



2023 Annual Report

Environment Social Governance

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Sustainability & Systems Director

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Published: May 2024

Preface



James Cadman – DPhil . FIEMA CEnv

Head of Consultancy & Carbon

Supply Chain Sustainability School

2023 has been the hottest on record. Global average temperatures have exceeded the Paris Climate Agreement threshold of 1.5°C above pre-industrial levels for about 120 days this year.

The annual United Nations Emissions Gap Report has shown, again, that we are not doing enough as a global community to bring down our emissions to the levels needed for the same 1.5°C trajectory in order to avoid the worst impacts on nature and people – we need to move more quickly to bridge the gap.

This, along with the increasing number and intensity of extreme weather events we are experiencing – forest wildfires in Canada and Greece, hurricanes in the Caribbean, and floods in Italy – is further evidence of the reality and devastating impact of the climate change.

It has been clear for a long time now that all organisations need to address their part in the climate crisis. This requires a twin approach of mitigating impacts through emitting less greenhouse gases across the value chain, as well as adapting operations and products to the climate changing around us. Crucially, it is the responsibility of everyone in these organisations to play their role in delivering this. Gone are the days of it only being the responsibility of the CSR team.

Making it everyone's responsibility, much like health and safety, is the starting point. But that alone though is not enough. So that everyone can take action, we need to give people the right knowledge, skills, and empowerment to do so. Moreover, we can be more effective if we take concerted action, which means collaboration at all levels of business and society. Without the right understanding of what needs to be done and how to go about doing it, we simply will not achieve what we need to.

And let's not forget the other aspects of sustainability. There is an inextricably linked biodiversity crisis: without a healthy natural world the foundations of our society will come undone. All of which directly affects people, every single person on the planet. As we move to a low carbon, nature-rich world we need include everyone on that journey; we need a just transition.

It is from understanding this position that J Coffey has put education and empowerment of their workforce at the heart of what they do for their clients and the communities in which they work. By being a committed Partner in the Supply Chain Sustainability School and providing access to high-quality training through the School's platform, they are actively investing in the skills that their workforce need, now and in the future, to meet the sustainability challenges we are facing.

“This 2023 ESG Report describes how J Coffey is tackling these challenges on behalf of its clients and how it is bringing its workforce and suppliers along with it.”

1. <https://www.bbc.co.uk/news/science-environment-67332791>
2. <https://www.unep.org/resources/emissions-gap-report-2023>
3. <https://www.supplychainschool.co.uk/>



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Message from our Managing Director



I am pleased to present our 2023 Environmental, Social, and Governance (ESG) report, which serves as an update on our inaugural ESG report issued in 2022. At J Coffey Group (J Coffey), we are committed to achieving a high standard of ethical governance that reflects our dedication to environmental responsibility, social inclusivity, and economic sustainability. We believe in leading by example, nurturing a culture that upholds human rights, mental health and well-being, safety, equality, diversity, and inclusion.

Our success as an organisation is inherently linked to the quality and dedication of our staff and operatives. To ensure their growth and development, we emphasise continuous training and empowerment. Their progress propels our company toward fulfilling the corporate responsibility needs of our valued clients.

Within this report, we aim to reconfirm our commitment to ESG principles, update our stakeholders on our

progress, and provide transparency about our actions and objectives. We have outlined a vision for our ESG initiatives and strategies, reinforcing our dedication to responsible and sustainable practices.

We recognise that managing regulatory risks associated with ESG is a vital aspect of our governance. We have established measures for training, due diligence, and risk management to navigate the complex landscape of environmental, social, and governance responsibilities.

In recognition of the growing importance of sustainability, we have integrated ESG into our risk management approach. We maintain an ESG Risk Register to evaluate potential events associated with environmental, social, and governance issues. Our objective is to be a risk-aware organisation that aligns its interests with the long-term success of our clients and staff.

Our commitment to corporate governance is unwavering. Our Board of Directors and sub-committees, including the ESG Corporate Sustainability Committee, Remuneration Committee, and Carbon Reduction Steering Group Committee, collaborate to drive the organisation's success while adhering to the principles of good governance and sustainability.

