



SUSTAINABILITY REPORT 2010

The Leducor Group of Companies

**PROVEN.
RELIABLE.
FOR OVER 60 YEARS,
THE LEDCOR GROUP HAS BEEN
BUILDING WITH INTEGRITY.**

The Leducor Group of Companies is one of North America's largest employee-owned construction companies. Founded in 1947 in Leduc, Alberta, Leducor now operates out of 20 offices across North America, with approximately 5,000 employees. Through thoughtful and strategic decision-making, Leducor has become one of the most diversified construction companies in North America.

A MESSAGE FROM THE CEO & CHAIRMAN, DAVE LEDE

At Ledcor, success is not measured by our financial performance alone. It is also measured by the innovations and achievements that have made us a more responsive and responsible company year over year. As a leader in our industry, we are in a position to make strategic decisions and investments that improve our industry and the industries in which we do business. Our innovations in corporate social responsibility make Ledcor a company our clients, employees and partners want to grow with and this has contributed to our track record of 60+ years of success.

Ledcor's inaugural Sustainability Report describes the investments Ledcor has made, as well as the achievements earned in our pursuit of becoming a more sustainable company. This report also supports our company's efforts towards a more transparent and systematic method of reporting on our initiatives and covers four key areas of focus: health & safety, people, community and environment.

Most importantly, Ledcor's annual Sustainability Report is yet another step towards our mission of building lifetime clients through accountability, innovation, quality and sustainability. We look forward to demonstrating how we have incorporated these values into our company's operational framework in our journey towards becoming an even better company.

Sincerely,



Dave Lede
Chairman & CEO



OUR VISION:

Forward.Together.

OUR MISSION:

Committed to building Leducor Lifetime Clients through accountability, innovation, quality and sustainability.

OUR VALUES:

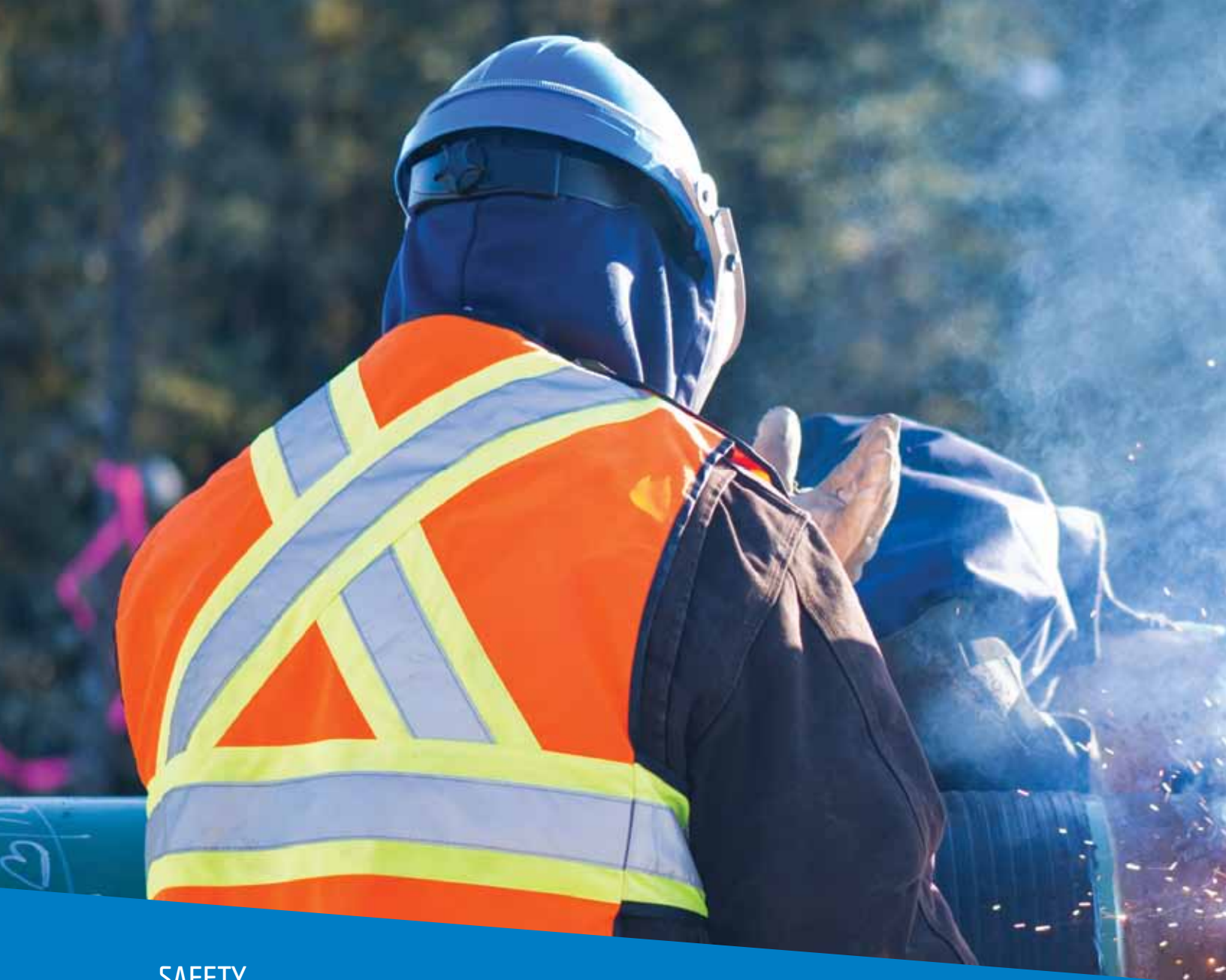
- Safety
- Quality
- Integrity
- Sustainability
- Success

