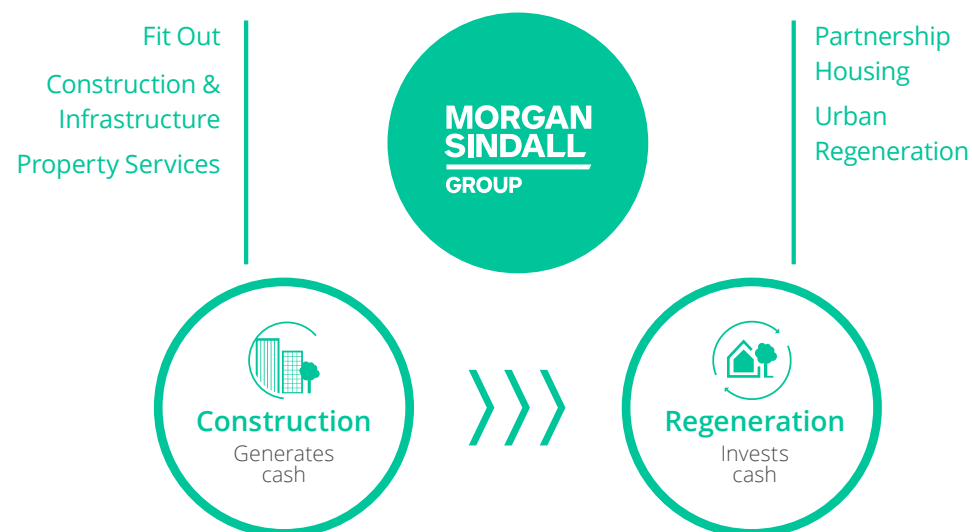


| Responsible business data sheet 2020



Morgan Sindall Group is a leading UK construction and regeneration group, operating through five divisions



Construction & Infrastructure

Morgan Sindall Construction & Infrastructure Ltd provides infrastructure services in the highways, rail, aviation, energy, water and nuclear markets, including tunnel design; and construction services in the education, healthcare, commercial, defence, industrial, leisure and retail sectors. BakerHicks Limited offers a multidisciplinary design and engineering consultancy based both in the UK and in Switzerland.

Fit Out

Overbury plc specialises in fit out and refurbishment in commercial, central and local government offices, retail banking and further education. Morgan Lovell plc provides office interior design and build services direct to occupiers.

Property Services

Morgan Sindall Property Services Limited provides responsive repairs and planned maintenance for social housing and the wider public sector.

Partnership Housing

Lovell Partnerships Limited delivers housing through mixed-tenure and contracting activities. Mixed tenure includes building and developing homes for open market sale, affordable rent, private renting or shared ownership in partnership with local authorities and housing associations. Contracting includes the design and build of new homes and planned maintenance and refurbishment for clients who are mainly local authorities, housing associations and the Defence Infrastructure Organisation.

Urban Regeneration

Muse Developments Limited works with landowners and public sector partners to transform the urban landscape through the development of multi-phase sites and mixed-use regeneration, including residential, commercial, retail and leisure.

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This data sheet provides a summary of our responsible business approach, our performance against financial and non-financial metrics -including key performance indicators and wider data - and the findings from our recent stakeholder engagement survey. For transparency we have included, where possible, performance data for the past four years.

The data sheet forms part of our annual reporting suite that includes our 2020 annual report, our 2020 Gender pay gap report, our 2020 Modern Slavery statement and our 2020 GRI (Global Reporting Initiative) report. Further information on our responsible business activities and strategy can be found on our website at morgansindall.com.

How we create value

	2020	2019	2018	2017
Total number of RIDDOR incidents	30	40	39	43
Profit before tax – adjusted*	£63.9m	£90.4m	£81.6m	£66.1m
Total dividend per share	61.0p	59.0p	53.0p	45.0p
Average number of employees	6,737	6,761	6,660	6,409
Reduction of total greenhouse gas emissions relative to our 2016 baseline	26%	11%	4%	8%
Number of apprentices, graduates, and employees undertaking HNC or professional training	761	823	919	785

2020 data has been taken from the 2020 audited financial statements of Morgan Sindall Group plc.

* 'Adjusted' excludes the impact of intangible amortisation of £3.1m (2019: £1.8m).





John Morgan,
Chief Executive

Introduction

The businesses which form part of the Morgan Sindall Group contribute to creating the fabric of our cities and communities. When we build homes for young families, breathe new life into a listed building by transforming it into a school or deliver a new state-of-the-art centre for a hospital, our goal is to leave more than just a building behind.

