



2022 Annual Report

Environment Social Governance

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Sustainability & Systems Director

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Group Managing Director

Preface

J Coffey Construction Ltd (UK) and J Coffey Construction Ltd (Ireland) (Collectively JCC) recognise the importance of ESG in future-proofing the business and supporting our client base and as such, have produced its first ESG report on how the organisation is meeting the challenges of corporate responsibility.

In support of JCC's ESG journey, Martin Baxter, Deputy CEO, IEMA and one of the UK's leading environmentalists, was invited to the organisation's ESG Forum as a guest speaker to convey the importance of ESG within a business.

Martin works in the UK and internationally to support the transition to a low carbon, resource-efficient and sustainable economy and leads IEMA's policy and external engagement activity with government and business. A strategic thinker with the capability to lead and influence others, he has national and international experience in developing and negotiating global and European standards and developing capacity for effective and widespread implementation. Martin is head of the UK delegation to the International Organisation for Standardization (ISO) on environmental management and chairs the ISO environmental management systems committee of 100 countries.

Martin has experience in networking and communicating at all levels including with senior parliamentarians, government officials, business leaders and academia. He is an acknowledged expert on environmental management and a regular spokesperson on corporate sustainability.

Martin is a Board member of IEMA and the Society for the Environment (SocEnv).



Martin Baxter – Director of Policy & External Affairs – IEMA



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Executive Summary

Purpose

The aim of this Environmental Social Governance (ESG) Strategy is to outline JCC's commitment to demonstrate how we intend to implement best practice by carrying out business fairly, honestly and ethically across all our business activities. This will be achieved by way of engagement and education of our staff; embedding a diverse and inclusive ethos into our organisation; and supporting our client base in achieving their ESG objectives.



How we will embed ESG in our Organisation and Supply Chain:

- **Effective Leadership:** Provide top-down support to all staff, setting out a clear vision of how as an Organisation we will address the issues associated with Environmental, Social, Governance; providing a clear and consistent policy.
- **Communication and Culture:** With ESG playing a more prominent part in any successful business, a greater understanding of the associated metrics must be communicated throughout the workforce. Training and practical promotion will create a greater knowledge of how ESG can be incorporated and embedded into the JCC ethos. By articulating ESG as the Organisation's core value; behavioural change will become embedded along with reviewing and implementing best practice, while developing the knowledge and skill sets with those who can deliver. Engagement with our Supply Chain will be another factor, whereby we would encourage support and cooperate where appropriate, in helping us evolve further on our ESG journey.
- **Metrics and Governance:** Developing an ever-evolving ESG culture will be enabled by identifying associated materiality metrics and capturing relevant data to measure our performance and transparently report on progress and ensure the data reviewed is built into decision making.
- **Commercial Solutions:** Embed ESG into the JCC's procurement process, making ESG a prerequisite for using service suppliers; engage with suppliers and our service providers within our supply chain to align them with our ESG objectives and ensure ethical procurement.

Martin Baxter Interview

Director of Policy & External Affairs – IEMA

In advance of issuing the Organisation's first ESG report, JCC held an ESG Forum at the Institute of Engineers where the guest speaker was one of the UK's leading Environmentalists: Martin Baxter – Deputy CEO of the Institute of Environmental Management Assessment (IEMA).

In attendance were JCC's Board of Directors and Senior Management. Martin was asked several questions associated with ESG by Sustainability & Systems Director Adrian Clamp, regarding the importance of businesses having an ESG strategy to mitigate the issues associated with Climate Change, whether naturally, commercially, or regulatory. Martin's commentary gave great insight into the workings and expectations of Government and Banking authorities, which painted a prescriptive idea of the importance of ESG.

IEMA

Transforming the world
to sustainability



Vision

To be the organisation of choice, setting the highest standards that support and promote our client base, who have the same shared ESG ethical values we have and achieving our vision through:

- Working with like-minded supply chain partners and clients who share the same objectives and values as we do.
- To ensure the service provision we provide in project delivery and sustainable procurement is in line with our Pledge to Net Zero commitments.
- To empower our workforce to share in our ESG vision and act ethically and responsibly in their work ethic and to lead by example.

- To work closely with our Plant Division regarding research and development in identifying opportunities and solutions that are innovative and promote carbon emission reduction.
- To closely monitor our impact both socially and environmentally, to ensure we mitigate anything that might compromise our ethical values.

Social

- To promote an Equality, Diversity & Inclusion culture within our business and those working on our behalf.
- To leave a positive legacy within the community where our works are conducted, through pro-bono work and volunteering.
- To support the Mental Health & Wellbeing of our staff, workforce and supply chain.
- To promote continual professional development and training to our staff and operatives across all aspects of the business.

Governance

- To continue to run the business in a participatory, consensus-oriented, accountable, transparent, responsive, efficient, equitable and inclusive way.
- To ensure our policies and strategy are clearly communicated to our supply chain.
- To monitor appropriately the ESG materiality criteria and to make transparent disclosures accordingly.

Core Objectives

Environmental

- To minimise the impact of our activities and supply chain regarding carbon emission reduction, in alignment with Net Zero.
- To prioritise opportunities in investment where we can add long term value in a climate resilient manner.
- To regularly review innovative opportunities that we can apply across our projects to reduce the impact of our operations.

As part of JCC's aspirations to meet our Net Zero and ESG requirements, as well as to build a culture of awareness regarding the green agenda within the business, we have developed a 'Green Skills' initiative in collaboration with the Supply Chain Sustainability School. We have developed a tailored 'Learning Pathways' qualification with levels for beginner, intermediate and advanced levels, with online learning. Most of these are CPD accredited. With these qualifications, we hope to demonstrate to our client base what we are doing to upskill our employees with the issues associated with climate change.

The first ten employees successfully completing all three levels will be awarded an Affiliate Membership to the IEMA for further learning; those wishing to pursue even further knowledge and gain a professional qualification – AIEMA, can advise their line manager and if approved, we will pay for their ongoing professional development to gain the qualification.

