



# **Reporting Data and GRI Technical Supplement for the year ended 31 December 2016**

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## Introduction

Morgan Sindall Group plc reports responsible business performance in our 2016 Annual Report as well as on our website <http://sustainability.morgansindall.com/>.

This Report Data and GRI Technical Supplement should be read in conjunction with the 2016 Annual Report as well as with the website, which provides further detail on the Group's performance.

## How material topics were identified

In late 2015, we undertook our second stakeholder consultation supported by sustainability advisors IMS Consulting, to list the material topics to cover in our responsible business reporting.

All employees with an email address and over 1,200 external stakeholders (customers, suppliers and relevant organisations linked to the Group and the divisions) were invited to participate in an online consultation, split evenly between internal (employees) and external stakeholders (suppliers, customers and others). Each was asked to assess the importance of relevant responsible business topics related to how we conduct our business. The shortlist of topics was compiled using information related to our Total Commitments, ongoing stakeholder feedback, industry-wide topics and third-party guidance.

Responses were received from around 1,500 employees and about 340 external stakeholders, allowing results to be analysed based on stakeholder type and by Morgan Sindall Group divisions. The table below sets out, in no particular order, the final list of validated material topics as a result of this process.

### TWELVE MATERIAL TOPICS IDENTIFIED FOR MORGAN SINDALL GROUP:

- |  |
|--|
| 1. HEALTH AND SAFETY                       |
| 2. DEVELOPMENT AND TRAINING OF EMPLOYEES   |
| 3. ENERGY CONSUMPTION AND CARBON EMISSIONS |
| 4. WASTE                                   |
| 5. RESPONSIBLE SOURCING                    |
| 6. SUPPORTING LOCAL ECONOMIC GROWTH        |
| 7. ENGAGING WITH LOCAL COMMUNITIES         |
| 8. ENGAGING WITH OUR EMPLOYEES             |
| 9. RECRUITMENT AND RETENTION               |
| 10. ENGAGING WITH CUSTOMERS                |
| 11. ECONOMIC AND BUSINESS PERFORMANCE      |
| 12. LEGAL COMPLIANCE                       |

## An overview of our responsible business performance in 2016

This table presents indicators currently in use at MSG plc, to be consistent with previous reporting.

The GRI Index further below provides additional indicators related to material topics; they are required for us to comply with the GRI Standards. The material topics from the list above are highlighted in yellow.

		<b>Performance measure</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>Notes and assumptions</b>
<b>Total Commitments</b>	<b>Health and Safety</b>	Total number of RIDDOR incidents	62	81	68	The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR)
		Accident Incident Rate (AIR)	330	389	306	Number of accidents per 100,000 employees
		Percentage of staff working under a certified health and safety management system	99	99	99	
		Fatalities	0	1	1	
		Absenteeism (days per year)	4.38	3.69	4.22	
	<b>Developing and training of employees</b>	Average number of training hours per employee	29.25	25.5	16.5	Group headcount is composed entirely of our direct employees. We do not include any temporary "workers" and sub-contractors deliver our projects. Whilst we influence the operating environment of projects, the human resource management and responsibility lies with their own employers.

	<b>Our energy consumption and carbon emissions</b>	Direct (Scope 1) GHG emissions	17,201	23,506	25,244	Direct emissions resulting from fuel combustion (bulk fuels, natural gas) and vehicle fleet emissions. Externally verified (CEMARS)
		Indirect (Scope 2) GHG emissions	6,935	8,081	9,168	Indirect emissions resulting from electricity purchased by the Group (including landlord supplied). Externally verified (CEMARS)
		Indirect (Scope 3) GHG emissions	6,634	2,631	3,214	Indirect emissions from related activities such as water consumption and disposal, waste disposal, electricity transmission losses and employee travel. Externally verified (CEMARS)
		Total carbon emissions (tCO <sub>2</sub> e)	30,770	34,218	37,627	Externally verified (CEMARS)
		Carbon intensity (tCO <sub>2</sub> e /£m revenue)	12.0	14.4	17.0	Externally verified (CEMARS)
		Total energy consumption (GJ)	279,063	388,665	421,415	Externally verified (CEMARS)
		Total Waste Produced (t)	860,209	937,271	1,326,247	
		Total waste diverted from landfill (t)	774,973	837,854	1,140,306	
		Total waste diverted from landfill (%)	96	90	86	
		<b>Waste</b>				

	<b>Responsible sourcing</b>	Number of High risk materials screened and sustainably sourced	0	0	0	No high risk materials used in 2016. A risk register for each project accounts for supply chain risk; all materials used are third party certified to quality and relevant procurement requirements
		Timber sourced using sustainable sourcing certification standards e.g. FSC, PEFC (% of total timber-derived products sourced by weight at point of delivery)	99.8	99.4	98.8	
		Spend with Group-wide agreements (%)	71	71	72	Group-wide agreements include screening for environmental, labour and social criteria
		Participation in Supply Chain Sustainability School (no. unique suppliers registered)	2,048	2,130	c.1,000	
	<b>Engaging with local communities</b>	Considerate Constructor Scheme (CCS) registrations	209	201	286	Considerate Constructors Scheme 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
		Average CCS score	37.6	38.7	38.6	