We aim to carry out our work in a sustainable and sensitive manner, creating social value and protecting the environment along the way. We have been present in many of the towns, regions and cities where we work for decades now, cementing relationships, trust and confidence as we create buildings to serve their communities. Long before sustainability was a buzzword, we sought simply to do the right thing and to leave a legacy that went beyond bricks and mortar. This datasheet illustrates and explains our approach to responsible business, outlining how and why we prioritise different elements of our work, informed by our colleagues, clients, stakeholders and supply chain partners.

Our approach is encapsulated in what we call our Total Commitments. These are to protect and develop people, to improve the environment, to work together with our supply chain and to enhance communities. In this data sheet, you'll find examples of ways we have helped schoolchildren understand the technology involved in creating the built environment, developed the environmental thinking of our architects and a created a scheme to help smaller contractors work alongside us. We hope this gives you an insight into our approach and how we put it into practice.

“We aim to carry out our work in a sustainable and sensitive manner, creating social value and protecting the environment along the way.”

Our approach

As a responsible business, we want to ensure that we are acting today to address the needs of tomorrow. This means building resilience to be able to face the challenges that a changing world will bring, while recognising the opportunities of change so that we continue to enhance our business value.

We aspire to support all our stakeholders in delivering a sustainable future and pursuing activities that contribute to a more resilient society. We want our legacy to be the positive benefits we bring to society and the environment in the communities in which we operate.

We believe in the power of collaboration. We work closely with our clients, joint venture partners and supply chain, nurturing long-term, supportive relationships. Our approach helps us win new work and attract and retain a talented team of employees, and it will ultimately secure our long-term success in a constantly shifting landscape.

Since 2008, our responsible business strategy has been driven by five Total Commitments:



Protecting people



Developing people



Improving the
environment

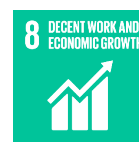


Working together with
our supply chain



Enhancing
communities

Our Commitments support the UN Sustainable Development Goals to 'end poverty, protect the planet and ensure prosperity for all'. We consider the following six goals those where we can have the biggest impact:



Our responsible business strategy is supported by our strong balance sheet and resilient financial performance. While our 2020 performance was impacted by the Covid-19 pandemic, we are set for strong growth in 2021, due to the quality of our secured workload and our continued discipline in contract selectivity, irrespective of economic conditions.

	2020	2019	2018	2017
Revenue	£3,034m	£3,071m	£2,972m	£2,793m
Operating profit – adjusted*	£68.5m	£93.1m	£85.5m	£68.6m
Profit before tax – adjusted*	£63.9m	£90.4m	£81.6m	£66.1m
Earnings per share – adjusted*	108.6p	161.2p	151.8p	121.1p
Year-end net cash	£333m	£192.7m	£207.0m	£193.4m
Daily average net cash	£180.7m	£108.9m	£98.8m	£118.0m
Total dividend per share	61.0p	21.0p	53.0p	45.0p
Total employee costs	£505.9m	£491.8m	£484.3m	£455.5m

2020 data has been taken from the 2020 audited financial statements of Morgan Sindall Group plc.

* 'Adjusted' excludes the impact of intangible amortisation of £3.1m (2019: £1.8m).

Understanding what matters to our stakeholders

We regularly undertake a stakeholder engagement survey to identify those environmental, social and governance (ESG) issues that are considered material to our business by our stakeholders and to ensure that our responsible business strategy remains relevant. The details of our 2020 survey are set out below.

What was the purpose of the study?

To consult internal and external stakeholders on which responsible business ambitions they regard as material for the Group, to ensure that: (i) our responsible business strategy continues to drive positive impacts on society and the environment; and (ii) we have identified material ESG risks to the business.

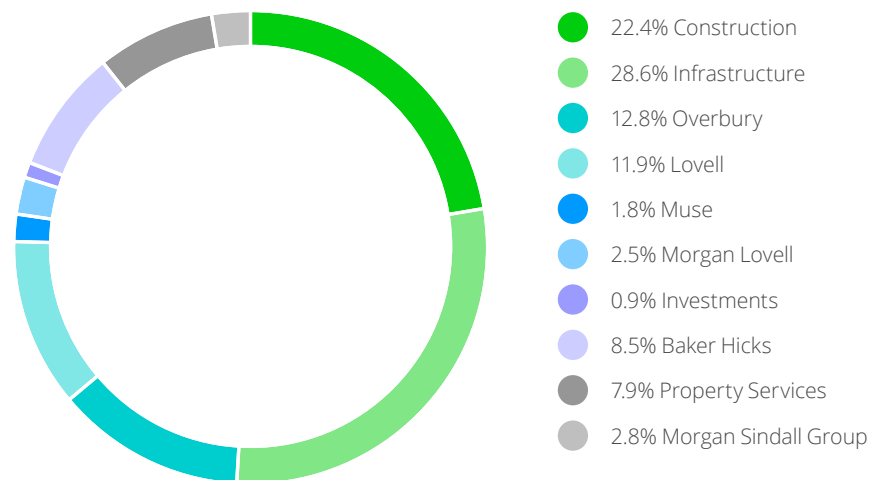
The scope

ESG issues where we can have a significant impact and responsible business risks and opportunities that need to be incorporated within our business strategy.