ESG Policy Statement

About Us

JCC is an organisation operating in the Construction and Infrastructure sectors, specialising in sub and superstructure works, design and build and data center development, both in the UK and Northern Europe. We operate with three UKAS recognised International Standards for ISO 9001:2015, ISO 14001:2015, ISO 45001:2018. A JAS-ANZ recognised ISO 50001: Energy Standard & FSC® Chain of Custody. In 2020 the organisation made the commitment to Pledge to Net Zero by 2034 in line with the Greenhouse Gas Protocol.

ESG Governance

Our Corporate Sustainability Committee oversees our policies and operational controls for environmental, health, safety and social risks, and is led by the Group Managing Director. The Committee meets regularly to set goals, budgets, and implementation of timelines and monitor progress and results.

ESG Commitment

We strive to build sustainable, equitable, healthy and diverse communities through a combination of innovative construction practice and exemplary environmental, social and governance (ESG) performance. This commitment informs every aspect of our business, including how we build new projects, operate our portfolio, collaborate with stakeholders and report progress.

Environmental Stewardship

Overview

We aim to embed environmental stewardship in everything we do. We believe we have a responsibility to minimize the energy, carbon, water and waste impacts of our business and recognise that these impacts occur not just in the daily operations of our portfolio, but also throughout our entire value chain. As a result, we strive to reduce environmental impacts across our corporate operations.



Statement on Climate Change

We are committed to driving down our energy and carbon impacts, as we believe that climate change is one of the greatest risks to our world and know that buildings contribute 40% of global greenhouse gas (GHG) emissions. Our culture of sustainability is committed to environmentally sustainable initiatives that deliver value and health for our business, staff and community in which we operate. We have committed to a 15-year objective to achieve Net Zero based on Science Based Target initiatives which excludes carbon offsetting in line with the Greenhouse Gas Protocol.

Industry Engagement

We also strive to engage key industry players including vendors, peers, and standard-setters on sustainability, as averting a climate crisis and other environmental disasters requires large-scale transformation that we cannot achieve alone. We are active participants with industry associations/organisations, including:

- Corporate Partner to IEMA
- Corporate Partner to Supply Chain Sustainability School
- Planet Mark (Social Value)
- GLAA (Gangmasters and Labour Abuse Authority)
- SEDEX Member
- Green Element/Compare Your Footprint
- TISC (Transparency in the Supply Chain)

Social Responsibility

Overview

A deep commitment to social responsibility is core to who we are as an organisation. We believe people are at the heart of our business and take pride in our outstanding work culture. We strive to be an optimal employer to our workforce as well as a valued partner to our clients and the communities to whom we provide project delivery, where we have appointed **Planet Mark** to validate our Social Value in accordance to the Government recognised TOMS metrics.

Benefits

We know that the first step in hiring and retaining the best talent is to create safe and inspiring workplaces where people feel valued. We offer benefits to all regular full-time employees, including but not limited to: paid holiday, statutory sick leave and vision cover, Bike2Work Scheme and access to gym and other health discounts, along with two paid days a year to volunteer/support charities & communities.

Culture, Engagement & Growth

We create fun, spirited work environments that reward innovation and collaboration at all levels. Leaders are encouraged to demonstrate an open-door policy and employees can provide feedback through their annual performance reviews. We also aim to foster both personal and professional growth for employees at all levels of the organisation through annual performance reviews, role-specific training and professional development opportunities through the Chartered Institute of Building (CIOB).

Health & Safety

The health and safety of our employees is of the utmost importance to us. We adhere to leading health and safety standards across our projects; Quarterly Health & Safety Forums are held with Senior Management and each year we conduct various health seminars and require employees to complete appropriate safety training.

Diversity & Inclusion

We embrace and value diversity in all its forms, whether gender, age, ethnicity or cultural background. Equal opportunity is integral to our recruitment process, as we aim to develop a community of diverse talent. We seek to maintain a positive workplace, free from discrimination

and harassment. We champion pay equity and mutual respect, promoting an environment of fairness and equality. Our commitment to diversity and inclusion applies to the highest levels of the organisation.

Strengthening our Communities

We have a long history of providing meaningful, and often transformational, support to the communities in which we operate. We also provide charitable support to key industry and professional organisations, often in the form of event sponsorship.

Governance

Overview

We view good governance as essential to creating and preserving value for our shareholders and other stakeholders. This includes a sound approach to corporate governance that complies with all applicable laws, rules, regulations and policies as well as unwavering adherence to our values.

Holding Ourselves Accountable: Corporate Governance

We have an effective and highly skilled Board of Directors who promote board independence and embrace board diversity in all its facets, including skills, experience, ethnicity, and race. Our **Corporate Governance Guidelines** outline key principles and rules to help our Board of Directors exercise its responsibilities and serve the interests of the Company and its stockholders.

Transparency

We believe in holding ourselves publicly accountable to our ESG commitments. We will publish information about our ESG performance on an annual basis via our website, in an annual ESG Report.

Doing What's Right: Ethics

Our directors and all employees, including senior management, conduct themselves in accordance with the highest moral and ethical standards, informed by a robust **Code of Business Conduct and Ethics**. We are committed to ensuring a fair workplace for our employees as well as partners with whom we do business. We have strict policies to protect against unlawful discrimination and harassment. We have an open-door policy to encourage honest and direct communication to resolve issues and concerns in an expeditious manner. We are registered members with IHasco, where senior management and staff can access training on, but not limited to: Anti-Bribery, Fraud Prevention, Whistle Blowing, Modern Day Slavery, Sexual Harassment, etc.

Human Rights

Our **Human Rights Policy** reflects our long-standing dedication to the preservation of basic rights and human dignity in our workplace and beyond. JCC holds human rights to be an essential component of our business. We support internationally recognised human rights principles that promote and protect human rights and align with the UN Sustainability Goals. The policy applies to our operations and affiliates in all assets we own and operate.