		Local multiplier effect (number of projects calculated)	39	38	14	We use the Local Multiplier 3 (LM3) tool to measure our contribution to local economies. The greater the no. of projects, the greater the contribution to our long-term target of generating £1.5bn of social value
<b>Additional topics</b>	<b>Engaging with our employees</b>	Employee participation in satisfaction surveys (% responded)	65	37	37	
	<b>Recruitment and retention</b>	Total employees	5,982	5,828	5,750	The average headcount includes all direct employees of the Group for the 12 month period
		Employees covered by collective bargaining (%)	8	7	29	
		Voluntary turnover rate (%)	13	16*	16	
		Total number of new employees	1,011	1,389	1,471	
		Rates of new hires (%)	23	16	25	
		Average age of leavers	40	38.4	37.1	
		Number of graduates recruited	101	81	67	In addition the Group sponsored 166 undergraduates and supported 639 people through NVQs and professional qualifications
		Number of apprentices directly employed	104	100	94	
	<b>Engaging with customers</b>	Average Perfect Delivery score (%)	81	77*	81	Perfect Delivery status is granted to projects that meet four customer service criteria specified by each division
Number of customer stakeholder meetings		6	6	3	Included customers and others, such as employees and suppliers	



	<b>Economic and business performance</b>	Net sales / revenue (£bn)	2.6	2.4	2.2	
		Profit before tax (£m) – adjusted (Defined as before intangible amortisation of £1.4m)	45.3	34.3	25.2	
	<b>Legal compliance</b>	Monetary value of significant fines for non-compliance with environmental laws and regulations (£)	0	0	0	
		Monetary value of significant fines for non-compliance with health and safety laws and regulations (£)	£8,772.80	£471.20*	£8,071.60*	
<b>Additional data</b>	Inclusion and diversity	Gender: male (%)	79	80	80	
		Gender: female (%)	21	20	20	
		Number of women in top 5% management positions (% of female employees on Group management team)	16	15*	30*	
		Number of men in top 5% of management positions (% of male employees on Group management team)	84	85*	70*	
		People from black or minority ethnic backgrounds (% of workforce)	4.5	9	11	
		% workforce employed aged 25 or under	8	9	9	
		Average age of workforce	42	43	42	
		Diversity of Group Board (%female composition of Board)	14	14	17*	
	Sustainable building and labelling	Number of projects achieving BREEAM, CEEQUAL, LEED, SKA or other industry-relevant sustainability ratings	32	47	49	

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	Water	Water use (m <sup>3</sup> )	162,724	769,261	343,000	
		Major Environmental incidents (no.)	0	0	0	
		Water consumption intensity (m <sup>3</sup> /£100k)	6.26	32.25	15.45	
	Advocacy and leadership	Value of political donations (£)	0	0	0	
	Ethical business	Total number of legal actions for anti-competitive behaviour	0	0	0	
	Bribery and corruption	Percentage workforce aware of bribery and corruption legislation (%)	100	100	100	In 2016, the Group introduced an online e-learning training module that was rolled out to all employees to test their knowledge and understanding of the Group's anti-bribery procedures and bribery and corruption legislation. This training is rolled out to all new employees as they join the Group

\* Please note that data points with an asterisk were reviewed and updated in 2016

## GRI Material Topics and Boundaries

The table below explains the boundaries for our material topics using the GRI Standards Sustainability Reporting Framework, with reference to disclosure 103-1. Please see the GRI Index table further below for our Management Approach for each topic.

Material topic	Impact within the Group	Impact outside the Group		Level of involvement [GRI Standards 103-1: Boundary information]
Health and safety	✓	✓	Health and safety risks to suppliers and subcontractors working on our sites, as well as the public. Health and safety standards associated with buildings / infrastructure in use.	<ul style="list-style-type: none"> <li>• The Group is responsible for setting the health and safety standards and requirements for all of its project sites and offices. Anyone attending a site or office is required to comply with these standards and requirements</li> <li>• The Group seeks to influence improvements in health and safety performance outside of the Group's activities through engagement with industry bodies, the HSE, suppliers and customers</li> </ul>
Development and training of employees	✓	✓	Training provided to subcontractors working on our sites	<ul style="list-style-type: none"> <li>• The Group offers a variety of training to all employees ranging from skills training, apprenticeships, support with obtaining professional qualifications</li> <li>• All subcontractors working on our projects and visitors attending our sites are required to undergo formal induction training prior to entering the site itself</li> <li>• All subcontractors are required to have completed their CSCS training prior to attending/working on a site, and are required to have the relevant training for the role that they will undertake on a project</li> <li>• We are able to influence our supply chain to attend supply chain partnership events and to participate in the Supply Chain Sustainability School which offers a variety of e-learning training modules</li> </ul>
Our energy consumption and carbon emissions	✓	✓	Energy used by subcontractors working on our sites. Embodied energy in products and energy performance of buildings / infrastructure in use	<ul style="list-style-type: none"> <li>• The Group sets policies internally that will help to reduce the Group's carbon emissions e.g., a policy requiring fuel efficient company cars</li> <li>• to the Group seeks to influence risks/impacts outside the Group's operations through supplier engagement, product design and customer engagement</li> </ul>