In this report, you will find an overview of our ESG efforts in 2023, our commitment to sustainability, and our dedication to serving our clients responsibly. We are excited to share our progress and objectives with you as we continue on our journey of positive impact and ethical leadership.

Eddie Barret
Managing Director
J Coffey Group

Message from our Sustainability, and Systems Director

“Let’s Walk the ESG Talk” – Our 2023 Progress Report



Reflecting on our collective journey at J Coffey, we are proud of the positive steps taken in fostering a more sustainable and inclusive company culture.

This report is more than a series of numbers and graphs; it's a story about our shared commitment to a better, greener future. It's about our journey, marked by every small step and big leap we've taken toward being a more responsible, socially conscious, and environmentally friendly company.

Within these pages, you'll see the progress we've made in reducing our Carbon footprint, embracing diversity, and weaving social inclusion into our daily work life. It's about the people behind the numbers - our dedicated team making strides in creating a positive impact.

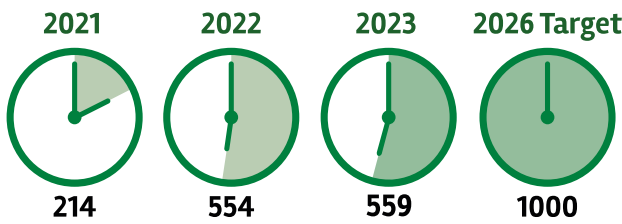
At J Coffey, we believe that every small decision counts. Our journey in sustainability isn't just about hitting targets; it's about fostering a spirit of teamwork. We're proud of the steps we've taken, guided by a collective vision to leave a positive mark on the world.

I invite you to take a moment to peruse this report. It tells our story, a narrative of how we've grown and evolved, together. Let's celebrate the wins, learn from the challenges, and fuel our excitement for a brighter tomorrow. Also, below you will find links to our other reports which we hope you will find of interest.

Adrian Clamp
Sustainability & Systems Director
J Coffey Group

2023 Progress Highlights

Sustainability Training (Hours)



Social Enterprise/social infrastructure Spend (Community Wood Recycling/Recycling Lives)

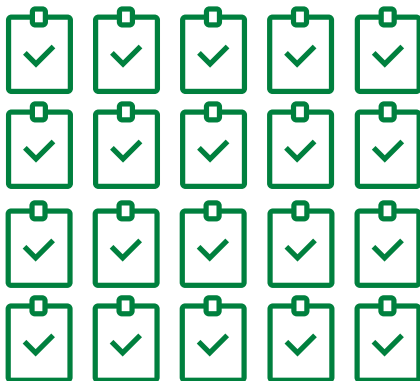
£16,164

Modern Day Slavery Audits

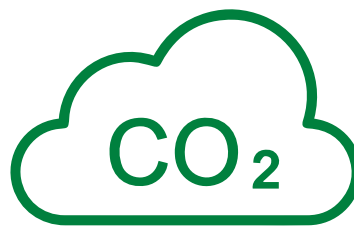
2023



2026 Target



In Scope (Scope 3) with materials (tCO2e)



2021: 42,013 tCO2e
 2022: 21,647 tCO2e
 2023: 23,519 tCO2e
 2026 Target: 17,500 tCO2e

In Scope Facility consumption (Scopes 1&2) (tCO2e)



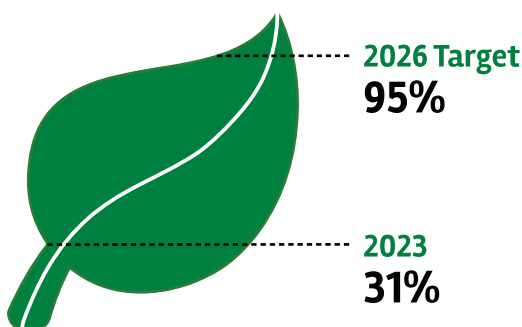
2021: 408 tCO2e
 2022: 321 tCO2e
 2023: 116 tCO2e
 2026 Target: 310 tCO2e

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

2021	2022	2023	2026 Target
28,335	21,967	23,635	18,000



% of plant and fleet that is Stage 5/electronic/hybrid



Other Publications

2022 ESG report
[ESG \(Environment, Social, Governance\) – J Coffey Construction Ltd](#)

J Coffey Carbon Reduction plan
[Carbon Reduction 2024 \(jcoffey.com\)](#)

2023 Carbon Emission report
[Pledge to Net Zero Annual Report 2023](#)

J Coffey – 2023 Social value report
[Business CERTIFICATION \(jcoffey.com\)](#)



Executive Summary

Our commitment to Environmental, Social, and Governance (ESG) principles has seen significant progress since our inaugural ESG report in 2022.