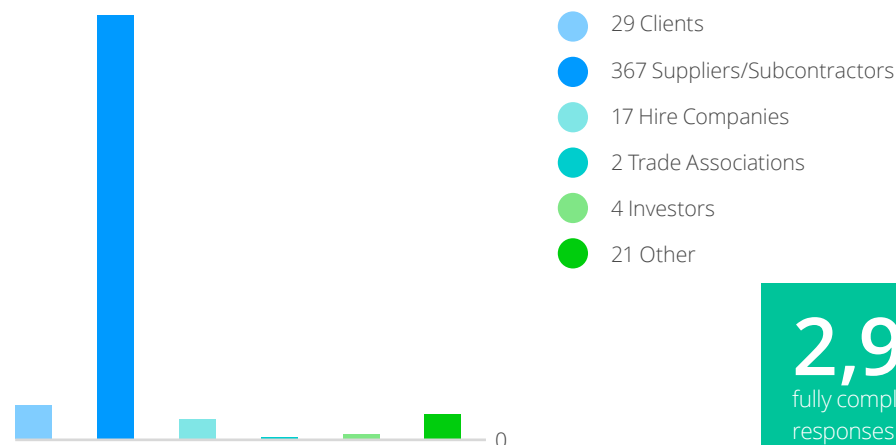
The audience

- Employees (including managers and directors);
- Clients;
- Investors;
- Suppliers and subcontractors;
- Trade associations

Internal stakeholder responses (2,497)



External stakeholder responses (440)



2,937
fully completed
responses received

Who took part in the survey

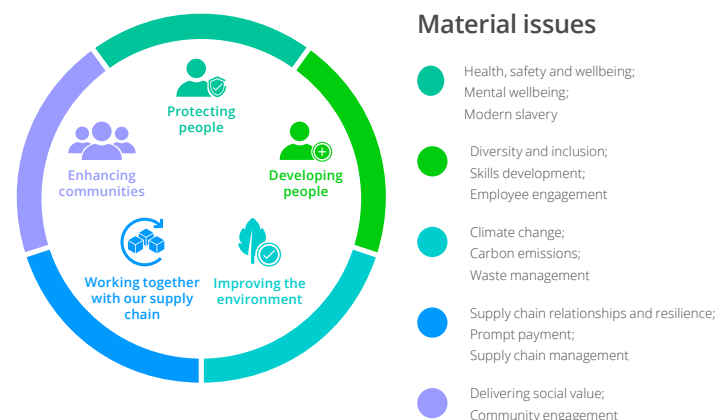
The survey included an online questionnaire for all participants. In addition, interviews were conducted with a selection of people from different external stakeholder groups, which allowed us to gain a more in-depth awareness of their perspectives.

The results have contributed to our understanding of how we can drive positive ESG outcomes through our responsible business strategy, and how ESG issues could potentially impact both the Group and the wider construction and regeneration sector. We have also been able to analyse how different stakeholder groups view different issues as being material. The table below sets out the material issues identified by our stakeholders:

	Employees	Suppliers/ Subcontractors	Investors	Clients	Stakeholder Discussions
Climate Change – ensuring physical and transitional impacts are included within strategic thinking and activities do not emit carbon emissions			✓	✓	✓
Activities do not have a lasting negative impact on ecosystems			✓		✓
Waste is eliminated					✓
Community concerns are managed effectively			✓	✓	
Community value (including Social Value)					✓
Health and wellbeing is safeguarded (including mental wellbeing)	✓	✓	✓	✓	✓
Diversity and inclusion is actively promoted					✓
Employees are not subject to discrimination	✓	✓	✓		
People's capabilities are strengthened	✓		✓		
Skills shortages are managed effectively			✓		
Supply chain resilience is effectively managed (supply chain relationships and resilience)			✓		
Our supply chain and subcontractors offer their employees fair employment terms				✓	
Modern slavery does not arise within the Group's supply chain				✓	
Supply chain business is conducted ethically		✓	✓	✓	
Procurement practices minimise social and environmental harm			✓		
All communications are open and transparent	✓	✓		✓	
Business is conducted ethically	✓	✓	✓	✓	✓

How the results have influenced our responsible business strategy

The results from the survey align with our Total Commitments and our continued support of the UN Sustainable Development Goals. We have set out below the issues that we and our stakeholders have identified as material, categorising them against each Commitment. By conducting this survey on a regular basis, and keeping our material issues up to date, we can ensure that we continue to focus on areas where we can make the biggest difference for our stakeholders, while enhancing business value. We have developed a set of key performance indicators to track our delivery against our responsible business strategy (see page 14).