Waste	✓	✓	Waste produced by subcontractors working on our sites, embodied waste and waste from buildings / infrastructure in use	<ul style="list-style-type: none"> <li>The Group seeks to minimise waste across all of its operations and has implemented waste recycling procedures in all offices and sites</li> <li>The Group seeks to influence the level of waste arising on its projects through engagement with customers and suppliers</li> </ul>
Responsible sourcing	✓	✓	Materials sourced through our supply chain and the sustainability performance of our suppliers	<ul style="list-style-type: none"> <li>The Group sets policies for responsible sourcing of materials such as timber which all relevant employees are required to follow</li> <li>The Group seeks to influence responsible sourcing through engagement with customers and suppliers</li> </ul>
Supporting local economic growth	✗	✓	Direct and indirect benefits of our activities	<ul style="list-style-type: none"> <li>Where possible, the Group seeks to directly engage local suppliers and apprentices on its projects</li> <li>The Group works with its suppliers to seek wider opportunities for apprentices</li> </ul>
Engaging with local communities	✓	✓	Involving local communities in what we do	<ul style="list-style-type: none"> <li>The Group engages with the communities around its projects to minimise the impact of its works on the communities in which we operate.</li> <li>Where possible, the Group will actively involve the local community in the design of its projects in particular those undertaken as part of its regeneration activities</li> </ul>
Recruitment and retention	✓	✗		<ul style="list-style-type: none"> <li>The Group sets policies and procedures for the recruitment and retention of its employees which set out what is expected from employees and what they may expect from the Group</li> </ul>
Engaging with our employees	✓	✗		<ul style="list-style-type: none"> <li>The Group undertakes regular employee satisfaction surveys to seek feedback from employees. All employees are encouraged to continually challenge the Group's approach to make further improvements where possible</li> </ul>
Engaging with customers	✓	✗		<ul style="list-style-type: none"> <li>The Group seeks to manage and mitigate the risks affecting quality and delivery as well as cultivating long-lasting relationships and partnerships with customers</li> </ul>
Economic and business performance	✓	✗		<ul style="list-style-type: none"> <li>The Board is responsible for setting and overseeing the successful implementation of the Group's strategy to deliver long-term value for all stakeholders</li> <li>Through good corporate governance, the Group seeks to ensure that it complies with all applicable laws and registrations</li> </ul>

<p>Legal compliance</p>	<p>✓</p>	<p>✓</p>	<p>Legal compliance of our suppliers and of subcontractors working on our sites</p>	<ul style="list-style-type: none"> <li>• The Group seeks to ensure all employees comply with relevant legislation and regulations and operates an independent raising concerns telephone service allowing employees and individuals working on our projects to raise concerns confidentially about the Group’s operations</li> <li>• The Group undertakes assessments of all suppliers and subcontractors prior to engaging them to undertake work; part of this process will include seeking confirmation that they have complied with all relevant legislation and regulation</li> </ul>
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## GRI Content Index

Our responsible business reporting in 2016 has been prepared in accordance with the GRI Standards: Core option. This GRI Content Index allows stakeholders and other readers to gain a quick overview of our reporting and assists with navigation to our responsible business related content across our reporting suite.

### Key to symbols

-  Annual Report
-  See relevant section in this GRI Technical Supplement 2016
-  Sustainability Materiality Assessment 2016 report
-  Responsible Business online: <http://sustainability.morgansindall.com/>
-  2016 CDP response

### GRI 102: GENERAL DISCLOSURES

	Page / Reference
<b>102-1</b> The name of the organisation	 Annual Report (cover page)
<b>102-2</b> The primary brands, products, and services	 Annual Report (pp.0-1)
<b>102-3</b> The location of the organisation's headquarters	 Annual Report (pp.0-1)
<b>102-4</b> The number and names of countries where the organisation operates	 Annual Report (p.145)
<b>102-5</b> The nature of ownership and legal form	 Annual Report (pp.0-2)
<b>102-6</b> The markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	 Annual Report (pp.4-5)
<b>102-7</b> The scale of the organisation, including: total number of employees total number of operations net sales total capitalisation broken down in terms of debt and equity quantity of products or services provided	 Annual Report (pp.0-1,3-5, 12)
<b>102-8</b> The nature of the workforce of the organisation, including: total number of employees by type, employment contract and gender total workforce by region and gender	 Annual report (p.43)
<b>102-9</b> The organisation's supply chain	 Annual Report (pp.43, 44)  Comprises small, medium and large scale manufacturers and service providers mainly in the UK. We currently use an estimated 330 suppliers. The way we work with them is based on formal management approaches and meaningful engagement.