This year's report marks our continuous journey towards a more sustainable and responsible future.

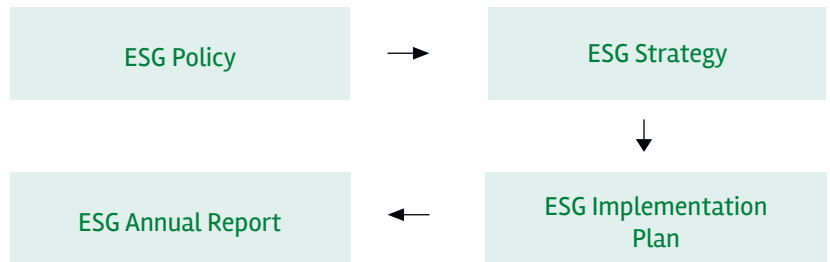
At the heart of our values, we aim to demonstrate unwavering leadership in ethical governance, fostering a culture that prioritises human rights, well-being, and diversity.

Our commitment extends to reducing our environmental impact, complying with essential standards, and achieving the highest level of ethical practices.

We recognise that the quality and dedication of our team shape the core of our success. Through continued investment in progressive training and empowerment, our employees play a pivotal role in our future development, aligning with the needs of our clients to meet corporate responsibility standards.

The 2023 ESG report reflects our ongoing commitment to embedding sustainability within the fabric of our organisation, showcasing our progress, and our dedication to ethical leadership and positive change.

ESG Process



01

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 & Well-being 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.

ESG Policy Statement

About Us

J Coffey is an organisation operating in the Construction and Infrastructure sectors, specialising in sub and superstructure works, design and build and data centre 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.

The Committee meets regularly to set goals, budgets, and implementation of timelines and monitor progress and results. 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.

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.

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

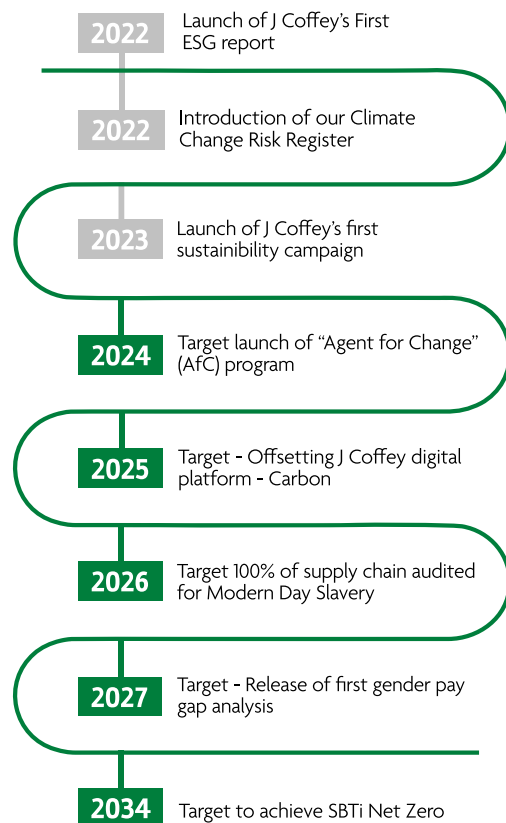
We are committed to driving down our energy and carbon impacts, as we believe that climate change is one of the greatest risks to our world and know that

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. In 2019, we 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 a safe and inspiring workplace where people feel valued. We offer benefits to all regular full-time employees. In 2023, we launched our new benefit platform to provide our staff with a range of discounts, helping their pay packets go further and increasing their overall financial well-being. As we look forward, we hope to continuously improve the workplace experience. In 2024 we will be providing a new employer supported volunteering policy, giving employees the opportunity to take part in charitable volunteering, helping communities, growing their knowledge and skills and helping the organisations positive impact in the community.

