

Sustainability Report

2020



2020 Annual Sustainability Report



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Our framework for a sustainable
business

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People - Planet - Purpose

2020 was like no other. The world as we knew it shifted to a place no one could ever have predicted. However, there were some glimmers of optimism; as the world slowed down, mother nature was able to breathe a sigh of relief. The result was a 7% reduction in worldwide greenhouse gas emissions, compared with 2019; noticeable improvements in water and air quality; evidence of our natural environment being more vibrant than ever, and people reporting the sound of birds being louder than ever before, because of the reduction in noise from road and air traffic. This optimism also extended to our communities, which were brought together in solidarity, to protect the most vulnerable and applaud our key workers.



Our challenge now is to ensure these positive impacts are not short term, but that we, instead, sustain the changes in our behaviours, so that the effects are realised into the long term.

‘Build back better and build back greener’ is the message from government to business. This moment of opportunity cannot be missed, as we seek to secure a resilient future, where environmental protection and the role of community are respected in equal measure to economic growth. If there was ever a tipping point for the pillars of sustainability to be an essential part of our corporate and individual lives, this is it.

In the midst of the pandemic, July 2020 saw VolkerWessels UK launch its People-Planet-Purpose sustainability framework, providing the

business with a robust, and flexible, approach to delivering sustainability excellence. The framework built on exceptional foundations, but the ‘can do’ attitude of our employees has surpassed expectations. We are capitalising on some of the positive experiences of the pandemic, which include a move to more agile working, the desire to support communities, the opportunities to reduce our carbon, and the wider environmental impacts, which will make 2021 a pivotal year in our 2020-2030 decade of action.

Alan Robertson
Chief executive officer

“ 2021 will be a pivotal year in our 2020-2030 decade of action

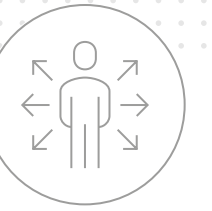
Alan Robertson
Chief executive officer



INTRODUCTION



VolkerHigh



People

Empowering our workforce to be the drivers of sustainable and responsible change is key to the delivery of our framework; they are the foundation of our business, so their safety and wellbeing will remain our priority, as will our desire to ensure our workplace is an inclusive and inspiring place to be.

Our people have always been our greatest asset; we place trust in them at all levels in the business to seek out innovation, and to initiate the changes required to deliver our People-Planet-Purpose framework, empowering them through the provision of information, education and training.

Safety and wellbeing

Without exception, the safety and wellbeing of our employees will always be our top priority. We continue to work tirelessly to assess the risks our teams face and seek to either eliminate them or apply the risk hierarchy, so they are reduced as far as is practicable. We work closely with our supply chain to trial new equipment and technologies that further reduce the risks.

We recognise that, at the peak of the pandemic in the UK, we saw some minor impacts on our safety statistics - common to the industry as a whole during this time. Our culture of continuous safety improvement has, however, seen us achieve a year-end position which is still industry leading. The

coronavirus pandemic brought us new challenges, whilst we worked to maintain our construction activities.

The attitude and behaviours of our employees, and all those working on our behalf, has ensured that our business charted a successful course and headed into 2021 with the same commitment to health, safety and wellbeing. We recognise, more than ever, that it is our own community of employees that sets us apart and makes us the successful business that we are.



Safety and wellbeing



Accident Frequency Rate

0.07



% of mental health first aid trained staff

4.1%

Equality, diversity and inclusion



% of EDI champions across the business

3%

Empowering sustainable leaders



% of employees undertaking sustainability related learning

4%



Equality, diversity and inclusion

During 2020, we continued to drive forward our work to ensure that VolkerWessels UK is a business where everyone can feel welcome and valued; one that is attractive to a diverse workforce, and which is enriched by diversity of thought.

We have over 90 EDI champions who are pivotal to us achieving our goal – volunteers from all business areas and roles, who, along with our EDI steering committee, assist our leadership in ensuring that inclusion remains a focal point. Our success to date can be seen in the employee support structure provided by these champions, who are empowered to challenge behaviours, and lead on key chosen EDI initiatives and campaigns, such as National Sign Language Week, National Inclusion Week and faith diversity activities.

Even given the extraordinary restraints of a pandemic year, VolkerWessels UK continued to forge ahead, and launched its first annual EDI Champions Conference, giving us an opportunity to address a range of EDI topics and develop our strategic vision. This conference, in turn, led to the introduction of a series of EDI Leadership Roundtable events, with a panel of senior colleagues leading discussions on EDI topics. These sessions are open to the whole business.