Governance

- Operating ethically;
- Corporate governance;
- Open and transparent communication

Measuring our progress

Our divisions use Group-wide KPIs and targets to measure their performance against the Total Commitments which ensures consistency of objectives and standards throughout the Group. Divisional performance is then consolidated and reported as one set of Group results.

	KPI	Our 2020 Performance	2020 target	2025 target	Horizon ambition
Protecting People	Reduction in lost time incidents against 2018 baseline of 156	29%	15%	20%	Zero incidents
Developing people	Training days, average per employee	2.3	4.0	5.0	6.0
	Employee voluntary turnover rate	8%	12%	11.5%	11%
	Median gender pay gap at 5 April	29% ¹	31%	29%	27%
Improving the environment	Reduction in Scope 1 and 2 GHG emissions against the 2016 baseline of 24,136 tonnes	22%	5%	11%	56%
	Reduction in Scope 3 GHG emissions from previous year	40%	2%	9% ²	
	Percentage of subcontractors (by spend) requested to disclose their own GHG emissions ³	0%	70%	70%*	
	Reduction in GHG emissions from our vehicle fleet ⁴ against the 2016 baseline of 12,835 tonnes	30%	5%	11%	56%
	Total waste diverted from landfill	96%	94%	98%	100%
Working together with our supply chains	Invoices paid within 60 days	98% ⁵	85%	90%	100%
	Suppliers by spend signed up to Group-wide agreements	72%	78%	80%	82%
	Suppliers registered with the Supply Chain Sustainability School	2,315	2,500	2,750	3,000
Enhancing communities	Projects running LM3 ⁶ over the last 12 months	49	40	60	100

*70% of the Group's subcontractors will have established their own SBTs

¹ This figure has been calculated using the methodology set out in the Gender Pay Gap Regulations. Under these regulations we are required to report on April payroll data but, due to the distorting impact of Covid-19-related measures on the April figures, we have based our numbers on November payroll data, which paints a more accurate picture. Based on the Group's payroll data as at April 2020, the 2020 median gender pay was 33.6%. The April data was, however, impacted by the number of people across the Group who had agreed to voluntarily reduce their salaries for either two or three months to 30 June 2020 as part of the Group's response to Covid-19 and the number of people on furlough.

² The baseline for this target is to be confirmed once our subcontractor data has been collected

³ In 2021, we will continue working with our subcontractors to help them disclose their own GHG emissions.

⁴ Vehicle GHG emissions are included in the calculation of Scope 1 emissions but are reported separately as they are a significant source of the Group's emissions.

⁵ Based on Construction & Infrastructure data only.

⁶ Local Multiplier 3 (LM3) is a tool which measures how every pound spent by the Group, excluding Urban Regeneration and Investments, with suppliers, subcontractors and employees can benefit the local community. It does this by calculating where and how the money is re-spent and what proportion remains local.

Protecting people

Our number one priority is to safeguard the health of our employees by providing a safe work environment, and by nurturing emotional and mental wellbeing. We want everyone who comes into contact with our activities, on or off site, to go home safe and well.

Reducing underground service incidents

Partnership Housing recognised that one of the highest risks when building new homes was striking underground utility services, which provide the properties with gas, electricity, communication services and water. Working out exactly where these services have been laid, or their path across a site, can be time-consuming. But hitting an electricity cable or rupturing a gas pipe can be dangerous, even potentially fatal, so after consulting its supply chain partners up and down the country, Lovell introduced a series of agreed measures to minimise the risk of service lines being struck.

These included a two-step permit system to the breaking ground process which would prevent the start of any excavation work before the services had been located. Often English is not the first language of workers on site, so Lovell created a three-minute animated video which explains the process, step by step, and can be understood quickly and easily by all. The animation is now used as part of a 'toolbox talk' – a short presentation on a single aspect of health and safety, delivered as workers down tools during their working day. Since introducing the animation and changing the processes, underground service damage incidents have fallen by almost 40% within a 12-month period.