<p><b>102-10</b> Any significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain</p>	<p>📖 Annual Report (p.44)</p> <p>The Group's Strategic Report and Directors' Report of the Annual Report states that no significant changes occurred – see p.44 for changes which are less significant with respect to the supply chain.</p>
<p><b>102-11</b> Whether and how the precautionary approach or principle is addressed by the organisation</p>	<p>We recognise that it is typically more cost-effective to take advance action to prevent negative impacts than it is to deal with the consequences after they have occurred. We also believe that many of the challenges associated with sustainable construction actually represent business opportunities when managed correctly.</p>
<p><b>102-12</b> List of externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses</p>	<p>📁 See external accreditation and recognition</p>
<p><b>102-13</b> List of memberships of associations and national or international advocacy organisations in which the organisation: Holds a position on the governance body Participates in projects or committees Provides substantive funding beyond routine membership dues Views membership as strategic</p>	<p>📁 See external accreditation and membership</p>
<p><b>120-14</b> A statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability</p>	<p>📖 Annual Report (pp.12-13)</p>
<p><b>102-15</b> Key impacts, risks, and opportunities</p>	<p>📖 Annual Report (Principal risks pp.46-57)</p>
<p><b>102-16</b> The organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.</p>	<p>📖 Annual Report (pp.12, 64 - 102)</p>
<p><b>102-18</b> The governance structure of the organisation, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts</p>	<p>📖 Annual Report (pp.60-102)</p>
<p><b>102-40</b> A list of stakeholder groups engaged by the organisation</p>	<p>🌐 Responsible Business website (Engaging with our stakeholders) 📄 Sustainability Materiality Assessment 2016 report (pp.2,13-14)</p>
<p><b>102-41</b> Collective bargaining agreements</p>	<p>📁 2016 performance data (above)</p> <p>8% are covered. Those covered are in the C&amp;I Division. No other Divisions have formal agreements; but, alternatives are in place. For example, our Property Services division has an employee representative forum.</p>

<p><b>102-42</b> Identifying and selecting stakeholders</p>	<ul style="list-style-type: none"> <li>📄 Sustainability Materiality Assessment 2016 report (p.1)</li> <li>🌐 Responsible Business website (Engaging with our stakeholders)</li> </ul>
<p><b>102-43</b> Approach to stakeholder engagement</p>	<ul style="list-style-type: none"> <li>🌐 Responsible Business website (Engaging with our stakeholders)</li> <li>📄 Sustainability Materiality Assessment 2016 report (p.1)</li> <li>📁 How material topics were established, see above</li> </ul>
<p><b>102-44</b> Key topics and concerns raised</p>	<ul style="list-style-type: none"> <li>📄 Sustainability Materiality Assessment 2016 report (pp.2-12)</li> <li>📁 How material topics were established</li> </ul>
<p><b>102-45</b> List of all entities included in the organisation's consolidated financial statements or equivalent documents, and whether any entity included in the organisation's consolidated financial statements or equivalent documents is not covered by the report</p>	<ul style="list-style-type: none"> <li>📖 Annual Report (pp.123, 136, 143-145)</li> </ul>
<p><b>102-46</b> An explanation of the process for defining the report content and the topic Boundaries. b. An explanation of how the organization has implemented the Reporting Principles for defining report content</p>	<ul style="list-style-type: none"> <li>📖 Annual Report (pp.1 -102)</li> <li>🌐 Responsible Business website (Engaging with our stakeholders)</li> <li>📄 Sustainability Materiality Assessment 2016 report (pp.1,13-14)</li> <li>📁 How material topics were established</li> </ul>
<p><b>102-47</b> List of all the material topics identified in the process for defining report content</p>	<ul style="list-style-type: none"> <li>📖 Annual Report (pp.1- 102)</li> <li>📄 Sustainability Materiality Assessment 2016 report (pp.2-12)</li> <li>📁 How material topics were established</li> </ul>
<p><b>102-48</b> The effect of any restatements of information provided in previous reports, and the reasons for such restatements</p>	<p>See 📁 2016 performance data (above)</p> <p>A second stakeholder consultation took place in 2016 that reduced the list of material topics covered (from 18 to 12). Topic boundaries are indicated in the table above. Some data points have also been reviewed.</p>
<p><b>102-49</b> Significant changes from previous reporting periods in the list of material topics and topic Boundaries</p>	<p>No significant organisation or business changes took place in 2016.</p>
<p><b>102-50</b> Reporting period</p>	<p>1 January 2016 to 31 December 2016</p>
<p><b>102-51</b> Date of most recent previous report</p>	<p>The most recent Morgan Sindall Group Plc Annual Report was published in February 2017.</p>
<p><b>102-52</b> Reporting cycle</p>	<p>Annual</p>
<p><b>102-53</b> The contact point for questions regarding the report or its contents</p>	<p>Graham Edgell, Director of Sustainability and Procurement <a href="mailto:graham.edgell@morgansindall.com">graham.edgell@morgansindall.com</a></p>
<p><b>102-54</b> The claim made by the organisation, if it has prepared a report in accordance with the GRI Standards</p>	<p>The Group's reporting has been prepared in accordance with the GRI Standards: Core option.</p>



<p><b>102-55</b> GRI content index</p>	<p>📁 GRI Technical Supplement 2016</p>
<p><b>102-56</b> The organisation’s policy and current practice with regard to seeking external assurance for the report.</p>	<p>We do not currently externally assure our sustainability report, although our greenhouse gas emissions are externally verified through Achilles’ CEMARS.</p>