In recognition of our approach, VolkerWessels UK was awarded 'Most Improved Organisation of the Year' and 'Engineering Company of the Year' at the 2020 National Centre for Diversity awards, and achieved the Armed Forces Covenant Employer Recognition Scheme (ERS) silver award, for organisations that help support the armed forces community. We also became a partner of BPIC – Black Professionals in Construction and are a platinum member of Women into Construction.

Women into Construction

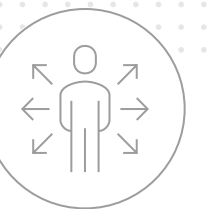


“ Across VolkerWessels UK, we are dedicated to ‘building inclusion together’.

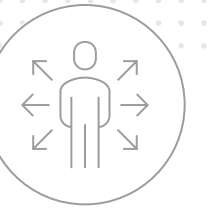
Alan Robertson
Chief executive officer

Throughout 2021, we will be delivering inclusive leadership training for senior managers across the business, as a follow up to the EDI awareness training previously delivered to all employees. We will continue to seek to attract the best talent, regardless of background; to address areas where there are pay gaps, and to learn from one another, to ensure our business continues to grow and that everyone feels welcome, included and can thrive in their growth ambitions.

Across VolkerWessels UK, we are dedicated to ‘building inclusion together’ and are proud to have published our first Diversity and Inclusion report, which showcased our EDI achievements and plans alongside our gender pay gap data.



PEOPLE



Empowering sustainable leaders

Our People-Planet-Purpose framework comes to life when our workforce is educated to understand the need for change, and our people are supported in their ambitions to enhance their own skills, knowledge and experience, as well as being empowered to embrace and instigate sustainable and responsible change, and to inspire others to follow. We recognise that empowerment is not solely a result of classroom courses; there are many alternative ways to address development, to help employees feel confident in making the right decisions, and bring others along on the journey.

Delivering face-to-face training was challenging in 2020, but we were still keen to share knowledge. To help improve access to resources and information, we launched a 'Sustainability Hub' on our internal

intranet, introduced a regular, online 'Sustainability Share' call for our workforce, and made over 80 pieces of sustainability learning available via our learning management system, iLearn.

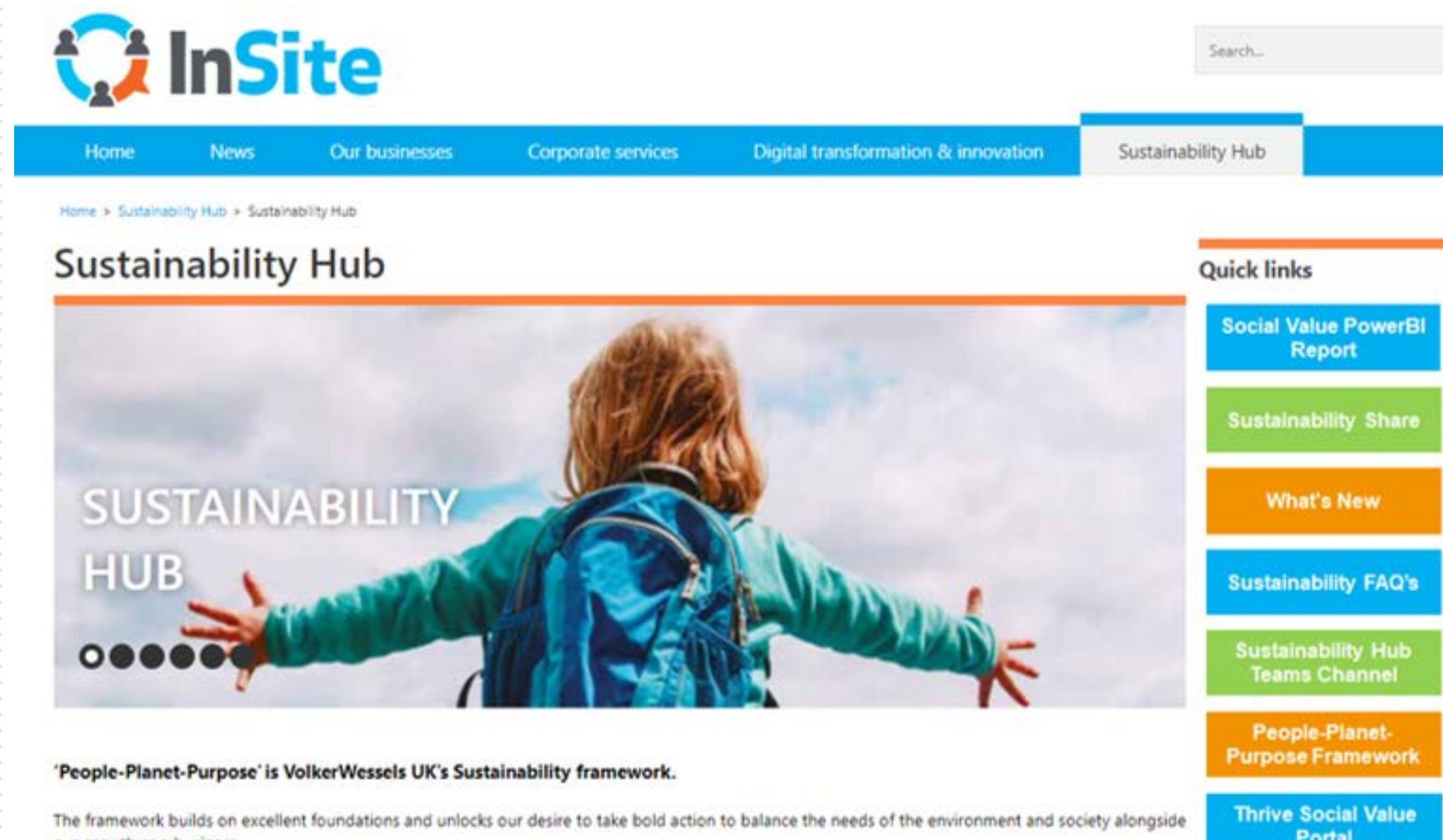
The Sustainability Hub provides access to sustainability best practice, shared learning, news and innovation. The 'What's New' feature enables people to see at a glance any updates over the last month, and the associated Teams channel provides further information, reports and data, enabling us to share the progress we are making with the people that are making the difference.