	2020	2019	2018	2017
Lost time incidents ¹	111	127	156	172
Lost time incident rate ²	0.2	0.3	0.3	0.3
Total number of RIDDOR ³ incidents	30	41	39	43
Accident frequency rate (AFR) ⁴	0.06	0.08	0.08	0.09
Accident incident rate (AIR) ⁵	148	185	180	199
Percentage of employees working under a certified health and safety management system	99	99	99	99
Fatalities	0	0	0	0
Absenteeism due to sickness (average number of days per employee)	3.91	5.3	4.68	5.03
Monetary value of fines for non-compliance with health and safety laws and regulations	£0	£0	£100,000	£0
HSE inspector site visit and investigation fees	£0	£2,443	£284	£1,058

1 Incidents resulting in absence from work for a minimum of one working day, excluding the day the incident occurred.

2 The number of lost time incidents multiplied by 100,000 divided by number of hours worked

3 The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.

4 The number of RIDDOR reportable accidents multiplied by 100,000 and divided by the number of hours worked.

5 The number of accidents multiplied by 100,000 and divided by the average number of people on site.



0.06
accident frequency rate
(2019: 0.08)

Developing people

We cultivate an inclusive work environment where everyone has access to the relevant knowledge, technology and services they need to achieve their personal ambitions and drive the business forward. We want to encourage greater diversity within our sector and ensure that no discrimination occurs.

Developing expertise in Passive House principles

BakerHicks, the design arm of the Morgan Sindall Group, is supporting its employees to achieve Passive House Institute Certified Designer status. The Passive House principles aim to create truly energy efficient, comfortable and affordable buildings. With the UK and Scottish governments setting out new net zero goals there is a real appetite for building designs that meet the highest criteria of environmental sustainability.

Already, two members of the BakerHicks architectural team passed the exam at the beginning of 2021, with four from their mechanical and electrical engineering team registered to take it later this year. The business will also support others from across its design disciplines who would like the qualification to gain it in 2022.

BakerHicks is already applying the Passive House principles - which offer space-related heating and cooling energy savings of up to 75% compared to the average newbuild - on a number of projects. The design principles focus on superinsulation, airtight envelopes, high-performance window insulation, minimal thermal bridging and mechanical ventilation with heat recovery.

To design these buildings, you need an in-depth knowledge of the standard, and by supporting its architects and engineers through the accreditation process, BakerHicks is arming them with the tools to do so, whilst giving clients the confidence that they can deliver the level of sustainability required.

	2020	2019	2018	2017
Number of UK employees at 31 December ¹	6,164	6,497	6,206	6,233
Average number of training days per employee	2.3	4.1	3.2	3.3
Average number of training hours per employee	13.8	30.8	24	24.8
Employees who have been with the Group six years or more (%)	37	34	34	37
Men employed (%)	76	76	77	78
Women employed (%)	24	24	23	22
Women on the Board (%)	29	17	17	14
Women in senior management (GMT) (%)	9	8	17	17
Women who are direct reports of the GMT (%)	16	11	9	N/A
Median gender pay gap (%) ²	29.1	31.2	32	31
Employees from BAME backgrounds (%)	15	13.6	12.8	8.4
People employed aged 24 or under (%)	8	9	9	9
Average age of employees	43	42	42	42
Voluntary employee turnover (%)	7.8	11.7	12.5	11.4
Number of employees promoted internally	440	512	556	513
Number of employees who completed the leadership development programme	6	58	82	94
Number of cohorts who completed the leadership development programme	1	4	6	5
Employee participation in satisfaction surveys (% responded) ³	40	67	71	13
Number of raising concerns reports	16	28	23	25
Average number of raising concerns reports per 1,000 employees	2.6	4.3	3.7	4
Employees covered by collective bargaining agreements (%)	8	8	8	8
Total number of new employees	1,037	1,545	1,612	1,662
New hires (%)	17	24	26	27
Number of new graduates recruited	44	65	79	56
Number of sponsored students	24	26	13	21
Total employees on structured training programmes	265	307	278	238
Total employees on structured training programmes (%)	4.3	4.7	4.5	3.8
Number of people supported through NVQs and professional qualifications	540	581	720	547

¹ The number of employees is comprised of our direct UK-based employees for the 12-month period. We do not include any temporary workers and subcontractors who deliver our projects.

² This figure has been calculated using the methodology set out in the Gender Pay Gap Regulations; however, it is based on our November payroll data rather than our April payroll data, which is the payroll period we are required to report on under the Regulations. Based on the Group's payroll data as at April 2020, the 2020 median gender pay was 33.56%; however, the April data was impacted by the number of people across the Group who had voluntarily agreed to reduce their salaries for two or three months to 30 June 2020 and the number of people on furlough. The November payroll data was not distorted by Covid-19-related measures and therefore paints a more accurate picture.