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, RICS, CIPD, ACCA, ICE etc).

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 correctly managing incidents such as: 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. J Coffey 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 and is in line with the new Human Rights Policy 2024.

Human rights Policy Online:

www.jcoffey.com/wp-content/uploads/2024/03/1.9a-Human-Rights-Policy-Statement.pdf



Corporate Governance

ESG & Sustainability, The Board's Role

As sustainability continues to become a mainstream topic for governance, encompassing a range of issues, such as:

- The organisation's long-term durability as a successful enterprise
- Climate Change and other environmental risks and impacts
- Resource Management
- Labour Standards
- Social Value
- Health & Safety

At J Coffey the role of the board has continued to evolve, with leadership leading the way in forming strategic partnerships with both clients and suppliers, fostering these relationships help us to continuously grow our understanding of stakeholder interests allowing quick and dynamic response to help ensure the long-term success of the organisation.

The various ESG materiality metrics approved by the board are reviewed regularly by the newly formed ESG Corporate Sustainability Committee comprising of our Group Managing 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 2023 ESG report.

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). 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



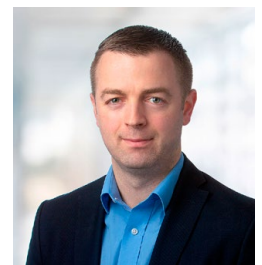
Mark Widdess
Business Unit Director



Rish Ignatius
Non-Executive Director



Stephen Grimes
Commercial Director



Declan Taylor
Commercial Director (Europe)

J Coffey Group Sub-Committees

ESG Corporate Sustainability Committee

Remuneration Committee

Carbon Reduction Steering Group Committee (CRSG)

ESG Corporate Sustainability Committee

Eddie Barrett

Group Managing Director

Mark Widdess

Business Unit Director

Adrian Clamp

Sustainability & Systems Director

Chris Wellgreen

Sustainability & Systems Manager

- 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 J Coffey's resources by securing and retaining quality senior management who can deliver J Coffey'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, Carbon and Systems Manager

Tim Rayner

Plant Division Manager

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

 <p>1 NO POVERTY</p>	End poverty in all its forms everywhere.	 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	Ensure access to affordable, reliable, sustainable and modern energy for all.	 <p>13 CLIMATE ACTION</p>	Take urgent action to combat climate change and its impacts.
 <p>2 ZERO HUNGER</p>	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	 <p>14 LIFE BELOW WATER</p>	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Ensure healthy lives and promote well-being for all at all ages.	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	 <p>15 LIFE ON LAND</p>	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
 <p>4 QUALITY EDUCATION</p>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	 <p>10 REDUCED INEQUALITIES</p>	Reduce inequality within and among countries.	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
 <p>5 GENDER EQUALITY</p>	Achieve gender equality and empower all women and girls.	 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	Make cities and human settlements inclusive, safe, resilient and sustainable.	 <p>17 PARTNERSHIPS FOR THE GOALS</p>	Strengthen the means of implementation and revitalise the global partnership for sustainable development.
 <p>6 CLEAN WATER AND SANITATION</p>	Ensure availability and sustainable management of water and sanitation for all.	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Ensure sustainable consumption and production patterns.		



Environmental Metrics

Sustainability Campaign 2023/2024

"We're happy to announce our first sustainability campaign, the first of many. These campaigns will support our colleagues as we put sustainability at the front of our decision making".

Chris Wellgreen

Sustainability, Carbon and Systems Manager



At J Coffey, we take immense pride in our work's positive impact on our colleagues, clients and the communities we work within; but we're equally conscious of our industry's environmental footprint. From materials to waste, we're always rethinking how we work with our clients and partners on sites to develop towards a greener future as the norm.

Although the construction industry has made progress in sustainability, we know there's still lots to do. We are continuing to become a leading contractor in the transformation of how we build, renovate and operate in the built environment.

We embrace the responsibility to drive change in our supply chains, introduce best practices on our sites and offer dynamic solutions to our clients.

We're excited to share our latest endeavour – a sustainability campaign that's designed to make a meaningful difference, driven just by a commitment to do what's right.