ESG & Sustainability, The Board's Role:

In recognition that sustainability has become a major, mainstream topic for governance which encompasses a diverse range of issues including, but not limited to, the organisation's long-term durability as a successful enterprise, Climate Change and other environmental risks and impacts, Resource Management, Labour Standards, Social Value and Health & Safety. It is necessary to consider how the organisation presents itself with respect to these and other related matters.

Clearly the role of the board in these areas is not to adopt unilateral board-level mandates, but is rather one of partnership with management to understand how to achieve internal clarity on which stakeholder interests are critical to the long-term success of the organisation and how to achieve it.

The various ESG materiality metrics approved by the board are reviewed by the newly formed **ESG Corporate Sustainability Committee** comprising of our Group Managing Director, Group Construction Director, Business Unit Director and the Sustainability & Systems Director to oversee our policies and operational controls for environmental, health, safety and social risks, and will be led by the Group Managing Director of our Board of Directors.

The Committee will meet regularly to set goals, budgets, and implementation of timelines and monitor progress and results, which in turn will be included in our annual ESG report statement.

A **Remuneration Committee** comprising our Group Managing Director, Group Financial Director, Group Construction Director, whose primary objective is to set remuneration at a level that will enhance the Company's resources by securing and retaining quality senior management who can deliver the Group's strategic ambitions in a manner consistent with both its purpose and the interests of its stakeholders.

Part of the monitoring process will include periodic monitoring of disclosure by competitors and peers pursuant to disclosure standards organisations such as the GRI (Global Reporting Initiative). Not every director or member of senior management can be an ESG expert, but directors and appropriate company personnel should educate themselves on the key ESG issues facing the Company and be able to converse comfortably on those issues that matter or present significant risks. This ESG Strategy is developed to provide such information and purpose to achieve our ESG goals in support of our client base and be the Company of choice.

J Coffey Group Board of Directors



James Coffey
Group Chairman



Eddie Barrett
Group Managing
Director



Tom Mitchell
Group Construction
Director



Andrew Turner
Group Financial
Director



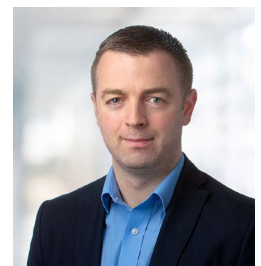
Mark Widdess
Business Unit
Director



Rish Ignatius
Non-Executive
Director



Stephen Grimes
Commercial
Director



Declan Taylor
Commercial
Director (Europe)

ESG Corporate Sustainability Committee

Eddie Barrett

Group Managing Director

Mark Widdess

Business Unit Director

Adrian Clamp

Sustainability & Systems Director

- To review the ESG materiality metric targets and objectives.
- To ensure they are meeting those targets and objectives set for the objective period.
- To agree disclosure information and confirm findings are accurate prior to official disclosure.
- To address any shortfalls in the targets and objectives not being met.
- To review CRSG Committee findings from their quarterly reviews.

Remuneration Committee

Eddie Barrett

Group Managing Director

Andrew Turner

Group Financial Director

Tom Mitchell

Group Construction Director

The Remuneration Committee's primary objective is to set remuneration at a level that will enhance JCC's resources by securing and retaining quality senior management who can deliver JCC's strategic ambitions in a manner consistent with both its purpose and the interests of its shareholders.

Carbon Reduction Steering Group Committee (CRSG)

Adrian Clamp

Sustainability & Systems Director

Abas Gjutaj

Plant Division Director

Gabriela Gonzalez

Sustainability Manager

Chris Wellgreen

Sustainability & Systems Manager

Tim Rayner

Plant Division Manager

Aishling Coffey

Sustainability Assistant

The CRSG Committee meets on a quarterly basis to review all aspects of energy consumption, Net Zero compliance and associated data collation requirements, plant and equipment innovation, project compliance to Scope 3 operational implementation and report quarterly findings to the Board of Directors.

United Nations Sustainability Goals



1 NO POVERTY
End poverty in all its forms everywhere.



7 AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, reliable, sustainable and modern energy for all.



13 CLIMATE ACTION
Take urgent action to combat climate change and its impacts.



2 ZERO HUNGER
End hunger, achieve food security and improved nutrition and promote sustainable agriculture.



8 DECENT WORK AND ECONOMIC GROWTH
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



14 LIFE BELOW WATER
Conserve and sustainably use the oceans, seas and marine resources for sustainable development.



3 GOOD HEALTH AND WELL-BEING
Ensure healthy lives and promote well-being for all at all ages.



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.



15 LIFE ON LAND
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.



4 QUALITY EDUCATION
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



10 REDUCED INEQUALITIES
Reduce inequality within and among countries.



16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



5 GENDER EQUALITY
Achieve gender equality and empower all women and girls.



11 SUSTAINABLE CITIES AND COMMUNITIES
Make cities and human settlements inclusive, safe, resilient and sustainable.



17 PARTNERSHIPS FOR THE GOALS
Strengthen the means of implementation and revitalise the global partnership for sustainable development.



6 CLEAN WATER AND SANITATION
Ensure availability and sustainable management of water and sanitation for all.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensure sustainable consumption and production patterns.



Environmental Metrics

Pledge to Net Zero

Having **Pledged to Net Zero** on April 30th 2020, 95% of targets and objectives set were achieved by 2021-year end. Having established a non-covid baseline year (2019) we commenced our **Pledge to Net Zero** year from Q1 2021. Each month's data associated to facility energy consumption, company and operational fuel use, flights, operative commute, waste, material procurement, are collated and will be issued to data development company **Compare Your Footprint** to enable developing our 2021 carbon footprint in line with SBTis. (Science Based Target Initiative).

Having established Q1, it has been determined we need to reduce our carbon emissions by 63% to meet our Net Zero Carbon Reduction objective by 2034, resulting in a year-on-year reduction of 4.2%. New targets and objectives will be set after establishing the relevant metrics to extend and continually improve our Net Zero objective.