³ Two divisions undertook satisfaction surveys in 2020.

Improving the environment

We're acting to combat climate change by working towards net zero carbon emissions, and ultimately towards removing carbon from the atmosphere. We will continue innovating to reduce air pollution, water usage and waste.

Students apply environmental science concepts

Fit Out ran a Dragon's Den-inspired competition to engage STEM (science, technology, engineering, and mathematics) STEM students in Liverpool to think about the sustainability impact of their schools. The project helped students apply concepts of environmental science taught in class to the world around them.

In small teams, students from three local schools each undertook audits of their school's sustainability impact, guided by the tools that Fit Out provided. The tools taught the students about different elements of sustainability, such as biodiversity, energy use, global citizenship, healthy living and waste, which they could then use in their audits. Another tool enabled students to estimate their school's carbon footprint. Once their audits were complete, the students brainstormed which areas of environmental sustainability were most important to tackle. The teams presented the process they had been through to build their idea and why it should be selected to a Dragon's Den-style judging panel.

St Julie's School was awarded £5,000 to install five water fountains to support their proposed ban of single-use plastics. The students found that, as a new-build, the school was relatively energy-efficient, but a notable problem was the number of plastic bottles sold in the canteen. Maricourt School received £2,500 towards a food waste recycling initiative for the school vegetable garden and Broughton Hall received £1,500 to find their flower garden.

	2020	2019	2018	2017
Reduction of Scope 1 and Scope 2 carbon emissions ¹ from our 2016 baseline of 24,136 CO2e tonnes (%)	22	13	2	3
Reduction in operational Scope 3 ² carbon emissions against 2016 baseline of 6,634 CO2e tonnes (%)	40	4	12	47
Scope 1 carbon emissions UK and offshore (2016 baseline of 17,201 tonnes)	16,031	18,128	19,934	19,559
Scope 2 carbon emissions UK and offshore (2016 baseline of 6,935 tonnes)	2,789	2,779	3,632	5,337
Total Scope 1 and Scope 2 carbon emissions	18,820	20,907	23,566	24,896
Operational Scope 3 carbon emissions UK and offshore	3,969	6,339	5,863	3,548
Total carbon (CO2e tonnes) (2016 baseline of 30,770 tonnes)	22,790	27,242	29,429	28,444
Carbon emissions from vehicle fleet ³ (CO2e tonnes)	9,043	12,078	13,540	13,048
Reduction in carbon emissions from our vehicle fleet against 2016 baseline of 12,867 CO2e tonnes (%)	30	6	(5)	(1)
Carbon intensity ⁴ Scope 1 and 2 emissions (2016 baseline of 12)	6.2	6.8	7.9	8.9
Carbon intensity - total emissions	7.5	8.9	9.9	10.2
Total energy consumption (GJ)	206,691	247,064	266,900	257,968
Number of hybrid vehicles in company fleet	358	217	168	46
Hybrid vehicles in company fleet (%)	17	9	8	2
Number of electric vehicles in company fleet	94	15	7	6
Electric vehicles in company fleet (%)	4.5	0.6	0.3	0.2
Total number of vehicles in company fleet	2,075	2,324	2,177	2,502
Electricity purchased from renewable sources (%)	65	69	68	73
Electricity as percentage of total energy consumption	13.2	20.6	13.4	11.1
Gas purchased from renewable sources (%)	0	0	0	0
Gas as percentage of total energy consumption	1.8	1.2	1.1	0.6
Total waste produced (tonnes)	1,223,394	1,087,246	907,539	687,803
Total waste diverted from landfill (tonnes)	1,171,954	1,035,862	862,516	614,859
Total waste diverted from landfill (%)	96	95	95	89
Waste intensity (total waste produced/£m revenue)	403.2	354.0	305.4	246.3
Construction waste produced (tonnes)	77,360	94,342	88,255	99,704
Construction waste diverted from landfill (%)	98	96	95	96
Number of projects achieving BREEAM, CEEQUAL, LEED, SKA or other relevant sustainability ratings	85	84	67	40
Major environmental incidents	0	0	0	0
Monetary value of significant fines for non-compliance with environmental laws and regulations	0	0	0	0
Subcontractors (by spend) requested to report their own carbon emissions (%) ⁵	0	0	N/A	N/A
Subcontractors (by spend) with accredited science-based targets	0	0	N/A	N/A

1 Scope 1: direct emissions from owned or controlled sources; Scope 2: Indirect emissions generated from purchased energy.