## SPECIFIC STANDARD DISCLOSURES for Material Topics

	GRI disclosure reference	Page / Reference	Assumptions and omissions
<b>Health and safety</b>	<b>Management Approach</b>	<p>📖 Annual Report (pp.12,43, 73-74)</p> <p>🌐 Responsible Business website (Operating safely)</p> <p>Further detail is also available in our risk register p1 (click <a href="#">here</a>).</p>	-
	<b>Evaluation of Management Approach</b>	<p>📖 Annual Report (pp.73 -74)</p>	-
	G4-CRE6 Percentage of the organisation operating in verified compliance with an internationally recognized health and safety management system	<p>📁 2016 performance data</p>	-
	403-2 Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	<p>📁 2016 performance data</p>	Partially reported: we do not currently collate type of injury, occupational diseases or lost days at Group level by region and gender.
	403-1 Workers representation in formal joint management-worker health and safety committees	<p>Our formal environmental health and safety committee helps to monitor and advise on occupational safety programs. Its members also carry out site visits. Thus the committee exists at Group level, represents all workers under our control and interacts with workers at site level.</p> <p>📖 Annual Report (pp.12, 43, 73-74)</p>	-
	403-4 Health and safety topics covered in formal agreements	<p>All people that attend our offices and sites are required to comply with our health &amp; safety policies and procedures. Anyone attending a project site is required to undertake a site induction prior to entering the site itself. The induction will include a detailed discussion of health and safety including</p>	-

		matters specific to the particular project.	
<b>Training and education (Development and training of employees)</b>	<b>Management Approach</b>	<ul style="list-style-type: none"> <li>📖 Annual Report (pp.42 - 44)</li> <li>🌐 Responsible Business website (Total Commitments/Developing people)</li> </ul>	-
	<b>Evaluation of Management Approach</b>	<ul style="list-style-type: none"> <li>📖 Annual Report (pp.17, 42-44, 50-51)</li> <li>🌐 Responsible Business website (Total Commitments/Developing people)</li> </ul>	
	404-1 Average hours of training per year per employee by gender, and by employee category	<ul style="list-style-type: none"> <li>📖 Annual Report (p.17)</li> <li>🌐 Responsible Business website (Total Commitments/Developing people)</li> </ul>	Partially reported – we do not split the data by gender or by employee category.
	404-2 Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> <li>📖 Annual Report (pp.17, 42-44)</li> <li>🌐 Responsible Business website (Total Commitments/Developing people)</li> </ul>	-
<b>Engaging with our employees</b>	<b>Management Approach</b>	📖 Annual Report (p.42)	-
	<b>Evaluation of Management Approach</b>	📖 Annual Report (p.42)	-
	Employee participation in satisfaction surveys (No GRI Standard applicable)	Annual Report (p.42)	Engagement also takes place during training programmes.
<b>Employment (Recruitment and retention)</b>	<b>Management Approach</b>	Annual Report (pp.17, 42-44)	-
	<b>Evaluation of Management Approach</b>	<ul style="list-style-type: none"> <li>📖 Annual Report (pp.17, 42-44)</li> <li>📁 2016 performance data</li> </ul>	-

	401-1 Total number and rates of new employee hires and employee turnover by age group, gender, and region	<p>📖 Annual Report (p.17)</p>	<p>We currently do not report (i) new employee hires by age or gender, nor (ii) employee turnover by age group and gender. We are reviewing whether or not there is a valid business case for reporting this data in future.</p> <p>Reason for omission: information unavailable</p> <p>Data relates to the UK which is the principal region in which we operate.</p>
<b>Energy (Energy Reducing energy consumption and carbon emissions)</b>	<b>Management Approach</b>	<p>📖 Annual Report (pp.17, 45, 50-51, 73-74)</p> <p>📄 2016 CDP response</p>	-
	<b>Evaluation of Management Approach</b>	<p>📖 Annual Report (pp.17, 45, 50-51, 73-74)</p> <p>📄 2016 CDP response</p>	-
	G4-CRE3 Greenhouse gas emissions intensity from buildings	<p>📖 Annual Report (pp. 17, 45)</p> <p>📁 <a href="#">2016 performance data</a></p>	We report GHG emissions intensity by turnover and not building area as this is more relevant to our operations.
	G4-CRE4 Greenhouse gas emissions intensity from new construction and redevelopment activity		
	302-2 Energy consumption within the organisation	<p>📖 Annual Report (pp.17, 45)</p> <p>📁 <a href="#">2016 performance data</a></p>	-
305-1 Direct greenhouse gas (GHG) emissions (Scope 1)	<p>📖 Annual Report (p.45)</p> <p>📁 <a href="#">2016 performance data</a></p> <p>📄 2016 CDP response</p>	-	