95%

% of targets
achieved in 2022

4.2%

year-on-year
reduction of carbon
emissions to reach our
**2034 Net Zero Carbon
Reduction objective.**

J Coffey Pledge to Net Zero

<https://www.pledgetonetzero.org/jcoffey-construction>

Continued research and development will be carried out with appropriate investment made in plant and equipment to increase our emission reduction capacity across all projects.

HVO D+ Bio-fuel will increase by 94% on all operational plant in generators and compressors where appropriate until such time warranty safeguards are assured by plant and equipment manufacturers. Increased use of electronically operated plant and equipment will be encouraged for use on site.

HVO D+ Bio Fuel Poster

<https://www.jcoffey.com/World-Environment-Day-2023.pdf>

Increased monitoring of energy consumption will be implemented, in particular our Scope 1 & 2 emissions.

Full cooperation and participation in Corporate Sustainability Meetings with the Board of Directors to review and update progress in meeting our Net Zero objective of being Net Zero by 2034.

Annual Net Zero findings will be reported on and made public in line with our Net Zero Commitment.

Carbon Emissions

The Carbon Reduction Steering Group (CRSG) will continue to have quarterly meetings to review carbon emission data for our Scopes 1, 2 & 3. The meeting will include review of the spikes and troughs of energy consumption and associated emissions to understand and analyse cause and corrective action as appropriate for future mitigation.

With concrete production and material procurement accounting for 96% of our carbon emissions, our estimating and pre-construction departments along with our project teams will review greener options for concrete and materials via early engagement with client design teams.

Energy Consumption

The CRSG will include energy consumption within their quarterly reviews and consider Scope 2 alternative for green energy supply to premises backed up with REGO (Renewable Energy Guarantees of Origin) certification subject to existing contract conditions and review of increased energy costs.

Training will be continued throughout the business to maintain staff/operative focus on energy saving considerations with a view to incentivise energy saving ideas.

Carbon Reduction Innovation

J Coffey Plant Division will continue to review through research and development, new innovative plant and equipment to bolster that which is already in stock and ensure that all existing plant and equipment is robustly maintained to ensure optimum performance.

Where appropriate, existing plant will be retrofitted with equipment to reduce carbon emissions with such use as the 'Particulator' fitted to small machines to de-carbon exhaust fumes directly.

Innovation is essential to achieve carbon and cost reductions and evidence shows that pursuing lower carbon drives technical, process and cultural innovation, giving those organisations that achieve it a sharper competitive edge. Realising the benefits of innovation requires a combination of sustained support and effective risk management.

- **Set clear goals:** JCC will focus innovation on specific business challenges, such as alternative products which are more aligned with carbon reduction and through improved operation and control; life extension and performance improvements through better maintenance; development of low-carbon standard designs, specifications, and products; off-site manufacture; reuse of materials and components.
- **Define outcomes, not inputs:** The Organisation will set clear objectives and articulate them precisely then allow creative freedom in reaching them. We will not suffocate innovation by dictating over-prescriptive specifications.
- **Be risk-aware but not risk-averse:** We will pilot new ideas to make sure they work. Establish contractual and insurance arrangements that do not unreasonably expose any one party to risk and incentivise innovation by rewarding results.

JCC will challenge our supply chain that is where the majority of innovation occurs.

We will ask our supply chain partners, service providers and product suppliers to come up with solutions that reduce carbon and cost. Engage in dialogue to test thinking, drive performance, achieve the best fit for our business and find opportunities that exceed expectations.

A current area of development which will be of significant interest and have probably the greatest impact on carbon reduction is concrete design, where design mixes are improving to include more cement substitution for GGBS and polymers, but finding the right balance is key with regard to strength over time and surface finishing.

Sustainability Training

JCC recognises the need to ensure roles and responsibilities along with succession are in place to maintain the excellent standards our sustainability department are delivering across the business. To this end, we have employed an appropriate candidate to be mentored, to take over the role of Sustainability Department lead, to ensure continuity of exemplar delivery of the service the department already provides and to ensure a succession strategy is in place to maintain such service delivery.

The sustainability department will continue to fully engage with both IEMA and the Supply Chain Sustainability School as a corporate partner, to enable staff and operatives to engage with the extensive sustainability resource for training that both partners are able to provide, which includes set learning pathways.

A route to Chartered Environmentalist has been established subject to sufficient time in a management position and is to be part of what opportunity can and will be provided to the candidates within the department who wishes to achieve the qualification.

Climate Change Risk Register

Clearly with the onset of ever-increasing climate change events, the organisation recognises the importance of reviewing the potential risks associated to such events and therefore need to proactively review mitigation measures to alleviate the potential of such events impacting on the business; to this end, a 'Climate Change Risk Register' has been developed to identify the potential risks to the business and ensure measures are identified that can be put in place to lessen such impacts with timeline and associated cost impact on the business included in the review.

BREEAM

With the increased recognition of green investment BREEAM plays, to a degree, a pivotal role for Investors, where client's asset portfolios can gain a greater return on rental, and their buildings achieve greater BREEAM targets.

Successful delivery of building projects requires the ability to apply a framework in place that can deliver on the BREEAM credits associated with the works package we undertake along with supporting criteria to gain the required credits. Not to do so could jeopardise the green credentials of the build and devalue the asset.

Works undertaken by JCC will have qualified Site Sustainable Managers (SSMs) to monitor the project BREEAM delivery requirements for the works package in support of securing the BREEAM target for the construction.