Objective: This campaign aims to emphasise to all sites and support departments the significant impact of our small decisions on sustainability.

Targets:

- Over 1,000 hours of focused training
- Creation and promotion of 12 unique case studies during this campaign
- Provide the opportunity for 4 sunflower sites

Follow our progress on [LinkedIn](#)

What the basics are:

Environmental – Key messages: Small decisions make a real difference.

Social value – Key messages: We are increasing our social value footprint within J Coffey and the communities we work in.

Our Environmental goals:

Elevating our sustainability efforts to industry-leading standards.

Enhancing site setups and inspections for greater usability by both colleagues and clients.

Collaborating with suppliers to enhance document control for governance.

Leading innovation with supply chain partnerships (e.g., pioneering Ultra Low Carbon Concrete 'CEVO' from Tarmac) while addressing embodied carbon, plastics and modern slavery auditing.

Our Social Goals:

Streamlining our apprentice onboarding process – We fulfil our social value commitments by continuing to engage further with our project teams, enhancing our productivity and to have a continued positive impact on the community.

Watch this space for our new 2024 structural rollout.

Environmental Responsibility: Building a Greener Future

2023: A Year of Milestones and Advancements

At J Coffey, environmental responsibility is at the heart of our commitment to sustainability. We understand the profound impact that construction and infrastructure projects can have on the environment, and we are dedicated to minimizing that impact while contributing positively to a greener future. Our approach to environmental responsibility is multi-faceted, and here's how we're making a difference:

Highlights of 2023:

- 1. Carbon Emission Reduction:** J Coffey has achieved a commendable reduction of **34.95%** in carbon emissions, since 2019, surpassing our initial target of **21%**. This achievement underscores our commitment to accelerating progress towards our Net Zero Carbon Reduction objective by 2034.
- 2. Renewable Energy Integration:** Three of our head office buildings are now **100%** green energy for all electricity and we have mapped out our building energy requirements to become more accurate on energy usage.
- 3. HVO D+ Bio-fuel Expansion:** As part of our sustainable energy strategy, the use of HVO D+ Biofuel witnessed an impressive **166%** expansion across operational plant, generators, and compressors. This increase not only aligns with our commitment but also reflects our confidence in the viability and efficacy of biofuels.
- 4. Electronic Plant and Equipment Adoption:** In adherence to our sustainable practices, the use of electronically operated plant and equipment saw a notable uptick, with the adoption of fifty-three electric and solar light towers (further reducing the use of HVO hybrid versions), J Coffey plant is also rolling out the Hilti on track system, on over 100 pieces of plant machines, helping J Coffey make informed decisions on usage, assisting J Coffey in identifying areas to reduce carbon. This shift not only reduces our carbon footprint but also positions us at the forefront of technological innovation within our industry.

Navigating Toward Net Zero

Having pledged to Net Zero on April 30th, 2020, we have set and consistently achieved key mile stones towards our target in 2034.

In 2023 we have again increased the accuracy of the data we are using to calculate, plan and implement the steps towards our 2034 carbon target, focussing down further on our Scope 3 emissions and support our supply chain to improve and report their carbon footprints.

Continuous Improvement and New Targets

While celebrating our current accomplishments, we recognise the need for sustained effort. Our 2023 achievements serve as a steppingstone, and we are committed achieving new targets for 2024. These targets are established, based on a thorough analysis of our performance metrics, further propelling us towards our Net Zero objective by 2034 and overall goal as remaining an industry leader.

Targets 2024:

A - Analyse the top 20% of products used on site (based on volume) and map potential alternatives and take back schemes for packaging.

B - Achieve 60% of all active sites to have received training on British Sign Language.

C - Carry out 10 modern day slavery audits within the supply chain.

Sustainable Construction Practices

Our commitment to sustainability extends to the way we construct buildings and infrastructure. We embrace innovative methods like modular construction which significantly reduce material waste and energy consumption.

Waste generated from construction projects is a significant contributor to carbon emissions. At J Coffey, we implement rigorous waste reduction and recycling strategies. This includes efficient sorting and recycling of construction waste materials like concrete, metal, and wood. By diverting waste from landfills over 99%, we mitigate carbon emissions while conserving valuable resources.

