



Joss

**ANNUAL REVIEW
2019**

PAUL'S MESSAGE



The Joss Group has undertaken an unprecedented volume of work this year and projections indicate that this should continue into next year - a challenge that has been met head on by everyone at Joss and one that has succeeded with our usual no nonsense approach.

Growth, however needs be balanced with the ability of the company to support it along with the ongoing safety and wellbeing of every person that works for us. As a family business we value each and every one of our people, and it is essential that we all embrace our established culture to ensure ongoing job security and the success of the company.

Measured growth aligned with our values and meeting our Clients' needs will bring long term sustainability for the company.

Recent focus on the ACT market and Civil/Infrastructure Works has seen our Construction Division revenue and workforce increase significantly. We welcome a new ACT/South Coast Branch Manager and, with an expanding team in the Canberra office we look forward to delivering many new opportunities. Our recent focus on Civil/Infrastructure works has also enabled us to expand the breadth of services Joss can offer, having recently successfully completed a number of Civil/Infrastructure projects and with some more significant projects in the pipeline.

The existing regional construction works serviced from the Albury Head Office continues to build some

outstanding projects and thanks to our tender department we have a healthy book of projects leading into 2020.

Late last year our Facility Management Division learnt of its success in the awarding of the new Whole of Government Cleaning Contracts in Western and Southern Areas of NSW - an expanded contract area that saw our Cleaning team almost double in size. I'm pleased to say that work is progressing very well and that the new cleaning team have adapted extremely well to the Joss culture.

The Land and Housing Contract has settled into a steady flow of work which is carried out professionally and competently and to the highest standards. Our Maintenance team with the NSW Whole of Government Contracts has ramped up its workload with the addition of \$110M of extra backlog maintenance works in both the Western Area contract (that we already service), but significantly we are also undertaking work back in our old stomping ground in the Southern Contract area.

What is particularly satisfying, is that in all our Facility Management contracts Joss continue to be ranked as the number one performing contractor in the state for each contract - an outstanding achievement considering we have expanded into new areas and the area serviced in Cleaning alone has doubled. This is a great reflection of how Joss operates collectively over a wide expanse of services. A deserving result for an incredible team. Well done.

The Facility Management works outside the Contracts have also had a record volume of work. These works

are all managed from our Griffith Office and the tireless efforts of that office punching above its weight division is exceptionally pleasing.

The depth and experience of our Support Services for both Construction and Facility Management Divisions have allowed us to push into new areas and increase the volume of work. The "Engine Room" as they have been nicknamed comprise Risk and Compliance, Health Safety Environmental and Quality, Injury Management, Human Recourses, Information Technology, Administration, Operations, Call Centre, Accounts and Payroll. Special recognition is due for the hard work and enormous contribution they make in supporting the success of the Company.

The Development arm of the Group continues to explore opportunities to utilise the expertise of our teams. We have commenced construction on a development to be operated by Quest Apartments at Wangaratta and are also undertaking design work on another development in Bathurst. We are seeking similar opportunities to bring online when required to provide continuity of work for our Construction teams when times get quiet.

Working over large areas of NSW, Joss takes an active interest in the communities in which we operate by supporting local businesses, special needs groups and regional activities. We are proud to sponsor many community initiatives including local fire brigades, sporting groups with a focus on team sports for juniors, and young men and women with specific endeavours within the community. We actively participate in various social

procurement programs including working with Australian Disability Enterprises, Not for Profit Organisations that provide employment and other benefits for those with a disability, and the Clontarf Foundation which is passionate about developing employment pathways for young aboriginal people. Supporting communities is integral to our business.

Joss prides itself on delivering on our promises, and this is reflected by the support we get from the ongoing relationships we have with our clients, subcontractors and other partners. I would personally like to thank all of them for their support and the trust they have placed in us - in fact, some of our clients have been working with us for over 40 years. Maintaining and growing these relationships is core to our future.

I thank everyone for their hard work and contribution over the last year and look forward to continuing this working relationship with our clients and our incredible team at Joss in 2020.