Data Disclosure Type

1. *Total Absolute Carbon Emissions - Compare your footprint - With Materials*
2. *Hours of Sustainability Training*
3. *Considerate Constructor Scheme*
4. *In Scope Facility consumption (Scopes 1 & 2)*
5. *In Scope (Scopes 3) with materials*
6. *In Scope (Scopes 3) without materials*



Environmental Strategy Targets

Total Absolute Carbon Emissions – Compare your footprint – with Materials (CO2e)

2021	2022	2026 Target
28,335	21,967	18,000



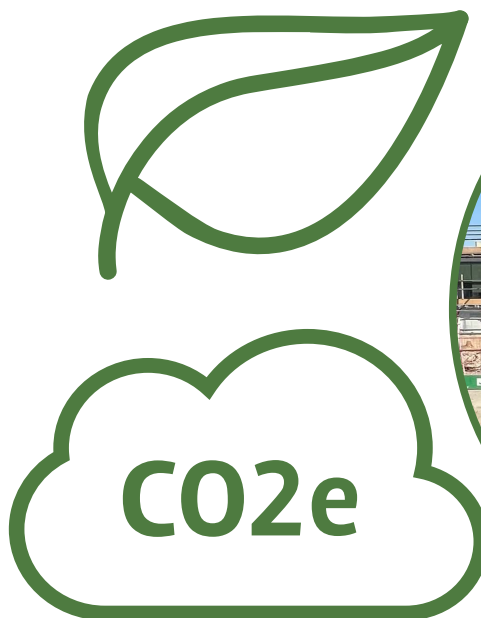
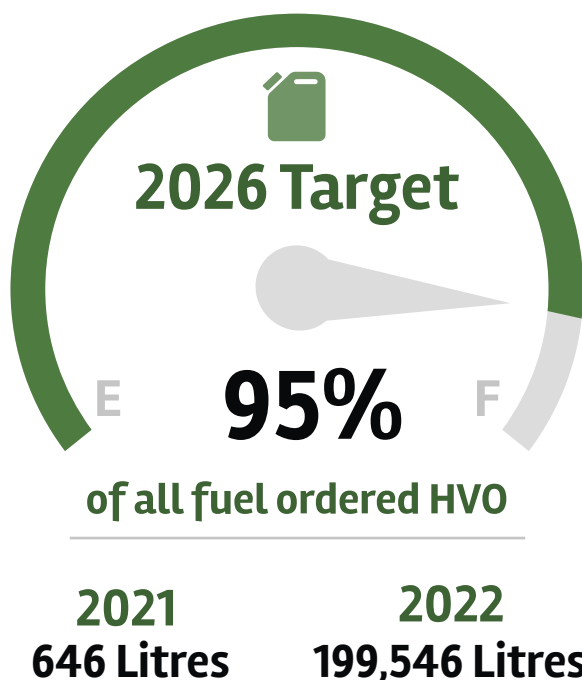
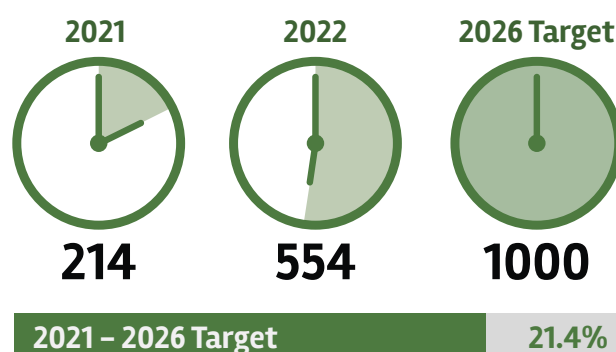
Considerate
Constructor
Scheme

45/45

Average Score
(Last four assessments)



Sustainability Training (Hours)



Disclosure	2021	2022	2026 Target	2021 – 2022
In Scope (Scope 3) with materials (CO2e)	42,013.50	21,647.00 (Core Materials Only)	17,500.00	-48.5%
In Scope (Scope 3) without materials (CO2e)	735.30	828.90	674.83	-4.2%
In Scope Facility consumption (Scopes 1&2) (Tonnes CO2e)	407.80	320.75	310.00	21.4%



Social Metrics

Social Value

JCC recognises the importance of responsible delivery of projects and how such delivery impacts on the local community. To mitigate such impacts, JCC will apply social value in project delivery through a number of recognised metrics associated to the TOMs (Themes Outcome Metrics) Social Value framework, namely but not limited to:

- Employment of local people
- Providing opportunities for local SMEs
- Ethical procurement
- Employability of young people
- Reduction of air pollution in the local environment through responsible work practices
- Pro-bono community engagement
- Volunteering
- Food Donation initiatives
- Charitable donations
- Use of social enterprise companies
- Engaging with CRISIS, a charity for the homeless, to try and provide work opportunities

All of the above which would be aligned to and reported against, in line with the TOMs Framework for Social Value reporting. Such reporting will be validated by the Planet Mark organisation annually to maintain the Planet Mark certification we have been accredited.

Recruitment, Staff Retention & Engagement

With fewer young people entering the sector and the Brexit fallout of reduced migration, there is a severe shortage of resource to meet the needs of the pipeline of work that exists, making it an employee's marketplace, one of increased wage to maintain or attract the right staff to enable service delivery. Staff retention is key; to that end the organisation will identify and mitigate the risk of losing good people, by becoming accredited with the 'Investors in People' accreditation so as to review the work environment and how we can improve it and make us a company of choice for existing employees and attract the right people to join the business in an inclusive, unbiased approach that considers all diverse talent pools. End of year reviews are to be carried out by department leads to provide the opportunity for the employee to voice their opinion on their workload, career opportunities, training and progress within the business.

Health, Safety & Wellbeing

The nature of the works we, as an organisation carry out, is at the extreme end of the risks our employees face when carrying out their tasks, and to that end, we ensure all our employees have exceptional training provided with extensive controls in place to ensure their safety and wellbeing in the work place.

JCC are proud to have achieved the ROSPA Gold Award for 12 consecutive years, which resulted in a 13th award and gaining the prodigious President's Award in 2020, and a further President's Award for outstanding H&S achievement for the 2021 year.



We will monitor H&S training through Syrinx software to ensure all those put to task are competent and qualified and record the hours trained. We further recognise that H&S does not just include the risk associated with the physical application of implementing the task, but also the potential risks associated with mental health and well-being, so we will train personnel through courses such as Mental Health First Aid and provide contact details and information to enable employees to reach out if the need arises.