2 All indirect emissions not included in Scope 2 that occur in limited categories of our value chain as measured by the Carbon Reduce scheme (formerly CEMARS).

3 Vehicle carbon emissions are included in the calculation of Scope 1 emissions but are reported separately as they are a significant source of the Group's emissions.

4 CO2e tonnes produced per £m of revenue.

5 We are working with our subcontractors to help them disclose their own carbon emissions.

Working together with our supply chain

We have forged longstanding relationships with our supply chain partners. Where possible, we use local resources to ensure we harness innovation, achieve consistent quality and meet our responsible business goals. We will work with our supply chain partners to help them enable their own businesses to succeed.

Supporting small and micro businesses

Our Construction & Infrastructure division is supporting a new scheme designed to help small and micro-businesses win work with large contractors. The online Work Radar platform aims to alert smaller subcontractors to local work opportunities, and to help large construction firms meet social value goals by working with small, local suppliers.

The scheme is open to firms and social enterprises with fewer than 10 employees and annual turnover below £1.5m. The system is free to use for small firms, with funding provided by large contractors. Work Radar is run by Local Supply Chain, a business that offers an existing work exchange connecting larger firms including contractors, subcontractors, clients and consultants. At its launch, our Construction business listed opportunities at two Birmingham projects: the £18m Eden Girls Leadership Academy and £6m Kings Heath Boys Secondary School.

	2020	2019	2018	2017
Suppliers (by spend) signed up to Group-wide agreements ¹ (%)	72	67	69	77
Suppliers registered with the Supply Chain Sustainability School	2,315	2,382	2,116	2,059
Members of the Morgan Sindall Supply Chain Family	403	389	392	379
Number of investigations into reports of modern slavery	0	1	1	0
Number of high-risk materials screened and sustainably sourced ²	0	0	0	0
Number of preferred subcontractors	2,279	2,208	N/A	N/A
Timber sourced using sustainable sourcing certification standards such as FSC and PEFC (% of total timber-derived products sourced by weight at point of delivery)	99.8	99.9	99.9	99.8
Signatory of Prompt Payment Code	Yes	Yes	Yes	Yes
Invoices paid within 60 days ³ (%)	98	97	78	N/A

¹ Group-wide agreements include screening for environmental, labour and social criteria.

² No high-risk materials were used between 2017 and 2020. A risk register for each project accounts for supply chain risk. All materials used are third-party certified to quality and relevant procurement requirements.

³ Based on Construction & Infrastructure data for the regulatory payment practices reporting period 1 July to 31 December 2020.



403

members of the
Morgan Sindall Supply
Chain Family
(2019: 389)

Enhancing communities

We seek to leave a positive legacy in all the communities in which we work through the delivery of our projects and the activities we undertake. We believe we can add social value by engaging with communities, consulting on our projects, employing locally, providing employment skills training and working with schools and colleges to create opportunities for young people.

Supporting schools

Construction & Infrastructure has entered 12 formal partnerships with schools whereby the division and school pledge in each case to support pupils with their learning and development so that they make career choices that are right for them, the industry and the community in which they live and work. The agreement includes a commitment to the Gatsby benchmarks of good career guidance. Gatsby is a charitable foundation committed to strengthening the UK's science and engineering skills.

The eight pillars comprise STEM activities, careers engagement, curriculum support and development, mentoring, teaching support, work experience, work placement and construction careers. To support the partnerships, Construction has created a Science Technology Engineering Art and Maths (STEAM) curriculum enrichment programme for schools, called Construct IT. Construct IT was initially developed for Year 8 pupils and covers teamwork, following instructions, communication skills and helping pupils to improve their skills in Maths, Art (design) and engineering.

The programme has since been adapted to Years 5 and 6 pupils and rolled out to 25 schools. In its next phase of development, Construct IT will look at applying STEAM to the built environment, using video clips to show how maths topics are used in various built environment roles.

	2020	2019	2018	2017
Considerate Constructors Scheme ¹ (CCS) registrations	175	185	179	226
Average CCS score (out of 50)	40.9	40.1	39.8	39.8
Partners' average CCS score (out of 50)	40.7	39.7	39.1	39.2
Average Perfect Delivery ² score (%)	90	85	83	82
Number of projects using LM3 ³ over the last 12 months	49	63	39	10
Number of apprentices drawn from local communities	668	401	113	N/A
Number of apprentices directly employed	197	216	186	161
Number of School partnerships ⁴ entered into	12	N/A	N/A	N/A
Amount of money donated to/raised for charity	£378k	£343k	£345k	N/A
Amount of social value contributed per pound spent	68	N/A	N/A	N/A
Number of projects using the Social Value Bank that were completed in the year. Of these projects:	83	60		
Number of job opportunities provided for unemployed people	755	139		
Number of job opportunities provided for local people	706	275	N/A	N/A
Number of apprenticeships and training opportunities for young people	640	254		
Number of hours supporting schools or community volunteering	9,435	6,950		
Number of SMEs engaged to deliver the projects	4,624	440		
Number of homes built	c2,200	c2,000	c3,400	N/A
Number of homes refurbished	c1,800	N/A	N/A	N/A