OUR GUIDING PRINCIPLES:

- Collaborative
- Credible
- Ethical
- Safe
- Sustainable
- Accountable
- Values Driven
- Leadership
- Brand Value
- Consistency

Northern Alberta Institute of Technology (NAIT) Research Student
In 2010, Leducor established the Leducor Group Applied Research Chair in Oil Sands Environmental Sustainability at NAIT that focuses on developing real-world solutions for oil sands operations, based on industry-driven research.

Photo Credit: NAIT Digital photo library.



SAFETY. ALWAYS.

NOTHING IS AS IMPORTANT AS THE HEALTH AND SAFETY OF OUR PEOPLE.

Nothing is more important to us than ensuring that all of our employees and contractors work in a safe environment. Our comprehensive Think Safety, Work Safely awareness programs, corporate safety policies, jobsite safe work procedures, and extensive training are part of an all-encompassing culture of safety.

Ledcor's Health, Safety & Environmental Protection program provides:

- Corporate policy, assigned responsibilities and workplace rules
- Environmental policy, hazard assessment and controls
- On-going work orientation, training and education, and communication
- Job-specific safe work practices and procedures
- Equipment operation and maintenance practices and procedures
- Safety requirements and systems that focus management, employee, and trade contractor awareness on reducing the risk of workplace incidents
- Leading and lagging indicators, audits and reporting
- Emergency management and response systems and procedures

Safety Incentives & Employee Recognition

To maintain our culture of safety, Ledcor has implemented a system of continual communication to engage our employees company-wide to reinforce and discuss workplace safety. Ledcor's internal awards programs encourage safety innovation and best practices by recognizing the achievements of our employees.

AWARDS

We are proud to be recognized by associations, our clients and partners for numerous safety achievements including:

- Canadian Construction Association Hugh R. Montgomery Memorial Trophy, Innovation in Construction Methods (2010)
- Canadian Society of Safety Engineering, Achievement Recognition Award for Outstanding Achievement by a Professional or Group (BC & Yukon) (2009)
- Canadian Society of Safety Engineering, Outstanding Achievement by a Professional or Group (National) (2009)
- Q3 Shell Vice President's Safety Award (2009)
- International Pipeline and Offshore Contractors Association, Health & Safety Award (2009)
- Suncor President's Operational Excellence Award (2009)

A full list of our awards can be found online at www.ledcor.com

Ledcor's corporate safety incentive programs include the William F. Lede Award and the Chairman's Award. At the divisional level, each Ledcor division supports its own project team safety incentive program to award employee success.