	305-2 Energy indirect greenhouse gas (GHG) emissions (Scope 2)	<a href="#">Annual Report (p.45)</a> <a href="#">2016 performance data</a> <a href="#">2016 CDP response</a>	-
	305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3)	<a href="#">Annual Report (p.45)</a> <a href="#">2016 performance data</a>	-
	305-4 Emissions intensity	<a href="#">Annual Report (pp.17, 45)</a> <a href="#">2016 performance data</a>	-
<b>Effluents and Waste (Waste)</b>	<b>Management Approach</b>	<a href="#">Annual Report (pp.45, 50-51, 73-74)</a>  Construction and demolition waste is one of our largest direct environmental impacts. There are real and significant opportunities for sending less waste to landfill including better utilisation of new and emerging waste recovery and recycling processes as part of the circular economy. Core to our approach is minimising the total amount generated and the proportion that ends up as landfill, with an aspiration of 100% waste recovery.  Our divisions have agreements with major UK waste brokers offering efficiencies in approach, better traceability of waste disposal, and the collating and reporting of metrics and recycling rates. With a clearer understanding of the waste types and quantities being generated the Group is better placed to focus on its reduction and diversion strategies.	-
	<b>Evaluation of Management Approach</b>	We are evaluating the success of our contracts with our major waste broker to gauge success.	-
	306-2 Total weight of waste by type and disposal method	<a href="#">Annual Report (p.45)</a> <a href="#">Responsible Business website (Total Commitments/Improving the environment)</a>	Partially reported as we do not currently report waste by type and disposal method.
	306-3 Significant spills	Our environmental management systems recorded no significant spills in the reporting period.	-
<b>Supplier Environmental Assessment (Responsible Sourcing)</b>	<b>Management Approach</b>	<a href="#">Annual Report (pp.43-44)</a> <a href="#">Responsible Business website (Total Commitments/working together with our supply chain)</a>	-

	<b>Evaluation of Management Approach</b>	<p>📖 Annual Report (pp.43-44)</p> <p>🌐 Responsible Business website (Total Commitments/working together with our supply chain)</p>	-
	308-1 Percentage of new suppliers that were screened using environmental criteria	<p>🌐 Responsible Business website (Total Commitments/working together with our supply chain) and Enhancing Communities</p> <p>“Our records show that 100% were screened using environmental, labour practices and societal criteria. The estimate is based on data from the procurement team, the LM3 Live analysis which provides supply chain information, as well as the Partnership Housing local supplier campaigns”.</p>	Group-wide agreements include screening for environmental, labour and social criteria.
	414-1 Percentage of new suppliers that were screened using criteria for impacts on society		
<b>Engaging with our customers</b>	<b>Management Approach</b>	<p>🌐 Responsible Business website (Engaging with our stakeholders)</p> <p>As our website explains, the engagement approach aims to ensure our responsible business strategy remains relevant as well as drive improvements in performance and share best practice. No formal engagement policy exists but our risk register highlights engagement, and our operational procedures deliver on our commitment, e.g. Considerate Constructor Scheme. We have a team accountable for it and we have three supply chain panels that engage regularly with our suppliers, next generation employees (25 and under) and clients. Each division also has in place procedures for regular engagement with clients including seeking feedback on our performance.</p>	-
	<b>Evaluation of Management Approach</b>	<p>🌐 Responsible Business website (Engaging with our stakeholders)</p>	-
	G4-PR5 Results of surveys measuring customer satisfaction	<p>📖 Annual Report (p.14)</p> <p>📁 2016 performance data</p>	Since no specific customer engagement indicator exists in the GRI Standards (allowing for General Disclosure 102-43, see above), we maintain the use of G4 PR5. This is permissible where no specific topic Standard exists; reference GRI Standards p18-19, clauses 2.5.1 and 2.5.3.












<b>Supporting local economic growth</b>	<b>Management Approach</b>	📖 Annual Report (pp.43-44)	-
	<b>Evaluation of Management Approach</b>	📖 Annual Report (pp.43-44)	-
	203-1 Infrastructure investments and services supported	📖 Annual Report (pp.43-44) 📄 Responsible Business website (Total Commitments/Enhancing communities)  The Group uses the LM3 Live tool to measure the social value impact of its activities on applicable projects.	-
	Local multiplier effect (number of projects using LM3 Live)	📖 Annual Report (p.44) 📁 2016 performance data	-
<b>Local Communities (Engaging with local communities)</b>	<b>Management Approach</b>	📖 Annual Report (p.44) Responsible Business website (Enhancing communities)	-
	<b>Evaluation of Management Approach</b>	📖 Annual Report (p.44)	-
	413-1 Operations with local community engagement, impact assessments, and development programs	📄 Responsible Business website (Total Commitments/enhancing communities) 📁 2016 performance data  Under the 2012 Social Value Act the public and private sectors are expected to work together for the broader social benefit of communities. 100% of our divisions engage with the local communities in which they operate. Project programmes are designed to minimise the impact of construction activities on communities. For example, our Partnership Housing division works with local employment offices to encourage skills upgrades and apprenticeships. In 2016 39 qualifying projects were using our LM3 tool.	Please also refer to Considerate Constructor Scheme (CCS) performance, Annual Report (p.44) and Performance data above.
<b>Economic and business performance</b>	<b>Management Approach</b>	📖 Annual Report (e.g. pp. 18- 19, 0-102)	-
	<b>Evaluation of Management Approach</b>	📖 Annual Report (e.g. pp.18-19)	-
	201-1 Direct economic value generated and distributed	📖 Annual Report (e.g. pp. 2, 12, 15, 111, 112)	Our business model on p.6-7 sets out how value is created for our stakeholders
	201-2 Financial implications and other risks and opportunities for the organisation's activities due to climate change	📄 2016 CDP response	-