Stay safe always.

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 two main divisions:

- Joss Construction
- Joss Facility Management

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

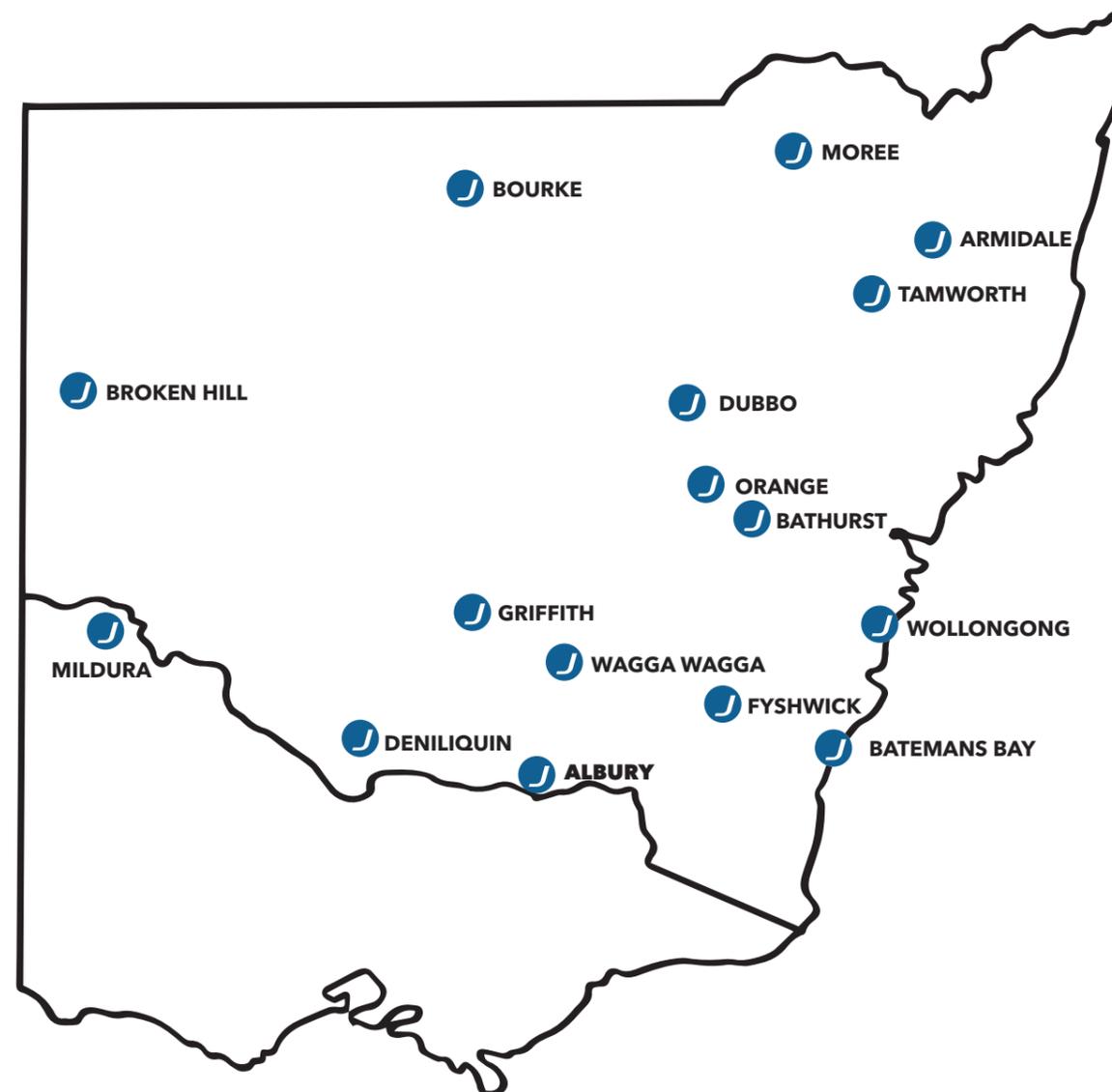
JOSS CONSTRUCTION

Joss Construction is considered one of regional Australia's premier building contractors with a reputation built on the successful delivery of complex and challenging projects. Specialising in commercial construction projects throughout Victoria, NSW and ACT, the multi-award-winning company offers a wide range of coordinated construction services from initial feasibility investigations, to design and construct, construct only, contract management and managing contractor.