Mental Health Talk

Equality, Diversity & Inclusion

Attracting talent into the industry is more important than ever. Fostering a culture of equality, diversity and inclusion is essential to not only attract, but to also retain a diverse pool of talented individuals. It creates a welcoming environment where everyone feels valued and respected, leading to higher employee engagement and productivity.

The organisation has developed an EDI Policy, EDI Strategy, EDI Implementation Plan & EDI Training Plan. The foresaid documentation will be made available to all staff along with a link to a learning pathway for staff to engage with the Supply Chain Sustainability School resource and do the 6.9 hours of online learning to achieve the HS2 EDI Level 1 qualification.

The purpose of this EDI Strategy document is to detail the framework that JCC will be applying to our operational activities associated with our delivery of projects in support of our clients' Equality, Diversity & Inclusion objectives as well as our own.

The EDI strategy document will provide a new holistic view on Equality, Diversity and Inclusion and will detail the strategies used to go beyond the direct impact that our operation has on any given project and associated community. It also gives guidance on how JCC can positively impact not only those affected by our works but also those who are employed to deliver the works both in a practical sense and in a support capacity, taking into account diversity and inclusion regarding gender, age, disability, ethnicity, sexual orientation and religious belief.

This strategy is to provide guidance to our project teams and support staff on how to adopt the EDI values that the organisation sees as a core to the business.

The aim of this Equality, Diversity & Inclusion (EDI) Strategy is to outline JCC's commitment to demonstrate how we intend to implement best practice by way of engagement and education of all our staff, to embed a diverse and inclusive ethos into our organisation and support our client base in achieving their EDI objectives including that of the Deaf community, by introducing BSL (British Sign Language) into the work environment by way of Tool Box Talks as an inclusive initiative that has been well received by the Considerate Constructors Scheme for promoting BSL in the workplace and the communities operatives live in.

Modern Day Slavery

Clearly Modern Day Slavery is a huge problem, not only in the construction industry but also a lot of other industries as well. The aim of the Company is to identify our responsibility by alerting staff to the risks, however small, in our business and in the wider supply chain.

Staff are expected and encouraged to report concerns to management, where they are expected to act upon them.

JCC has achieved these aims by our initiative to identify and mitigate risk in the following ways (but not limited to):

- Training staff and making them aware of the issues associated with Modern Day Slavery by way of a presentation/company induction and by Tool Box Talks and poster display on site notice boards.
- Cooperation with 2nd Party Modern Day slavery audits.

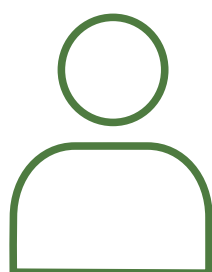
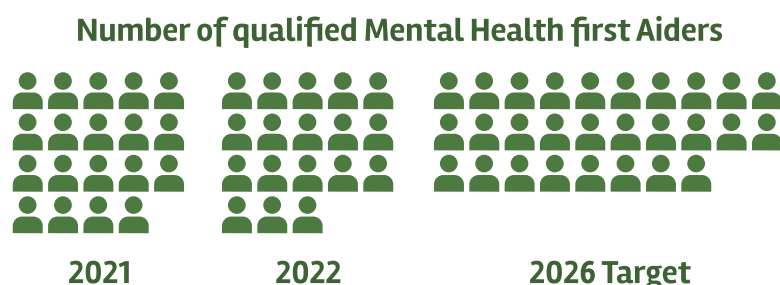
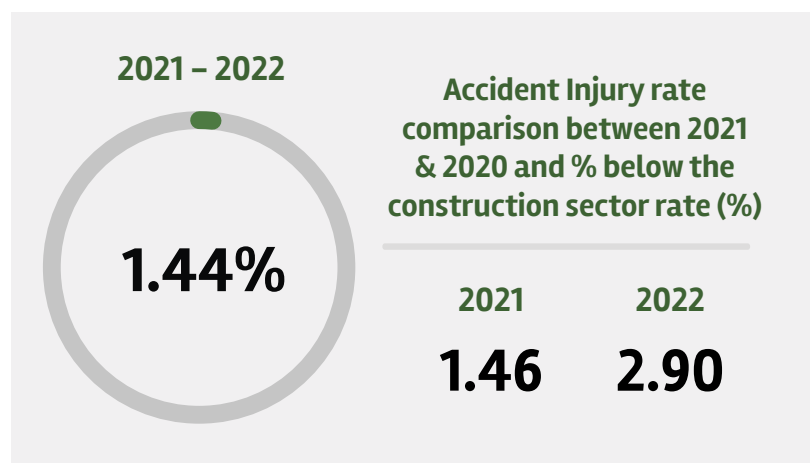
- More stringent vetting and investigation of our supply chain using comprehensive PQQ's to review compliance to MDS policy statement prior to engagement of service provision.
- Continually auditing and reviewing our practices to check that all employees are paid at least the minimum wage and have the right to work.
- Investment in PPAC right to work software system.
- Maintaining our SEDEX B membership.
- Maintaining our full membership to TISC Report.
- Becoming registered with the GLAA and having our logo applied to the GLAA Construction Protocol.
- Reviewing GLAA newsletters.
- The Company has not and will not knowingly support or deal with any business involved in slavery or human trafficking.
- We have zero tolerance for slavery and human trafficking. We expect all those in our supply chain and contractors to comply with our values.
- Implementing the new GLAA initiative 'Hand SOS' to all sites.
- Supplier audits.