Strategic Partnerships and Collaborations

In 2023, we continued to forge strategic partnerships and collaborations with like-minded organisations, fostering a collective approach towards sustainability. These partnerships amplify our impact, allowing us to share knowledge, resources, and innovative solutions to address our challenges and help us to maximise opportunities.

In 2023, we increased our efforts to promote Low Carbon Footprint Materials: We actively seek out construction materials with a low carbon footprint. By promoting materials that have a reduced environmental impact, we not only reduce our carbon emissions but also promote sustainable practices within the construction industry. For instance, not only do we source eco-friendly building materials, such as recycled steel and sustainable wood, to decrease our overall carbon footprint, we are actively using cement free concrete and Basalt rebar on sites.

Sustainability Training

In 2023 we continued to grow our relationships with both IEMA and the Supply Chain Sustainability school (SCSS) reconfirming our commitment by maintaining our membership and active participation of the Climate Action Group (CAG) and joining the Modern Slavery Group as contributors.

Agent of Change

To further our commitment to sustainability across all business activities, we have developed an “Agent for Change” (AfC) model for empowering and enabling cultural change from within. This innovative approach identifies passionate advocates from each department to lead sustainability initiatives relevant to their operations.

The AfCs participate in tailored training programs to fully embed sustainability principles and best practices into their everyday workflows. They monitor ongoing progress and provide recommendations for continuous improvement. This grassroots model allows sustainability to become part of the organisational fabric rather than a separate initiative within a siloed department. With sustainability champions embedded throughout the business, we are creating change from the inside that will translate into meaningful impacts in ESG performance over time. The AfCs will spearhead data gathering, goal-setting, and transparency efforts to ensure visibility and

accountability at the highest levels of leadership. By empowering all employees to view themselves as agents for positive change, sustainability can progress from an ambition to a culture.