JOSS FACILITY MANAGEMENT

Joss Facility Management is a leading provider of maintenance, asset management, cleaning and project management services throughout regional NSW and Victoria. With offices in Albury, Deniliquin, Griffith, Wagga Wagga, Fyshwick, Wollongong, Batemans Bay, Bathurst, Dubbo, Mildura, Orange, Broken Hill, Tamworth, Armidale and Moree. Joss Facility Management provides a wide range of services to a varied client base from both the public and private sectors.

The company provides a partnership between Joss Construction and Joss Facility Management that provides the enviable position whereby we can not only design and construct but maintain each facility post-handover ensuring as build elements are serviced in accordance with legislative, manufacturers and client requirements.



FACILITY MANAGEMENT



2019 has seen Joss Facility Management complete Year 1 of the Whole of Government Facilities Management Services Contracts (maintenance) for the NSW Department of Education (DoE), NSW Fire & Rescue and Ambulance NSW in the North Western NSW region. On the 1st of November 2019 TAFE NSW also joined the contract bringing on an additional 47 campuses to be serviced.

In addition, School Infrastructure has engaged Joss' services under a Consultancy Services Agreement to deliver a significant package of Backlog Maintenance works in the Southern NSW region which incorporate DoE sites in the Riverina and Illawarra South East regions of the state. With our existing presence in these regions we have been successful in mobilising to meet the delivery requirements within a very short lead time.

With the award of the Whole of Government Facilities Management Services contracts for Cleaning in November last year, the start to 2019 was busy with transitioning to new larger Southern and North Western NSW contract regions which commenced on Friday the 1st of March 2019. These two contracts saw us retain the Riverina and Western regions that we previously held and increase our presence into the New England and Illawarra South East regions of NSW. This has increased our coverage to a total of 1,695 sites, requiring in excess of 2,000 cleaning employees to service.

With ten months of these new contracts now behind us we have been able to service government 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,



OPPOSITE PAGE: WIN Stadium
 ABOVE: CSU Griffith
 LEFT: Cootamundra High School

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.

Our NSW Land and Housing Corporations (LAHC) Asset Maintenance Services Contract which commenced on the 1st April 2016 continued to provide significant challenges however our experienced team continue to deliver contract outcomes to a very high standard which has resulted in our No. 1 ranking across the state. This contract has an initial term of 5 years with 2, 2 year options, giving potentially a 9 year contract period.

These regions cover approximately 8,600 properties throughout the Riverina, Central and North Western regions of NSW and 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. This new contract has resulted in employing an additional 72 management and administrative staff across three regions.

The Facility Management Service contract at the recently constructed North Gungahlin P-6 School in the ACT commenced in January for a contracted period of 10 years. This project was a joint submission in conjunction with Joss' Construction Division who completed the design and construction of the new school. Along with the current maintenance contract for the Coombs P-6 which has been operating since 2016, we are steadily increasing our presence in the ACT which is our next area of business development focus.

Joss Facility Management has continued to tender on projects externally to our established contracts and has been successful in undertaking more than 65 of these works over the last twelve months.

It has been an exciting time for Joss Facility Management with the implementation of our cleaning contracts and we look forward to our continued working relationship in what will be another busy year.

Graham Groth
 General Manager, Joss Facility Management





CONSTRUCTION

2019 was a solid year for Joss Construction and we were fortunate to close off the year by being awarded several high profile projects that will propel us into 2020 and beyond.