<b>Legal compliance</b>	<b>Management Approach</b>	📖 Annual report (pp.64 -102)	-
	<b>Evaluation of Management Approach</b>	📖 Annual report (pp.64 -102)	-
	307-1 Non-compliance with environmental laws and regulations	<p>📁 2016 performance data</p> <p>We recorded no cases of fines nor non-monetary sanctions in the reporting period.</p> <p>We recorded no significant non-compliance with environmental laws and/or regulations.</p>	-
	419-1 Non-compliance with laws and regulations in the social and economic area	<p>📁 2016 performance data</p> <p>We did incur any sanctions for non-compliance with UK legislation or regulations during 2016.</p>	-









## External participation and membership

### Selected external participation and membership in 2016


















Name	Type of initiative or organisation	Participation	Nature of participation
AIS Certificate	AIS, or Automatic Identification System, is an ideal way to see and be seen in busy ports, waterways and out at sea. It is a simple concept, fusing dynamic and static data together to build up a live image of the surrounding marine environment		<ul style="list-style-type: none"> <li>Member</li> </ul>
British Safety Council	Government-regulated awarding and training organisation	 	<ul style="list-style-type: none"> <li>Members</li> </ul>
Chartered Institute of Building Services Engineers Accredited training and development scheme	A professional, licensed body of the Engineering Council; is highly valued within the industry		<ul style="list-style-type: none"> <li>Member</li> </ul>
Civil Engineering Contractors Association (CECA)	Representative body for UK civil engineering contractors		<ul style="list-style-type: none"> <li>Member</li> <li>Chair of environment committee</li> <li>Members of regional executives</li> </ul>
Confederation of British Industry (CBI)	Business lobbying organisation that helps shape the construction agenda through its influence with government and industry		<ul style="list-style-type: none"> <li>Member of CBI Construction Council</li> </ul>
Considerate Constructors Scheme (CCS)	National initiative set up by the construction industry		<ul style="list-style-type: none"> <li>Associate member</li> </ul>
Constructing Better Health (CBH)	Not-for-profit organisation committed to improving the health of the construction, building services and FM sector workforces		<ul style="list-style-type: none"> <li>Member</li> </ul>
Construction Health and Safety Group (CSHG)	Provider of health and safety training and support to construction and associated industries	  	<ul style="list-style-type: none"> <li>Member</li> </ul>









Construction United	Construction United is a coalition made up of industry stakeholders including trade associations, contractors, charities and Government bodies alongside leading firms from the supply chain like SIG that have a vested interest in promoting everything that is great about the construction sector		<ul style="list-style-type: none"> <li>• Partner</li> </ul>
English Cities Fund (ECf)	A joint venture with Legal & General and the Homes and Communities Agency		<ul style="list-style-type: none"> <li>• Partner and development manager</li> </ul>
Engineering Council (CEng)	Chartered Engineers (CEng) develop solutions to engineering problems using new or existing technologies, through innovation, creativity and change and/or they may have technical accountability for complex systems with significant levels of risk		<ul style="list-style-type: none"> <li>• Member</li> </ul>
FIS membership	FIS helps to bring together the fit out and finishes supply chain. It provides a forum to enable main interior contractors to exchange views and information in order to address issues specific to the interiors sector.		<ul style="list-style-type: none"> <li>• Member</li> </ul>
Gas Safe Registered	Gas Safe is the official and only industry standard of approved gas engineers who are registered to work safely and legally on boilers, cookers, fires and all other gas appliances		
Grown in Britain	Grown in Britain is a movement designed to help create a sustainable wood culture that connects people, companies and organisations to our woods and forests and the important environment they provide for people, wildlife and a thriving economy		Registered
HETAS Members	HETAS is the official body recognised by Government to approve biomass and solid fuel heating appliances, fuels and services including the registration of competent installers and servicing businesses		
Home Builders Federation	Representative body for UK house builders		<ul style="list-style-type: none"> <li>• Member</li> </ul>
National House Building Council (NHBC)	Non-profit organisation that sets standards for UK house-building for new and newly converted homes		<ul style="list-style-type: none"> <li>• Registered</li> </ul>








