Hill, Orange and Mildura.

JOSS CONSTRUCTION

Considered one of regional Australia's premier construction companies, multi-award winning Joss Construction specialise in commercial construction projects throughout regional Victoria, NSW and ACT. Joss Construction offer a wide range of coordinated construction services, from the initial feasibility investigations through to design, building stages and beyond.

JOSS FACILITY MANAGEMENT

Providing best value, high quality building and asset management services in regional Australia. With offices in Albury, Deniliquin, Griffith, Wagga Wagga, Batemans Bay, Canberra, Wollongong, Bathurst, Dubbo, Bourke, Broken Hill, Orange and Mildura, Joss Facility Management provides a wide range of services to a varied client base in both the public and private sectors.



FACILITY MANAGEMENT

2017 has seen Joss Facility Management complete Year 6 of the Asset Management Services Contracts. These contracts are for the NSW Department of Education (DoE) Whole of Government Facilities Management Services contracts in the Riverina, (combined maintenance and cleaning), Illawarra South Coast, (maintenance only) and Western NSW, (combined maintenance and cleaning), regions which commenced on the 1st July 2011 and will operate through to the end of June 2018.

The Facility Management Services Contract with La Trobe University which covers regional campuses in Wodonga, Shepparton and Mildura has entered its sixth year, and continues to exceed the Key Performance Indicators which has resulted in the contract period being extended to April 2018.

Our Cleaning Division continues to boast an impressive portfolio which consists of 1017 Sites and 1156 staff throughout North Eastern Victoria and Regional NSW, providing cleaning services to both government and commercial properties such as Essential Energy, Roads and Traffic Authorities, Department of Lands, Department of Agriculture, TAFE NSW, Local councils, Court houses, NSW Police, Government offices, State Water, Correctional Facilities, National Parks and Wildlife, Department of Industry and Investment, NSW Ambulance, Department of Fair

Trading, Ageing Disability and Home Care, Department of Education including junior, secondary and special needs schools, NSW Sport and Recreation, NSW Catchment Authority, Department of Primary and NSW SES facilities.

2017 has seen another exciting year filled with plenty of challenges which resulted in both the Maintenance and Cleaning Divisions continue to be ranked as the number one contractor across the state.

Our growth over the past eighteen months has been significant with the commencement of the Land and Housing Corporations (LAHC) Asset Maintenance Services Contract on the 1st April 2016 with an initial contract term of five years with two, two year options, giving potentially a nine year contract period.

These contract regions cover approximately 8,600 properties throughout the Riverina, Central and North Western regions of NSW which are made up of a mix of free standing dwellings, units, townhouses and villas, where we are contracted to undertake responsive works, planned works, vacant restorations, modifications, lawns grounds and cleaning, building essential services and fire restoration works. With the addition of the new contract it has resulted in the employment of an additional 72 management and administrative employees across three contract regions.

The Facility Management Service contract at the recently constructed Coombs P-6 School in the ACT continues to perform well. This project was a joint submission in conjunction with the Construction Division who completed the design and construction of the new school. A second joint submission has been successful with the recent award of the North Gungahlin P-6 School to the Construction Division which includes a ten year maintenance contract to be undertaken by Joss Facility Management after practical completion.

Joss Facility Management has continued to tender on projects externally to our established contracts and has been successful in undertaking a number of these works over the last twelve months.

A very exciting time for Joss Facility Management and we are looking forward to our continued working relationship in what will be another very busy year.

Graham Groth
General Manager, Joss Facility Management



Above: Illawarra Reintegration Centre - renovation of existing complex plus a new Health Centre. Facility Management completed compliance works of the facility which has been closed for the past five years. Facility re-opened in June 2017 as a fully operational 80 cell correction centre.



Right and Below: Albury Public School, roof replacement of H Block. The Heritage Listed building was built in 1867. The replacement is a part of a New South Wales \$390M backlog program.



Above: St Francis de Sales Regional College Leeton - new double story building linking male and female dormitories. Building included new three stop lift.





CONSTRUCTION

2017 has seen Joss Construction expand its foot print in Canberra and the Civil & Infrastructure sector.