Currently, Joss Construction maintains a portfolio of 17 projects spread throughout NSW, VIC and the ACT, and there appears to be more exciting opportunities on the horizon.

HIGHLIGHTS FOR 2019 INCLUDED:

- Maintaining safe workplaces and a positive safety culture
- The continued growth of our Canberra and Civil and Infrastructure Branches
- Completion of the \$17M Joint Health Command Garrison Facility Upgrade - Albury Wodonga Health and then,
- Commencing work on the \$19M Joint Health Command Garrison Facility Upgrade - Puckapunyal Health.

CANBERRA BRANCH HIGHLIGHTS 2019:

- Successfully delivering:
 - \$13M Australian War Memorial Large Technology Objects Store Project
 - \$30M North Gungahlin P-6 School
 - \$13M Queanbeyan Distance Education Centre
- Commencing work on the:
 - \$40M Molonglo P-6 School (D&C)
 - \$32M NSW Schools Package - Karabar, Queanbeyan and Yass High Schools
 - \$16M Queanbeyan Specific Purposes School .

CIVIL AND INFRASTRUCTURE BRANCH HIGHLIGHTS FOR 2019:

- Successfully delivering a range of roads, bridge and infrastructure projects, including:
 - Ranges Civil Works Puckapunyal and Graytown
 - Albury Wodonga Military Area Entry Works Project
 - Murrumbidgee Irrigation Works
- Commencing work on:
 - Numerous Defence projects.

The operating environment in 2019 continued to be very competitive, and Joss Construction was able to deliver another solid and successful year.

A steady flow of opportunities presented during 2019, and anticipated opportunities in 2020 are certainly going to keep us busy.

We are proud of the strong relationships forged with our existing client base and look forward to leveraging off our reputation in the industry to strengthen those relationships, whilst continuing to work towards establishing new client alliances.

We are looking forward to commencing 2020 as we ended 2019 - with a bang! Lastly, all successes are a result of our accomplished and dedicated staff and we are excited about the opportunities 2020 is primed to provide.

Martin Reid
General Manager, Joss Construction

NORTH GUNGALIN PRE-SCHOOL TO YEAR 6 - CANBERRA, ACT

The \$31M project was delivered under a Design, Construct and Maintain Contract including Pre-contract award Master Planning Phase. North Gungahlin School, Pre-School to Year 6 includes a ten year operating term maintenance contract.

The site area is approximately five hectares and the new school consists of multiple single storey buildings accommodating 600 students in school learning communities and up to 176 preschool students.

Other buildings include:

- administration;
- reception;
- staff facilities;
- a purpose-built library;
- multi-purpose community centre ;
- sports hall with stage; and canteen.

External works were extensive and included large outdoor play spaces for all age groups, landscaping and general kickabout areas.

TRELOAR E LARGE TECHNOLOGY OBJECTS STORE - CANBERRA, ACT

The project included 5,600m2 of floor space. The clear internal spans were critical for the Client to enable unimpeded storage space for the large memorabilia that will be stored throughout the facility.

Joss proposed a time saving and costs saving option to the Australian War Memorial (AWM) for an alternate 5600m2 concrete warehouse floor slab. The design included a low cost, high quality fibrecrete concrete floor; also provided significant program benefits to the project; 6 weeks saved on program and savings to the Client.

A large focus of the design for this facility was around air tightness and humidity control within the building. The air tightness of the structure was critical to the success of the building.

OPPOSITE PAGE: Indoor Sports Stadium - Myrtleford
ABOVE LEFT: North Gungahlin Pre-School to Year 6
ABOVE RIGHT: Treloar E Large Technology Objects Store
BELOW: North Gungahlin Pre-School To Year 6