1 CCS measures the Group's performance in local communities, using a code of considerate practice. Registered companies have to inform communities of the impacts, contribute to the local economy and create a positive operating environment.

2 Perfect Delivery status is granted to projects that meet all four client service criteria specified by each division.

3 Local Multiplier 3 is a tool which measures how every pound spent by the Group, excluding Urban Regeneration and Investments, with suppliers, subcontractors and employees can benefit the local community. It does this by calculating where and how the money is re-spent and what proportion remains local.

4 The schools partnership programme is based around six pillars and requires a minimum of support for four Gatsby benchmarks. The partners pledge to support pupils with their learning, personal and academic development to help them make career choices that are right for them, the industry they work in and the community in which they live and work.

68p
of social value
delivered per £1 spent

Our 2021 responsible business KPIs and targets

Set out opposite are the KPIs and targets that we have implemented from 1 January 2021 to monitor progress against our responsible business strategy. We are using our 2019 performance as a baseline, as our 2020 performance was impacted by the Covid-19 pandemic. In addition to the KPIs set out below, we will measure our performance against each Commitment using a range of both quantitative and qualitative data.

KPI's and targets

Total commitment	Material Issues	KPI	Metric	Short-term target	Medium-term target	Horizon ambition
Protecting people	Health, safety and wellbeing; Modern slavery; Mental wellbeing	Lost time incidents ¹	Lost time incident rate ² (LTIR)	Reduce LTIR to 0.21 from 2019 baseline of 0.23	Reduce LTIR to 0.18 from 2019 baseline of 0.23	Zero incidents
Developing people	Diversity and inclusion Skills development Employee engagement	Training days	No. of training days per year per employee	5 training days	6 training days	7 training days
Improving the environment	Climate change Carbon emissions Waste management	Carbon emissions	Scope 1 ³ and 2 ⁴ carbon emissions	Reduce total Scope 1 and 2 carbon emissions by 30% against 2019 baseline of 20,903 tonnes	Reduce total Scope 1 and 2 carbon emissions by 60% against 2019 baseline of 20,903 tonnes	Zero emissions
			Operational Scope 3 ⁵ carbon emissions	Reduce operational Scope 3 carbon emissions by 30% against 2019 baseline of 6,339 tonnes	Reduce operational Scope 3 carbon emissions by 60% against 2019 baseline of 6,339 tonnes	
			Supply chain (by spend) providing their own carbon data	£500m of supply chain by spend	£1bn of supply chain by spend	100% of supply chain by spend
			Carbon emissions from the Group's vehicle fleet ⁶	Reduce carbon emissions from the Group's vehicle fleet by 30% against the 2019 baseline of 12,078 tonnes	Reduce carbon emissions from the Group's vehicle fleet by 60% against the 2019 baseline of 12,078 tonnes	100% of the company car and commercial vehicle fleet fully electric vehicles
Working together with our supply chain	Supply chain relationships, resilience and management; Prompt payment	Invoice payments	Percentage of total invoices paid in 30 days for the Group as a whole	70% of invoices paid in 30 days	85% of invoices paid in 30 days	95% of invoices paid in 30 days
Enhancing communities	Delivering social value Community engagement	Amount of social value delivered	Average monetary value of social activities delivered per £1 spent on projects	Deliver average of 85p of social value per £1 spent on all projects	Deliver average of 90p of social value per £1 spent on all projects	Deliver average of £1.01 of social value per £1 spent on all projects

¹ Incidents resulting in absence from work for a minimum of one working day, excluding the day the incident occurred.

² The number of lost time incidents multiplied by 100,000 divided by the number of hours worked.

³ Direct emissions from owned or controlled sources.

⁴ Indirect emissions generated from purchased energy.

⁵ All indirect emissions not included in Scope 2 that occur in limited categories of our value chain as measured by the Carbon Reduce scheme (formerly CEMARS, the Carbon & Energy Management And Reduction Scheme).

⁶ Vehicle carbon emissions are included in the calculation of Scope 1 emissions but are reported separately as they are a significant source of the Group's emissions.

External accreditations