We have appointed a manager for the new ACT and South Coast Region and a manager based in Albury to grow the Civil Infrastructure branch.

Similar to the previous few years, 2017 has proven to be extremely competitive, notwithstanding the healthy volume of opportunities.

During 2017, Joss Construction has successfully delivered projects in Albury, Wodonga, Wagga Wagga, Melbourne, Griffith and Bathurst.

HIGHLIGHTS FOR 2017

- Maintaining safe workplaces and a positive safety culture.
- Commencing work on the;
 - \$28M North Gungahlin Pre-School - Year 6 School, Gungahlin ACT;
 - \$28M Melbourne Immigration Transit Accommodation Redevelopment (MITA), Broadmeadows VIC;
 - \$12M Queanbeyan Distance Education Centre, Queanbeyan ACT;
 - Numerous \$2M - \$10M Projects.
- Completion of the;
 - \$49M Mann Central Shopping Complex, Wodonga VIC.

EXCELLENCE IN CONSTRUCTION AWARDS

2017 saw Joss Construction once again being acknowledged for our success in the delivery of complex and challenging projects and our commitment to the highest quality workmanship.

At the annual Master Builders Excellence in Construction Awards, Joss Construction was recognised for the following project and category:

- Quest Serviced Apartments, Griffith - Excellence in Regional Building Awards, Best Commercial Project over \$10M;
- Quest Serviced Apartments, Griffith - Excellence in Safety, Regional Building Awards, SafeWork NSW - Commercial.



Our success is as a result of the continued professionalism and commitment of our construction team. So, it is with great optimism and confidence that we look forward to another successful year in 2018.

Martin Reid
General Manager, Joss Construction

MANN CENTRAL SHOPPING CENTRE

The 17,000m2 site sits in the heart of the regional city of Wodonga and forms part of the redevelopment of the Wodonga CBD, with the project taking on a number of forms over the past 10 years of planning.

The Design and Construction of the \$49M Mann Central Shopping Centre project comprised of demolition of the existing buildings, upgrading authority assets, such as sewer relining and HV, early works civil package, construction of 880 carparks, 4 major tenancies and 10 speciality retail stores.

Detailed planning during the design period ensured challenging areas such as safety and programming were de-risked. One critical task was the placement of Kingspan roof and mechanical units. Although the size of the development provided open areas for materials handling, as the structure developed the large roof areas required specialist cranes to place Kingspan sheets and mechanical to the centre of the 6,850 m2 buildings.

Mann Central Shopping Centre reached practical completion on Tuesday 10 October 2017, two weeks ahead of program.

Major tenants Kmart, Coles, Kmart Auto and Liquor Land opened their doors and commenced trading on the 11th October 2017.



Above Left: View of Mann Central Shopping Complex from Cnr High Street and Elgin Boulevard

Above Right: View of Main Pedestrian Entrance - Mann Central Shopping Complex, Elgin Boulevard

Right Top: South West View of Mann Central Shopping Complex from Cnr Elgin Boulevard and Hovell Street

Right Middle: Main Entrance Kmart

Right Bottom: Internal View of Coles



XLAM AUSTRALIA

Joss Construction was engaged under a Design and Construct contract to build the \$11M XLam Australia Wodonga Manufacturing Facility. Australia's first Cross Laminated Timber ('CLT') manufacturing facility; the project included 12,600 m2 of floor area (72m x 175m) under roof. The design incorporated one central span of columns in order to cater for the 6.3t overhead gantry crane and 6t vacuum crane imported from overseas.

Joss worked with XLam and other project stakeholders to identify specific design point loads, equipment requirements, traffic movements and egress paths. This careful consideration in the front end of the design ensured XLam's objectives were achieved.

With large structural steel spans, the building's western facade adopted earthy colours that reflected the surrounding landscape. The administration facility is constructed out of the CLT panels to highlight its innovative and highly accurate prefabricated structural solution that boasts excellent environmental credentials.

The design of the facility and the sequence of works enabled significant programme benefits to not only Joss but to XLam.

Inclement weather was one of the key challenges during delivery of the project; in excess of 500mm of rain was recorded resulting in 26 days of wet weather.

Remarkably, the main warehouse facility was constructed within 5 months of starting on site which is inclusive of the inclement weather.