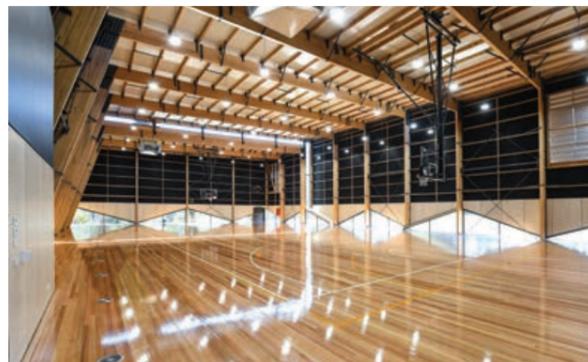




INDOOR SPORTS STADIUM - MYRTLEFORD, VIC

Construction of the Indoor Sports Stadium at the Myrtleford Showgrounds comprised of constructing a new multi-purpose indoor stadium adjoining the existing stadium via a new entrance lobby. The new stadium is visually appealing and utilised a number of unique architectural and fire rated products. It included a multi-sports timber sprung floor, and environmentally-friendly all timber frame construction.

Alpine Shire Council, Sport & Recreation Victoria, and the Country Basketball League are the custodians of a stunning new facility that will serve the community for many years.



MURRUMBIDGEE IRRIGATION WORKS (LAKEVIEW BRANCH CANAL EXPANSION) - GRIFFITH, NSW

Joss Construction was commissioned to build on the previous expansion to further meet grower's water requirements and facilitate further growth in the industry.

The key aims of the project was to modernise and replace the high cost deteriorating assets as well as enable greater water flows down the channel to meet increased water requirements of farmers along the system. These goals were achieved on program and on budget, over numerous sites.



MAIN IMAGE TOP OF PAGE: Indoor Sports Stadium - Myrtleford
 RIGHT (TOP IMAGE): Indoor Sports Stadium - Myrtleford
 RIGHT: Murrumbidgee Irrigation Works - Griffith

MANAGEMENT SYSTEMS

RISK AND COMPLIANCE

2019 has been a year of consolidation. Mid way through 2018 the Divisions were allocated their own HSEQ personnel to implement and provide input into the continual improvement of our Management Systems and since that time these personnel have taken on the responsibility and challenges of their respective divisions.

With the workload throughout the year increasing in both divisions, the role of the Risk and Compliance team to mentor new staff whilst monitoring compliance has been a significant task but one that has been planned and undertaken in a structured manner. This structured approach has enabled us to identify risks and work through controls to achieve a known and consistent risk profile that in turn facilitates stability and controlled growth.

Throughout the year staff have been diligent in their application of our documented processes and this resulted in positive feedback from external audits initiated by our Clients as well as the ongoing certification by SAI Global of our Health and Safety, Quality and Environmental Management Systems.

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. The assistance of Representatives in the risk management process has helped identify issues and their combined input has resulted in practical and productive outcomes.

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 2020.

Jeff White
 General Manager, Risk and Compliance

INJURY MANAGEMENT

2019 has been another busy year for our Injury Management Department with both changes to workers compensation legislation and growth in the number of employees within our Facilities Management Cleaning Division.

Our Injury Management Department has expanded to include additional team members within our Wollongong Office. The addition of this staff has ensured that our proactive injury management and provision of employees support is maintained.

With the welcoming of new employees the Injury Management Team has spent a considerable amount of time advocating and creating awareness that health and safety is paramount. Members of the team have visited many sites across NSW by way of introduction and to assist in the education of our employees and supervisors as to incident and injury reporting.

While we have almost doubled our number of employees since March 2019 it is pleasing to note that the number of injuries and return to work rates remain low. We have seen an acceptance by our new employees of early reporting of incidents and injuries that has enabled our team to respond promptly and assist in the provision of immediate medical treatment.

The NSW Government continues to review both the legislation and guidelines to improve both the standard of services and application of legislation appropriate to the management of employee injuries. The Injury Management Department monitor these and we continue to review our practices and policies.

Joss remains committed to assisting employees in the event they suffer an injury. We continue to look for opportunities of improvement and continue to work on the establishment of relationships with treatment providers to enhance our proactive injury management programme.

Fleur Thompson
 Injury Department Manager

COVER IMAGE: Indoor Sports Stadium - Myrtleford



Joss[®]

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