Data Disclosure Type

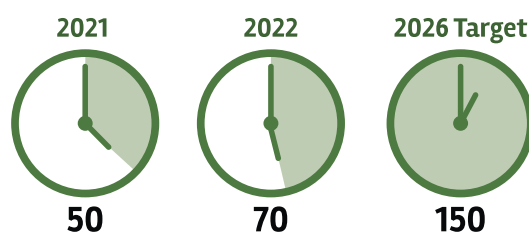
1. Accident Injury rate comparison between 2021 & 2020 and % below the construction sector rate –
2. Client satisfaction % based on returns
3. Number of qualified Mental Health first Aiders
4. Modern Day Slavery Training via Webinars/Workshops/ Auditing & TBTs
5. Social Value - Fund Raising
6. RIDDOR Stats comparison between 2021 & 2020
7. Staff EDI training through the Supply Chain Sustainability School
8. Staff H&S Training (TBT's/CPD Accredited)
9. Hours of H&S Training



Social Strategy Targets



Modern Day Slavery Training via Webinars/Workshops/Auditing & TBTs (Hours)



2021–2022: **40%↑**

Social Disclosure	2021	2022	2026 Target	2021 – 2022
Social Value – Fund Raising (£)	19,267.67	21,522.09	22,060	+11.7%
Social Value – TOMs (£)	94,498	625,000	+2.5% from previous year	530,502
RIDDOR Stats comparison between 2021 & 2022 (%)	0.13	0.00	0	-0.13
Staff EDI training through the Supply Chain Sustainability School	7.00	11.00	30	57%
Staff H&S Training (TBTs/CPD Accredited)	91,791.00	106,692	150,000	16.5%
Hours of H&S Training	6685	7881	9000	17.9%

Governance Metrics

Anti-Bribery Training

JCC have an ongoing license with the online training facility iHasco. Most of the senior management have undergone the online CPD accredited Anti-Bribery training, and are aware of what constitutes bribery in the workplace.

JCC's policy is to conduct business in an honest way and without the use of corrupt practices or acts of bribery to obtain an unfair advantage. The Company does not, directly or indirectly, offer, solicit, accept or receive any gift, payment or any other advantage from any person or organisation in return for providing any improper business or other advantage.

This policy is fully supported by the Board of Directors and is to be communicated to everyone in our business to ensure their commitment to the policy.

The Board attaches the utmost importance to this policy and will apply a zero-tolerance approach to acts of bribery and corruption by any of our employees or third-party representatives. Any breach of this policy will be regarded as a serious matter by the Company and is likely to result in disciplinary action.

This policy applies to individual employees, sub-contractors, consultants, agents, or any other people or bodies associated with JCC or any of its subsidiaries and employees working on behalf of the organisation.

A further review of anti-bribery training will be undertaken to ensure a greater number of relevant management and staff who have yet to do the online learning, do so to ensure an organisational culture of honesty in work practice.

Business Risk Management

Clearly, the work environment in which the organisation operates has a number of business risks, such as, but not limited to: Covid pandemic, Climate Change financial consequence, Resource deficiency and Rising material costs along with material availability. As part of our ESG commitment, the ESG Corporate Sustainability Committee will review current and

projected business risks and include them in the organisation's Risk Register, identifying the risk and mitigation measures to be taken to counter the risk, such as but not limited to:

- Operational Risk – A range of risks associated with delivering complex projects.
- Inflationary Risks – Risk of rising prices eroding the buying power.
- Market & Economy Risk – The state of the economy, business confidence, political risk, pandemics, climate change, global conflicts such as the war in Ukraine.
- Liquidity Risk – Mitigating exposure to liquidity risk by managing cash generation by its operations with set cash collection targets.
- Credit Risk – All new clients are referenced with reputable credit agencies.

Corporate Law Compliance

J Coffey employ the services of Barbour Environment, Health & Safety, to establish our Legal Register so Senior Management and Directors are aware of our corporate legal obligations and maintain knowledge associated with the **Companies Act 2006**, to ensure organisational compliance with corporate law and in doing so, using as guidance, the **Wates Corporate Governance Principles 2018** document. The following should be duly noted as advised in the Wates Document:

NOTE: *Nothing in the Wates Principles overrides or is intended as an interpretation of directors' duties as set out in the Companies Act 2006.*

Directors' duties:

The duties of directors are set out in sections 170-177 of the Companies Act 2006. These include, in section 172, the duty of a director to promote the success of the Company for the benefit of its members as a whole. This duty applies to all directors, regardless of whether the Company is public or private, a parent or a subsidiary, large or small.

Companies Act 2006

172. Duty to promote the success of the Company:

“A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to.....”

In addition to the relevant requirement set out above in the regulations, two other relevant reporting requirements have been introduced:

- Companies that produce a Strategic Report are now required to provide a section 172(1) statement on their website which describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.
- The Directors' Report has been amended to require companies to explain how they have engaged with employees and how directors have regard to employee interests, and the effect of that regard. Large private companies are also required to explain how they have engaged with suppliers, customers and others in a business relationship with the Company.

The new corporate governance reporting requirements apply to companies reporting for financial years after 1 January 2019. Companies will be able to adopt the Wates Principles as an appropriate framework when making a disclosure about their corporate governance arrangements under the Government's new reporting requirement. In addition, the Wates Principles offer companies an effective way of linking their corporate governance statement to the other reporting requirements. Explanations of the application of the Wates Principles combined with and cross-referred to other reporting will together achieve an increase in transparency from large private companies and contribute to building trust.

Companies Act 2006

www.legislation.gov.uk/ukpga/2006/46/contents

The Wates Corporate Governance Principles 2018

www.wates.co.uk/articles/insight/the-wates-principles-report/?hub=who-we-are--corporate-governance

Stakeholder Engagement

JCC recognises the importance of stakeholder engagement and the need to communicate or interact with its stakeholders in order to achieve a desired outcome and enhance accountability.

Historically, we acknowledge our engagement is inclined to be more reactive, focusing more on risk mitigation. As the corporate social responsibility movement has grown, JCC has become more proactive under the assumption that stakeholder engagement can enhance the sustainability and profitability of the organisation.