A six-weekly 'Sustainability Share' is available to all employees via Teams. It is an open forum, where we hear stories, case studies, best practice and lessons learnt from people around the business and from external partners, who are bringing sustainability

to life, helping us understand how their collective actions and ambitions are delivering long-term social value for the communities we work in.

The sustainability portal in our learning management system has enabled people to access learning quickly and easily across a broad range of subjects - including carbon, circular economy, fairness, inclusion and respect, sustainable procurement, and biodiversity. We are also promoting the resources available through our Partner status with the Supply Chain Sustainability School, and we are mapping this learning to each of our People-Planet-Purpose themes, to ensure consistency of approach.

Broadening the sustainability knowledge of our workforce is fundamental, as we seek to further embed sustainability principles across the business.



Planet

Our projects each present different environmental challenges and opportunities. At VolkerWessels UK, we pride ourselves on being agile to respond to these ever-changing environments, and to offer solutions to our clients, that exceed minimum expectations.

“Recognising and accepting that the choices we make today have consequences that will affect the stability of our future is key; now is the time to act.”

Adrian Shah-Cundy
Corporate responsibility director

Responsible management of the environment

Here is just a selection of the great work being delivered by our site teams, to ensure they are working with due care to the natural environment and go over and above whenever they can.

Hambleton Junction is a key site for the East Coast Main Line Power Supply Upgrade project being undertaken by VolkerRail. To link the temporary 2.3km haul road to the compound, the REAL Alliance needed to construct a 21 metre bridge to span the Selby Dam. The embankments of Selby Dam provide optimal habitat for water voles, and a mitigation strategy was implemented by the project under a Water Vole Displacement Licence. To offset the 54 metres of water vole habitat lost during displacement works for the bridge construction, the Alliance installed 72 metres of pre-established coir roll with aquatic plant seedlings. Over time, additional plants will establish, and the watercourse will deposit sediment, creating a vegetated ledge of highly suitable water vole habitat.



Hambleton Junction



Wood recycling in Romford and Ilford

VolkerFitzpatrick's rail division has been working with a local Community Wood Recycling group, to help reduce wood waste on the Romford and Ilford stations enhancement project. Based nationwide, Community Wood Recycling takes away and recycles any redundant wood, pallets and boarding. This partnership has been a great success, with the team recently receiving a certificate for diverting 10 tonnes of waste wood from the project. VolkerRail also continued its support for the Community Wood Fund; between April 2019 to March 2020, VolkerRail was able to recycle 86.8 tonnes of wood. 19.1 tonnes were reused by the community for DIY/building projects, 36.3 tonnes were processed into firewood and 31.4 tonnes were recycled into woodchip.