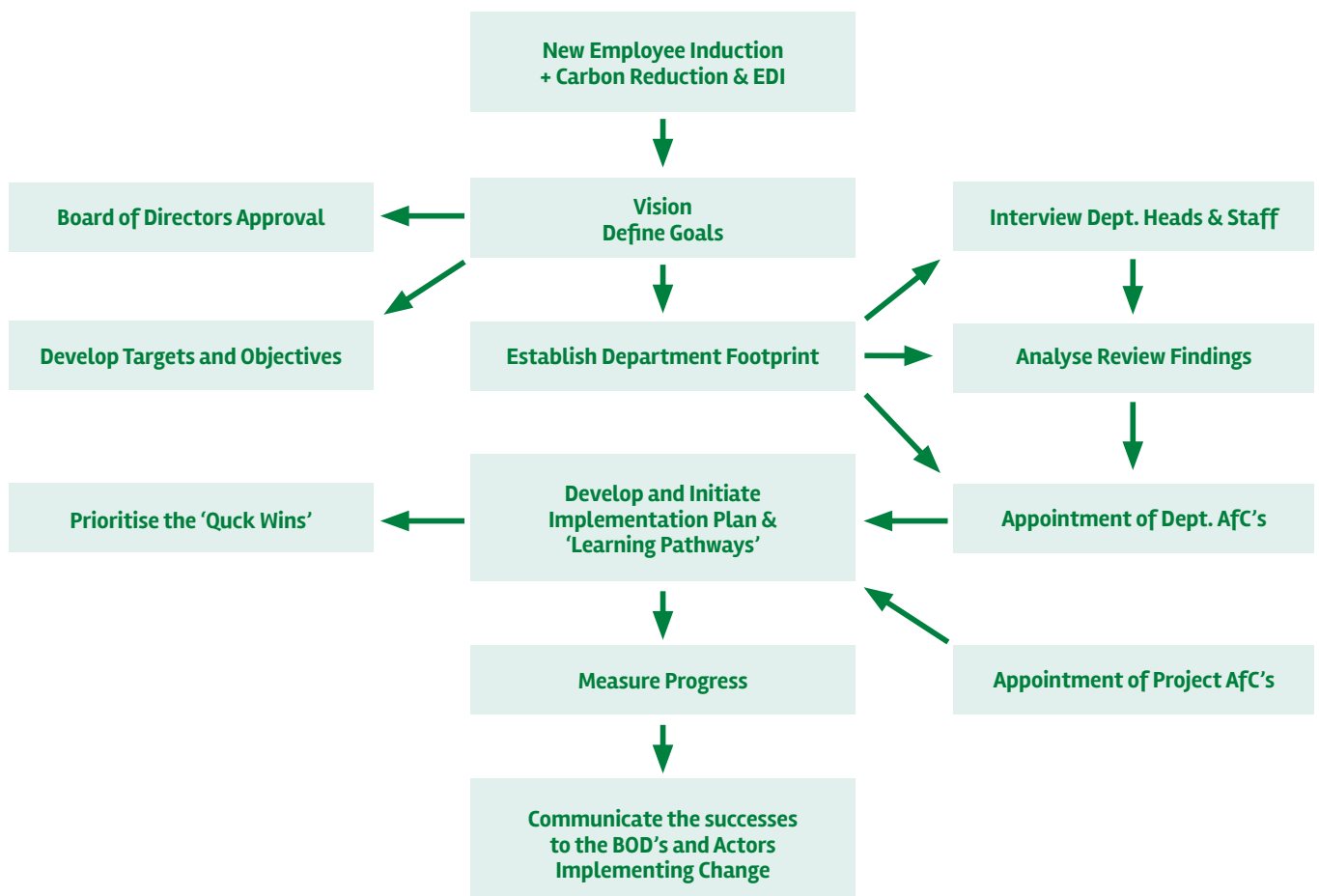
BREEAM

As the importance of sustainable investments continues to grow, BREEAM continues to be a pivotal factor for investors, significantly influencing the returns on client asset portfolios. The achievement of higher BREEAM targets is directly correlated with increased rental returns, making it an essential consideration in the investment landscape.

J Coffey has continued its commitment to successfully building projects to a high standard, and meeting BREEAM credits associated with our works packages while also where possible supporting criteria crucial for obtaining the required credits.

At J Coffey, our approach involves the deployment of qualified Site Sustainable Managers (BREEAM AP Site qualified) as standard, their job is to oversee the adherence to BREEAM delivery requirements throughout the project. Their expertise ensures that our works packages align seamlessly with the projects BREEAM targets for construction, supporting our continuous progression towards a sustainable built environment.

Agent of Change Model



A Dynamic Path Forward

The progress made in 2023 reinforces our commitment to the principles of environmental stewardship. With a dynamic and purpose-driven approach, we are eager to face the challenges of the future, confident in our ability to create positive change on our journey towards a more sustainable industry.

Our dedication to environmental responsibility not only benefits the planet but also provides economic advantages. Energy-efficient buildings, for example, result in lower operating costs for our clients while reducing their carbon footprint. Additionally, our commitment to sustainable practices aligns with government regulations and client demands for eco-friendly construction, strengthening our position in the market.

CCS

Whereas some companies might see the Considerate Constructors Scheme as a tick box exercise; we as an organisation recognise the opportunity to support our clients to achieve a greater score for the CCS element of the BREEAM targets and have a positive impact on the surrounding community effected by the impact of our works, by fully engaging with the scheme and associated requirements of the new CCS 2022 guidelines.

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

7 AFFORDABLE AND CLEAN ENERGY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



Environmental Strategy Targets

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

2021	2022	2023	2026 Target
28,335	21,967	23,635	18,000



Considerate Constructor Scheme

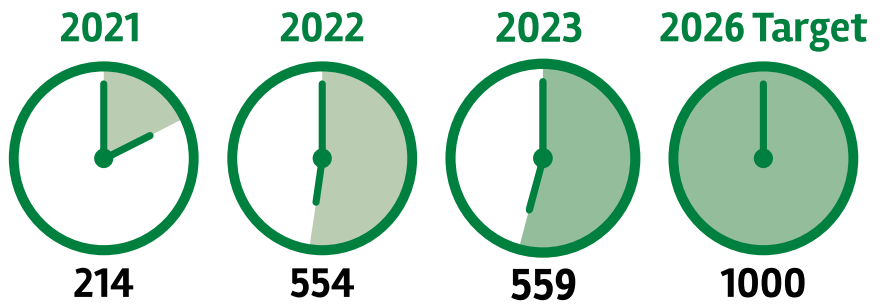
45/45

Average Score

(Last seven assessments)