Training, Programs & Awareness

Ledcor maintains award-winning safety programs that go above and beyond regulatory standards. On our jobsites, Ledcor holds mandatory weekly and daily formal crew meetings to address current HSGE issues in the workplace. We also administer corporate compulsory education and training that includes: Drug and Alcohol Program, Supervisor Safety Training, Mentoring Program, First Aid Training, and Workplace Hazardous Material Information System/Hazcomm. Ledcor also acknowledges the psychological health of its employees through a third-party administered, private and confidential counseling service for personal, family and work-related concerns.

Measurement & Reporting

Ledcor has implemented an enterprise-wide, single data collection process for workplace incidents called the Incident Management System. Collected data is used for reporting, monitoring, evaluating and trending of workplace-related incidents, including near-misses. The incident data is also used proactively in daily and weekly safety meetings and other preventive safety programs. Through formal audits, workplace inspections and safety recognition programs, we continually measure our success. But ultimately, the best measure is that each and every employee returns home at the end of the day – safely.

REWARD. RESPECT.

WE'RE AN EMPLOYER OF CHOICE WHEREVER WE DO BUSINESS.

At Ledcor, we recognize that our greatest asset is our people. We are committed to investing in our employees, whether they are working in our offices or on our jobsites. Given the diversity of operations within the Ledcor Group of Companies, we tailor our people practices to maintain our position as a top employer.

Our human resource practices are based on the following principles.

- We not only listen to our employees, we actively seek out their opinions.
- We invest in developing our employees through on the job development and training opportunities.
- We model a strong safety culture throughout the organization.
- We continuously search for new ways to solve today's problems and meet the needs of tomorrow.
- We consciously recognize and reward our employees.

Recruitment & Selection for Jobsites

Ledcor's full-cycle recruitment team works directly with business leaders on the end-to-end hiring process. Our enterprise-wide Applicant Tracking System lets us manage our candidate database so that candidates are reviewed in a timely manner, ensures each candidate's experience with Ledcor is a rewarding one, and allows us to focus on promoting and hiring from within the company. Ledcor prides itself on having a large returning workforce, project after project.

Employee Development

We ensure we are developing the skills and expertise of our workforce through ongoing on-site training, mentorship and formal apprenticeship programs. Our performance management process is not only designed to ensure employees get feedback on their performance but ensure there is a focus on their individual development. We believe that every worker should be able to grow their career at Ledcor.

Creating Opportunity

Ledcor hires locally whenever possible, and partners with social and community-based job training programs as well as universities and colleges, to help us build strong ties in the communities where we operate.

Labour Relations

Ledcor has a solid history of positive labour relations with its trades workforce, represented by their bargaining agent, the Christian Labour Association of Canada (CLAC). Years of working together to resolve mutual workplace concerns has led to a highly flexible and motivated workforce. Because of our approach, we enjoy a very collaborative relationship with CLAC.



AWARDS

Ledcor is proud to have earned several awards that acknowledge our industry-leading workplace standards, including:

- Financial Post's 10 Best Companies to Work For (2011)
- BC's Top Employers (2011)
- Canada's Top 100 Employers (2011)
- BC's Top 55 Employers Award (2010)

A full list of our awards can be found online at www.ledcor.com

NEIGHBOR. MENTOR. IT'S NOT ONLY JOBS WE BRING TO THE COMMUNITY.

Giving back to the communities in which we do business is something we promote across our company. We use each opportunity to engage our employees and promote good citizenship.