PLANET



Works along School Road, Midgham

VolkerHighways' West Berkshire team undertook improvement works along School Road, Midgham, to help control water flow, after the pond bank had become displaced. The banks of the carriageway had been displaced following erosion from flood water, so the carriageway was left exposed to further erosion and the existing parapet displaced. The main works involved clearing overgrown vegetation, creating water diversions for pumping works, embankment stabilisation and the construction of a new bag work headwall. The team also installed a precast concrete cascade spillway and toe, created a graded run off, using a pre-seeded erosion control blanket, replaced the pipes underneath the carriageway and reinstated the carriageway. The new spillway and pond improvements have restored life back into the area, benefiting the wildlife and environment for many years to come.

2020 was also the year when the inaugural VolkerRail Charity Wildlife Photography Competition launched, to raise awareness of the importance of ecology and the environment and how it enriches our lives – never felt more strongly than during the COVID restrictions. The winning photographs were

made into a charity calendar, raising £772.50 for the Bumblebee Conservation Trust, as voted for by employees.



VolkerRail Charity Wildlife Photography Competition

Climate, energy and emissions

It is widely accepted that aspects of our modern life are having a negative impact on our climate. The impacts of climate change, once considered to be in the 'future', are sadly ever-present in the 'now', with reports of temperature rises, forest fires, droughts, and documented evidence of rising sea levels becoming common reading in the worldwide press.

Recognising and accepting that the choices we make today have consequences that will affect the stability of our future is key; now is the time to act. The challenge in front of us, however, is not insurmountable, and it is important that we remain optimistic.

One of our greatest achievements in 2020 was the progress we made on shifting our company car fleet to alternative fuelled vehicles. The petrol and diesel used in our company cars accounts for 13.5% of our 2020 carbon footprint.

“The uptake of alternative fuelled vehicles has surpassed our expectations and is something we are very proud of at VolkerWessels UK.

Spencer Ward
Head of fleet

Electric and hybrid vehicles are now available for every grade of employee, with attractive vehicle options offering an appealing alternative to traditional petrol and diesel vehicles. This, plus the Government's fiscal incentives, has led to a significant uptake by our employees, with 76% of new company cars on order at the end of 2020 being either hybrid or pure electric. This represented 24% of the total live fleet, and it is anticipated that this figure will rise to 40% by the end 2021.

“76% of company car orders at the end of 2020 were electric or hybrid.

Spencer Ward, head of fleet, reflects; “The uptake of alternative fuelled vehicles has surpassed our expectations and is something we are very proud of

at VolkerWessels UK. Empowering our employees to make their vehicle decision based on all the facts available to them is key. We have a 'fuel decision tree' available to all employees through our vehicle partner, Lex, to help ensure their choice is fully informed, based on annual mileage, access to charge points and the mileage range of the vehicle. This, along with highlighting the fiscal incentives available from the Government, is helping our employees make the right decision for them as drivers, with many now choosing the greenest option available to them.”

Our site and procurement teams are also stepping up to the challenge with numerous trials of low carbon and energy efficient plant, vehicles and materials ongoing around the business. We are working closely with our supply chain to ensure we are aware of innovation and how this can add value for our clients.



PLANET



Electric plant trials

In VolkerHighways, there have been trials of electric mini excavators, wackers, telehandlers, electric dropside and transit vans, as well as trials of recycled kerbs and solar LED lights, with many more on the horizon for 2021. As a result of these trials, three electric Manitou ME425C forklifts have been hired for long-term use on our three CityFibre contracts.

During 2020, we forged a relationship with an energy broker to help us streamline our gas and electricity procurement. This has enabled us to mandate that all new energy contracts are procured from 100%



Education our people about carbon reduction

“ All new energy contracts are procured from 100% REGO backed supplies - we have reduced our scope 2 emissions by 71% between 2019 and 2020.

Adrian Shah-Cundy, corporate responsibility director

REGO backed supplies - meaning we have reduced our scope 2 emissions by 71% between 2019 and 2020. We have also been able to secure significant cost savings, due to economies of scale.

However, we recognise that, like many others, we are at an early stage in our journey and that there is more that can be done. The challenge is how we approach this and importantly sustain these efforts. We will launch our new Carbon Reduction framework in 2021, which will set Net Zero and Science Based Targets to add greater depth, transparency and vigour to our carbon reduction plans. We will use education as the cornerstone of our approach to motivate our greatest asset - our people - to think innovatively about carbon reduction, to really make a difference.