With a greater focus on the benefits of engaging with stakeholders, the intent of the organisation is to be more proactive in the following areas of engagement:

- **Building Trust:** Sincere efforts at engagement to improve relations between a company and its stakeholders. This can diffuse existing tensions and make it easier to solve potential problems down the road.
- **Risk Management:** Working with stakeholders to lead to a more stable operating environment and reveal critical information that is important for company decision-making.
- **Brand Enhancement:** By engaging with stakeholders as a company, we can improve its visibility and reputation. Customers, investors, and other economic stakeholders may also view this engagement as a differentiating factor in the market.
- **Improved Productivity:** Better internal engagement can identify areas in which the Company can become more efficient. Additionally, employees that have a greater voice in the workplace tend to have higher morale.
- **Strategic Opportunities:** Engaging with stakeholders can help the Company to identify new business opportunities and market segments.
- **Partnerships:** By collaborating with stakeholders, the organisation can pool resources to achieve a common goal such as, but not limited to, the corporate partnerships the organisation has formed such as the **Supply Chain Sustainability School**.

Workforce

As an organisation we recognise our material stakeholder group is our workforce, to that end we will develop a range of formal and informal channels that enable a meaningful two-way dialogue, so as to engage with the workforce to share ideas and concerns with senior management. We have started the process of engagement with **Investors in People** to proactively address the situation as well as senior management engagement at the workplace. Such forms of engagement will provide useful feedback about our business practices and can support the desired culture of the business.

Workforce policies and practices should be aligned with the Company's purpose and values. Such policies should establish clear procedures for raising concerns (for example, speak up and whistleblowing policies), and should be reviewed regularly to ensure that they are effective.

A board should demonstrate how the Company has undertaken effective engagement with material stakeholders and how such dialogue has been considered in its decision-making.

Companies may also wish to comment on any good practice which may have emerged and contributed to the success of the Company.

Explanations in support of applying this Principle will be closely aligned to other disclosure requirements of the Regulations (section 172 reporting, and reporting on workforce engagement).

Gender Pay Gap

With the sector experiencing a severe shortage of relevant resource, the organisation recognises the need to seek talent pools that are out there in the marketplace, but represent poor representation in the sector. JCC are keen to support the movement of 'Women in Construction' and are now representative on a collaborative group meeting approach, with other Tier 1 contractors on the Old Oak Common HS2 project, to promote and encourage greater emphasis on attracting women into the sector, but to do so, obstacles like the gender pay gap have to be addressed.

J Coffey will carry out a workforce review of women in the Company's workplace and their pay compared to their male peers in the same roles within the organisation, to understand any divide that exists, with a view to address and redress the pay gap imbalance subject to work experience and other considerations that might justify a pay gap.

Board Diversity

The Board of Directors acknowledge that there is a lack of diversity regarding gender on the Board. The Board is committed to developing a more diverse workforce, including at the most senior levels.

It is intended to introduce a mentoring programme to upskill those who consider themselves in the protected characteristic range within the organisation and to receive mentoring of a directorship level so as to have a more inclusive representation at a senior level that could be considered for a board appointment role that reflects societal diversity.

Data Disclosure Type

1. *% Female representation in J Coffey*
2. *Anti Bribery Training*
3. *Organisation Turnover*
4. *Company Tax (refund)*
5. *Profit*
6. *Assets*
7. *% of plant and fleet that is Stage 5/electronic / hybrid*

8 DECENT WORK AND
ECONOMIC GROWTH



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS

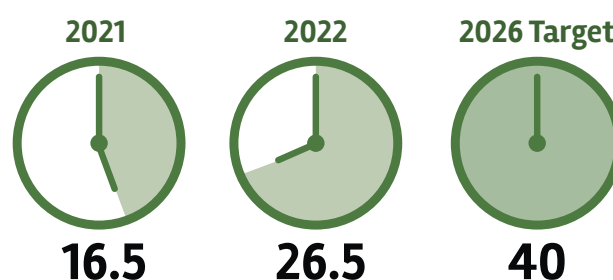


Governance Strategy Targets

Female representation in J Coffey (%)



Anti-Bribery Training (Hours)



2021 – 2026 Target

58.75%

Governance Disclosure	2021	2022	2026 Target	2021 – 2022
Organisation Turnover (£)	198,500,000	172,000,000	225,000,000	+13.4%
Company Tax (refund)	329,289	937,000	1,225,000	+184.6%
Profit (£)	9,627,326	3,800,000	7,775,000	–60.5%
Assets (£)	167,778,300	147,000,000	170,000,000	–12.4%
% of plant and fleet that is Stage 5/electronic / hybrid –	30.00	30.00	40%	0%

Summary

It is becoming evident that there is a need for the construction industry, as one of the biggest contributors to Carbon Emissions, to address the issues associated to climate change.

For too long now, the facts associated with plastic waste, emissions, deforestation, loss of species, drought, rising oceans, etc. have been conveniently ignored by the corporate world of business to the detriment of human existence. The tipping point that has often been spoken, may in fact have already been passed beyond recall. Organisations need to act now to meet Government objectives and embed the core values of sustainability into their work practices.

JCC recognise this fundamental action to call to arms and respond to the dangers our world faces through climate change and the associated harm caused to the environment and commit to demonstrating and implementing their responsible work ethic into practice, that sets the standard for project delivery in support of our client base, who share our compassion to make a difference.

We also understand the effect our work practice during project delivery impacts on local communities; it is our intent through our Social Value contribution to leave a legacy with local communities through local procurement, employment opportunities, charitable donations, pro-bono community engagement in support of the Considerate Constructors Scheme and be a responsible business that sets the bar in the sector.

Finally, we will support and implement best practice



with regards to the issues associated to Equality, Diversity and Inclusion to address the shortfalls we have and improve any imbalance within our business to be a more inclusive organisation.

Eddie Barrett
Group Managing Director

Bibliography

HVO D+ Bio Fuel Poster

<https://www.jcoffey.com/wp-content/uploads/2022/07/World-Environment-Day.pdf>

J Coffey Pledge to Net Zero

<https://www.pledgetonetzero.org/jcoffey-construction>

Companies Act 2006

www.legislation.gov.uk/ukpga/2006/46/contents

The Wates Corporate Governance Principles 2018

www.wates.co.uk/articles/insight/the-wates-principles-report/?hub=who-we-are--corporate-governance



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