The project was successfully handed over to the client ahead of program who is thrilled with overall appearance of the facility and its functionality.



Above: Aerial photograph of XLam Australia, Wodonga Victoria.

Pictured Top: Entry of XLam Australia, Wodonga Victoria.

AWMA INFRASTRUCTURE UPGRADE (NORTH, SOUTH AND EAST BANDIANA)

The \$5M Albury Wodonga Military Area (AWMA) Infrastructure Upgrade Works was a Design and Construct project for Department of Defence in Wodonga, Victoria (Bandiana). Following the completion and acceptance of the design, the construction works included the removal and disposal of existing asbestos (AC) water mains and replacement with uPVC water mains (100, 150 & 225mm) & PE (180, 280 & 400mm) throughout three sites North, South and East Bandiana.

The scope of works also required the replacement of all single head hydrants with dual head hydrants - a total of 160 hydrants being replaced and trenching across roads, paths and landscaped areas, all of which required reinstatement whilst keeping the Defence base operational.

Inclement weather and working over large areas of a Defence Base were the key challenges faced during delivery of the project. In excess of 650mm of rain was recorded during the delivery phase. As the nature of the works was all in ground works, significant planning, base communication and effective environment controls were implemented to reduce the impact of the works to the natural surrounds and the Base users.

The project was successfully handed over to Defence on time.

MANAGEMENT SYSTEMS



It has been another solid year in the Systems Department and I would like to thank everyone for their efforts with regards to implementing our documented systems for Safety, Quality and the Environment, as well as providing advice and input into their improvement.

As described by the different Divisions of the Company, the year had some very large and logistically difficult projects as well as different and distant sites all of which made the Systems Team's work challenging but also interesting, the year certainly went very fast.

It was fantastic to see some recognition for the Company's efforts to keep our workers and the public safe when Joss Construction won the Inaugural Safe Work Award at the Master Builder's Association Southern Central Regions Building Awards for the careful planning and innovative solutions adopted on the Quest Apartments project in Griffith. Joss's own internal safety awards saw some great safety initiatives put forward and a number of staff recognised for their ongoing effort.

Other notable items during the year included the successful auditing of our Quality and Environmental Management Systems by SAI Global Assurance Services and the subsequent upgrade in our Certification to the revised ISO14001 and ISO9001 standards.

All Divisions of the Company are fully aware of the role that the System Department plays and continue to take advantage of the team's knowledge and experience to provide assistance and direction whether it be as simple as sourcing information or as complex as chairing risk assessments and the preparation of associated plans to address the identified issues.

The Consultation Committee, comprising of elected Health and Safety Representatives, should be again thanked for the efforts and contribution to the ongoing implementation and continued development of our Systems. Their dedication and effort in representing their Workgroups is evident in the success of the Committee and absence of ongoing issues and disputes.

The Company Directors and Division Managers recognise the importance of our management systems to the ongoing success of Joss Group, and the resources they dedicate to their implementation and development is significant. With the help of all our workers, this investment will continue to make Joss not only a fantastic Company to work for, but one that continues to grow and prosper in 2018.

Jeff White
Systems Manager, Joss Group

JOSS INJURY MANAGEMENT

Our commitment to both injury prevention and support for our injured employees has again been rewarded over the past 12 months. The number of claims has reduced from the previous 12 months by a further 18% and both duration and average cost of claims has also reduced. It is evident that our robust systems and procedures, the education and training, the Company culture and ongoing commitment to the health and well being of our employees have all contributed to minimising the risk of injury to all our employees.

Over this past 12 months, and continuing, the Injury Management Department will progressively implement the changes introduced by State Insurance Regulatory Authority to Company's with a Workers Compensation Self Insurance Licence. The changes being implemented are a reinforcement of existing practices and will provide more reward for successful safety, claims and injury management.

The Injury Management Department is continually exploring opportunities to ensure the ongoing support to all our injured employees and that access to medical services and provision of treatment is provided in a timely manner to enable a safe and durable return to work for any injured employee.

Fleur Thompson
Injury Department Manager, Joss Group

Cover Image: Joss Head Office Albury extension completed January 2017



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