Circular economy

The transition from waste management to circular economy has been a long-standing challenge for the construction industry. A circular economy is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems.

To help our transition, our circular economy working group has begun identifying ways of reducing the amount of materials being disposed of. The result was 'VolkerSwitch', the VolkerWessels UK materials sharing platform.



Lucinda Farrington-Parker, head of sustainability for VolkerStevin, helped lead the VolkerSwitch project, and tells us more.

What is VolkerSwitch?

VolkerSwitch is an online app that allows surplus materials to be 'advertised' internally across VolkerWessels UK. Users can either list materials that they want to find a home for or search current listings to see if there is anything available that they need.

Listings can be filtered by location and category, so that it is easy to find any materials that are available locally.

The app is accessible to all employees through the PowerApps application.

Why was it developed?

Circular economy is one of the key themes in VolkerWessels UK's Sustainability Strategy: People – Planet – Purpose, and so a working group was established to help drive improvements across the business. One issue that was quickly identified was the quantity of usable materials that end up being disposed of when projects complete.

VolkerSwitch was developed as a tool for advertising surplus materials more widely across the business, in the hope that some goods or resources, which might have gone to waste, will be able to find new homes and help other projects.

Who will use it?

All employees have access to the app, but it should only be used by individuals who have sufficient authority to decide what is to happen to any surplus materials on their project (taking into account any client, contractual or legal requirements).

VolkerSwitch is gradually gathering momentum and we're looking forward to being able to share its benefits back to the business, through PowerBI reports, as we head into 2021.

“ VolkerSwitch was developed as a tool for advertising surplus materials more widely across the business.

Lucinda Farrington-Parker
Head of sustainability, VolkerStevin



Purpose

At VolkerWessels UK, we accept our responsibility to ensure that social value is inherent, and fully embedded, into the way we deliver projects. This means we identify and work with those communities that will benefit most from our support, and we build relationships with schools and other educational establishments to showcase VolkerWessels UK, and the wider construction industry, as the employer and industry of choice for young people.



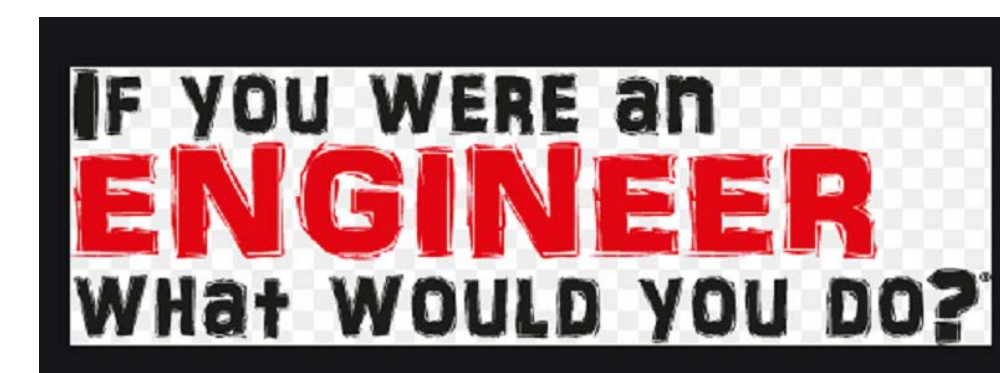
“ We will identify and work with those communities that will benefit most from our support.

Emma Ward
Head of sustainability and inclusion

Education and employability

The restrictions placed upon us all during 2020 limited the level of engagement we were able to have with schools; however, this did not stop our teams using existing relationships to deliver careers and curriculum-based events in new and innovative ways online.

We continued our partnership with Primary Engineer during 2020, with its ‘If You Were An Engineer, What Would You Do?’ programme which asks pupils from early years, primary schools and secondary schools to identify a problem in the world and design a solution to it. Through our partnership, pupils were able to interview engineering professionals from a range of roles and were encouraged to look at the world around them, to find problems an engineered solution could solve. Alongside their annotated drawings, pupils write an accompanying letter to persuade the judges to select their design, and the winning designs are then bought to life by the university partners of Primary Engineer’s competition. With engineering often misunderstood and overlooked as a career by many young people, this competition translates engineering into something that everyone can understand, by placing the focus on fixing the real-life challenges that young people see and experience.