We also look for opportunities to engage local communities, where our projects are located, by creating community development opportunities. We have a successful history of partnering with aboriginal communities that are located near our jobsites.

Sponsorships and Donations

Corporately, Ledcor focuses on supporting pediatric initiatives by contributing financial donations to children's hospitals and critical care initiatives across North America. In the past few years, Ledcor contributed \$1.2 million to the Rady Children's Hospital in San Diego, and in Vancouver, Ledcor and its Chairman and CEO, Dave Lede, made a joint \$5 million donation to BC Children's Hospital.

Ledcor also encourages its branch offices and project sites to provide financial support and actively participate in charitable organizations at a community level. We use these initiatives as an opportunity to engage our employees and promote good citizenship. Last year, Ledcor and its employees contributed nearly \$1 million to the United Way organizations in communities where our branch offices are located, with Ledcor matching employee contributions dollar for dollar. In Edmonton, Ledcor recently donated \$400,000 to the Art Gallery of Alberta, and in Toronto Ledcor established a scholarship at Ryerson University.



Community Partnerships

Ledcor has been an active participant in many joint ventures for training, community development and advocacy in communities where we have projects. Some of the programs we partner with are: Heavy Metal Rocks Program; Trades in Motion; Miss School, Miss Out; Vancouver Blade Runners; Job Horizons: Northern Neighbors; and Alberta Chamber of Resources. These initiatives help us develop strong community relationships by providing opportunities beyond employment.

Aboriginal Relations

Ledcor recognizes the long-term benefits of partnering with Aboriginal communities and organizations. We also recognize the importance of cultivating long-term relationships that are based on mutual respect, trust and cooperation. Ledcor has partnered with several Aboriginal community owned companies on construction projects where it would not only benefit Ledcor but also the Aboriginal community.

A few aboriginal employment programs we support include: Aboriginal Human Resource Development Council of Canada, National Aboriginal Trades Leadership Committee, First Nations Training and Employment Partnership Program.

Aboriginal Awareness and Aboriginal Cultural training is mandatory for senior management and also available to all Ledcor employees. These training programs help to ensure that Ledcor employees have the knowledge and the skills necessary to work with the Aboriginal community. It also allows Ledcor to build long lasting relationships through awareness and understanding of the history and culture of Aboriginal people.



Ledcor and its Chairman and CEO, Dave Lede, made a joint \$5 million donation to BC Children's Hospital



Carbon Neutrality

Opus Aviation and Summit Air, subsidiaries of Ledcor, are both carbon neutral companies. Working with Offsetters, these companies have achieved an understanding of their environmental impact and have offset their carbon impacts via third-party verified, high-quality carbon-offset projects.

Empowering Employees

From our Corporate Head Offices to each project site, Ledcor has worked to instill sustainability into our company philosophy and business practices and operations, which enables our employees to make sustainable choices. Ledcor's sustainability department motivates and incentivizes sustainable employee practices through communication, reporting and internal awards and recognition. Ledcor has also established localized, employee-driven "Green Teams" that focus on educating employees and driving real change throughout all levels of the company.

This Sustainability Report forms part of our sustainability reporting and is designed for general readership only. Ledcor also received limited assurance over a selection of disclosures via a third-party auditor, Deloitte. Our reporting has been prepared in accordance with Global Reporting Initiative. To learn more please contact Tania Akehurst, Sustainability Coordinator, The Ledcor Group of Companies.

Enmax Conservatory, Calgary Zoo, Calgary, AB

Targeting LEED® Gold certification, the Enmax Conservatory is one of the most energy efficient green houses in the world.

INNOVATION. ENVIRONMENT.

WE ARE INNOVATING TODAY, SO WE CAN BUILD FOR TOMORROW.