NICEIC Members	NICEIC is the UK's leading voluntary regulatory body for the electrical contracting industry, who assess the electrical competence of electricians		
Safe Contractor	Independent health and safety accreditation scheme		
SafeMark	Independent health and safety accreditation scheme		
Supply Chain Sustainability School	A contractor-driven virtual learning initiative that helps construction suppliers develop their sustainability knowledge and competence		Partner member, co-founder and co-funder
The 5% Club	The 5% Club is focused on creating momentum behind the recruitment of apprentices and graduates into the workforce		<ul style="list-style-type: none"> <li>Member</li> </ul>
Timber Research and Development Association (TRADA)	International membership organisation dedicated to inspiring and informing best		<ul style="list-style-type: none"> <li>Member</li> </ul>
UK Green Building Council (UK-GBC)	Charity and membership organisation campaigning for a sustainable built environment		<ul style="list-style-type: none"> <li>Gold leaf member</li> <li>Sponsor of UK-GBC series of events to mark World Green Building Week</li> </ul>
UK Contractors Group (Build UK)	Representative body for UK contractors		<ul style="list-style-type: none"> <li>Member</li> <li>Participate in Corporate Responsibility Leadership Group, as well as diversity and environmental sub-groups</li> </ul>
Waterside Places	A joint venture with Canal & River Trust which specialises in waterside regeneration		<ul style="list-style-type: none"> <li>Partner</li> </ul>
Women in Construction	Women in Construction Awards is the most prestigious event which celebrates women and their achievements within the construction industry		<ul style="list-style-type: none"> <li>Registered</li> </ul>
WWF's Forest campaign	International non-governmental organization founded in 1961, working in the field of the wilderness preservation, and the reduction of humanity's footprint on the environment		

## External accreditation and recognition

### Selected external accreditation and recognition in 2016

Name	Type of initiative or organisation	Participation	Status in 2016
Achilles 2017	A leading provider of supplier risk management services		
BITC CR Index	Corporate responsibility benchmark administered by BITC		<ul style="list-style-type: none"> <li>• 4 stars (96-98%)</li> </ul>
BRE	An independent research-based consultancy, testing and training organisation, that administers BREEAM (the BRE Environmental Assessment Method)		<ul style="list-style-type: none"> <li>• 1 project featured in 'Best of BREEAM 2015' – recognising the highest scoring buildings assessed under BREEAM in 2014 (2014: 2)</li> <li>• Overbury were nominated for a Best of BREEAM award for the Broadgate Estates BREEAM Refurb 2014 Outstanding project (2015 project nominated at the 2016 awards)</li> </ul>
British Council of Offices	National forum for the office sector	 	<ul style="list-style-type: none"> <li>• 1 national award and 7 regional awards in the 2015 BCO awards (2014: 1 national and 3 regional)</li> <li>• Overbury 5 regional awards</li> </ul>
British Safety Council	Government-regulated awarding and training organisation	 	<ul style="list-style-type: none"> <li>• 2 Merit Awards in British Safety Council International Safety Awards (2014: 3)</li> </ul>
BS 11000: 2011	British Standard for Collaborative Business Relationships		
BS OHSAS 18001: 2007	British Standard for Occupational Health and Safety Management	      	
CDP	International, voluntary scheme for sharing environmental information		<ul style="list-style-type: none"> <li>• Score of A- in 2016</li> </ul>
Certified Emissions Measurement And Reduction Scheme (CEMARS)	Independently verified and certified emissions measurement and reduction accreditation scheme		<ul style="list-style-type: none"> <li>• Re-certified</li> </ul>

Construction Industry Research and Information Association (CIRIA)	Member-based research and information organisation dedicated to improving all aspects of the construction industry		<ul style="list-style-type: none"> <li>• CIRIA core member</li> <li>• Chair of the CIRIA construction advisory panel for construction process</li> </ul>
Considerate Constructors Scheme (CCS)	National initiative set up by the construction industry		<ul style="list-style-type: none"> <li>• 64 National Site Awards (2015: 51)</li> </ul>
Construction Skills Certification Scheme	Card scheme that provides confirms construction workers' competencies		
Constructionline	Government certification scheme		
Contractors Health and Safety Assessment Scheme (CHAS)	Independent health and safety accreditation scheme		
Institution of Chemical Engineers (IChemE)	Global professional membership organisation for chemical engineering		<ul style="list-style-type: none"> <li>• Bronze Corporate Partner status for training excellence and commitment to the profession</li> </ul>
Investors in People (IiP)	Government-owned people management accreditation framework		<ul style="list-style-type: none"> <li>• Various regional offices accredited, including some to Gold standard</li> </ul>
ISO 18001:2007	International Standard for Occupational Health and Safe		

ISO 9001: 2008	International Standard for Quality Management Systems		
ISO 9001:2015	International Standard for Quality Management Systems		
ISO 14001: 2004	International Standard for Environmental Management Systems		
ISO 14001:2015	International Standard for Environmental Management Systems		
Royal Society for the Prevention of Accidents (RoSPA)	National accident prevention charity		<ul style="list-style-type: none"> <li>• 16 RoSPA Occupational Health and Safety Awards (in 2014: 16)</li> </ul>
TheJobCrowd	The UK's leading graduate job review website		<ul style="list-style-type: none"> <li>• 2<sup>nd</sup> in the list of 'larger intake' Construction &amp; Civil Engineering companies in the 'The Top Companies For Graduates To Work For' 2015/2016</li> </ul>
Two Ticks Positive	Jobcentre Plus award		<ul style="list-style-type: none"> <li>• Award made by Jobcentre Plus to employers who have made commitments to employ, keep and develop the abilities of disabled staff</li> </ul>

# **MORGAN SINDALL GROUP**

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