VolkerFitzpatrick Graduates

Our graduate programme continues to go from strength to strength, with six of our graduates completing VolkerFitzpatrick’s structured three-year graduate training programme during 2020. They were all recruited from Nottingham Trent University, with whom we have a strategic partnership, having spent their industrial training placement (ITP) year with VolkerFitzpatrick. Having performed exceptionally well, they were then recruited as graduates, and have been with VolkerFitzpatrick ever since.

VolkerWessels UK continues to encourage the recruitment of apprenticeships as an excellent way of blending learning with ‘on the job’ practical experience. In 2020 we ended the year with 141 apprentices across all parts of the business, equating to 4% of our total workforce. We also supported 106 graduates, 19 Industrial Training Placements (ITP’s) and 50 employees with formal training agreements, bringing to 316 the total number of our people in ‘earn and learn’ positions, equating to 10%, and exceeding our commitment to the 5% Club.



PURPOSE



Charity, volunteering and community engagement

This year has been like no other, and whilst our workforce was not able to engage in traditional volunteering activities, our employees took to the challenge and took part in a huge number of community engagement activities to support the most vulnerable during the COVID-19 pandemic. Here is just a flavour of some of the events and people were able to support:

- VolkerRail raised over £10,000 for **Movember** through a team of 33 committed employees who either grew moustaches, or participated through the 'Make a Move' initiative - each running or walking over 60km, collectively notching up 1,238km.
- The VolkerFitzpatrick Public Health England project team donated to **The Michael Roberts Charitable Trust** food bank in Harlow
- VolkerHighways provided Christmas hampers for the elderly in Thundridge, Hertfordshire, and donated to the **West Berks foodbank**



Christmas Hamper

- VolkerLaser donated to **'Crisis at Christmas'**
- VolkerWessels UK supported the **Salvation Army's 2020 Christmas present appeal**
- Our VolkerWessels UK close call charity donation scheme resulted in a contribution to the **Samaritans** of over £13,000 in 2020, with a corresponding amount being donated across five separate charities, each selected by one of our business units. Since its inception in 2013, the close call scheme has donated over £160,000 to charitable causes.
- 2020 also saw VolkerRail's longstanding support for **Bluebell Wood Children's Hospice** reach new heights, with donations for close call reporting during 2020 taking the grand total of funds raised to over £50,000, since Bluebell Wood was adopted as its charity of choice in 2012.





VolkerFitzpatrick's Building division received the Charity Patron Contractor of the Year Outstanding Leadership on Charity Projects award from CRASH at its Above and Beyond Awards 2020.

The Above and Beyond Awards 2020 celebrate the achievements of CRASH Patron companies, who have supported the charity and their work this year. The awards recognise companies who have gone above and beyond, by channelling their professional expertise, and delivering construction projects and fundraising, to build places that care for homeless people, as well as children and adults who need end of life care in a hospice.

VolkerFitzpatrick received the 2020 award for its involvement in the lounge refurbishment for 140 residents at Caritas Anchor House, a centre helping with homelessness, and the dining room extension at Greenwich and Bexley Hospice.



£50,000
donated to Bluebell Wood since 2012

£10,000
raised for Movember

£13,000
donated to Samaritans



Sustainable supply chain and ethical procurement

VolkerWessels UK continued as a Partner member of the Supply Chain Sustainability School during 2020, enabling access to hundreds of resources, both internally and throughout our supply chain. Adding its top 100 suppliers into the SCSS portal, VolkerWessels UK has seen some excellent levels of engagement for both formal training and e-learning. Highlights include over 200 people attending a training session, equating to over 7500 hours of training delivered, and, specifically relating to e-learning, over 4000 e-learning modules completed, totalling over 700 hours.

As we head into 2021, we intend to provide further support to our supply chain, which will complement the most popular types of resource being accessed and also help drive forward our own sustainability agenda. This will include greater emphasis on equality, diversity and inclusion awareness, as well as climate change and carbon, sustainable construction and circular economy. We will also be continuing to build relationships with likeminded suppliers, to help us grow collaboratively, seek out innovation and new technologies and, ultimately, reduce our impact.



“ We will also be continuing to build relationships with likeminded suppliers, to help us grow collaboratively, seek out innovation and new technologies and, ultimately reduce our impact.

Graham Davey
Procurement director

VolkerWessels UK is a leading multidisciplinary contractor that delivers innovative engineering solutions across the civil engineering and construction sectors, including rail, highways, airports, marine, defence, energy, water, and environmental infrastructure.

We operate through five separate, but complementary business units, working in collaboration and using our specialist skills to deliver an integrated service for our clients.



volkerwessels.co.uk



Design: The Creative Mill