Long before the marketplace turned towards green capital, Leducor was already pursuing opportunities to progressively reduce our environmental impact and drive positive change within the industries in which we work. Leducor has been actively involved with the LEED® building certification program from the outset, as a founding member of the Canadian Green Building Council and an early member of the US Green Building Council. Leducor's long-term focus on environmental sustainability has also resulted in new business divisions and acquisitions: Leducor Renew, Leducor Environmental Solutions, Carbon Credit Corporation and Offsetters.

Beyond our environment-focused service offerings, Leducor has integrated sustainability into our corporate philosophy and business practices. With the ultimate goal of reducing our greenhouse gas emissions, Leducor focuses on managing energy practices, fuel choices, waste & recycling opportunities and water management practices in a manner that promotes real change.

Investment & Innovation

Leducor's new business divisions and acquisitions demonstrate our commitment to progressive change in our industry and the sectors in which we work. These new service offerings include:

- **Leducor Renew:** Offers a suite of sustainable building solutions that improve the energy efficiency of existing buildings, including the installation of solar photovoltaic rooftop systems.
- **Leducor Environmental Solutions:** Focuses on developing technologies to improve management of industrial and municipal wastewater.
- **Carbon Credit Corporation:** Assists partner organizations in understanding the components of their carbon footprint and the resulting impact, especially as it relates to land-based greenhouse gas emissions. CCC is the first Canadian company to register emissions on the Climate Registry Offsets and supports initiatives that include the Great Bear Rainforest project that works toward protecting a quarter of the planet's remaining coastal temperate rainforests.
- **Offsetters:** Helps companies understand, reduce and offset their climate impact. In 2009, Offsetters helped the Vancouver 2010 Olympic and Paralympic Games to deliver the first carbon neutral Games in the history of the Olympic movement.

Leducor recently established the Leducor Group Applied Research Chair in Oil Sands Environmental Sustainability at the Northern Alberta Institute of Technology that focuses on developing real-world solutions for oil sands operations, based on industry-driven research.


Leducor has also entered joint ventures to develop two successful run-of-river projects in British Columbia.

Recycling & Construction Waste Management

We are working on the backward integration through our supply chains to minimize the environmental impact of supplies and products on site. In addition, we promote recycling of building materials and the reuse of site components as much as possible. Currently, many of our offices have employee-run paper recycling and reduction programs aimed at changing behavior in support of an environmentally conscious workplace.

Measurement & Reporting

Leducor focuses on exceeding regulatory requirements on all our jobsites. We monitor our environmental performance and follow up with action, by setting targets and objectives for improvements throughout the company. In an effort to reduce CO₂ emissions, increase the energy efficiency of our buildings and reduce the use of water, we have begun accounting for our environmental impacts. Leducor recently completed greenhouse gas accounting exercises for over half our company, with the remaining half in development. We are currently working towards completing baseline emissions inventories for all businesses in 2009, as well as the completion of 2010 emissions, with the goal of measuring emissions annually. In addition, we have completed a Global Reporting Index compliant Sustainability Report with third-party verification. This report demonstrates our commitment to sustainability and is the first step in tracking our impact year over year.



CALGARY
CHARLOTTE
CHICAGO
DALLAS
EDMONTON
FORT MCMURRAY
HONOLULU
HOUSTON
IRVINE
KELOWNA
LAS VEGAS
NAPA
PHOENIX
REGINA
RENO
SAN DIEGO
SASKATOON
SEATTLE
TORONTO
VANCOUVER
VICTORIA

About this Report:

This document provides an overview of The Ledcor Group of Companies' corporate responsibility actions, current as of December 2010. This Sustainability Report forms part of our sustainability reporting and is designed for general readership only. Ledcor also received limited assurance over a selection of disclosures via a third-party auditor, Deloitte. Our reporting has been prepared in accordance with Global Reporting Initiative. To learn more please contact Tania Akehurst, Sustainability Coordinator, The Ledcor Group of Companies.

Relationship Building, Klahoose First Nation, Squirrel Cove, BC

Ledcor partnered with the Klahoose First Nation to build a new office, health and multi-purpose building on the Klahoose reserve.