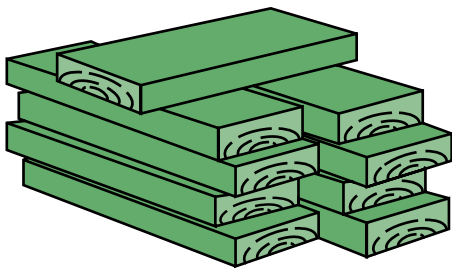
+2 best practice points awarded for British Sign Language and modern day slavery audits innovations

Sustainability Training (Hours)



2021	2022	2023
646 Litres	199,546 Litres	601,601 Litres

Sustainably sourced wood purchased (m³)



= 43.52



Environmental Disclosure	2021	2022	2023	2026 Target	2021 – 2023
In Scope (Scope 3) with materials (CO2e)	42,013.50	21,647.00	23,519	17,500.00	-56.4%
In Scope (Scope 3) without materials (CO2e)	735.30	828.90	797	674.83	+8.1%
In Scope Facility consumption (Scopes 1&2) (Tonnes CO2e)	407.80	320.75	116	310.00	-111%



Social Value Metrics

Introduction

We are always evolving the ways in which we can help deliver societal change now and for the future. We recognise that we have a responsibility to deliver, not only through the construction work we carry out, but also through the opportunities we create to leave a lasting positive impact on the communities we work within.

We started measuring our social value performance in 2021, since then we have improved not only on providing more accurate data, but also understanding how we can further provide social value to the wider community.

Through a number of measurements, we are able to record the social value we create as an organisation 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. In 2023 J Coffey generated more than £348,518 of value to society.

See our 2023 Planet Mark social value report for a further breakdown.

TOMS report:

www.jcoffey.com/wp-content/uploads/2024/04/jcoffey-construction-planet-mark-social-value-report-2023.pdf

People: Recruitment, Staff Retention & Engagement

We continue to focus on our employee's career development through our annual end of year reviews to gain insight into how we can help individuals grow in their current roles and provide opportunities for further career growth. Whether this be peer to peer mentoring, or further development through training, we are committed to the professional and personal aspirations of our people. 109 NVQs and further training courses were carried out/completed during 2023.

Our people are at the heart of what we do, and we recognise that their well being is of great importance and is essential to having a safe and welcoming working environment. We launched a brand-new benefits portal for directly employed staff to assist in bettering their financial and overall well being. As part of our ongoing commitment to creating a safe and inclusive culture into our organisation we continue to provide engaging and educational training to all our work force. To encourage inclusivity, acceptance and understanding, we became a business member of Hidden Disabilities Sunflower program to help support those who may have a disability that may not be immediately visible, and to also raise awareness amongst our staff. We aim to roll out further training to our project teams for the awareness of this program. Through toolbox talks, and the supply chain sustainability School, we increased our Equality Diversity and Inclusion training by 116%, an improvement on our 2022 score.

Preserving Local Environments for Future Generations

J Coffey is dedicated in being a responsible neighbour. Our project teams understand the significance of actively participating in local communities, whether that be through fundraising events, attending local schools or education programmes, employing locally, and volunteering our time, or providing much needed material or monetary donations to community groups and charities.

In 2023, our commitment to community projects led us to invest £49,103 in money, time and materials; fostering growth in social enterprises and SMEs. Furthermore, our dedication is evident in our consistent performance in the CCS scheme, achieving a perfect score of 45 out of 45 in 2023.

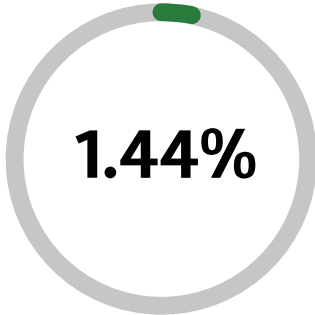
Data Disclosure Type

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

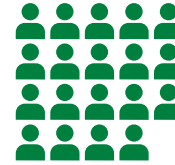
2021 – 2022



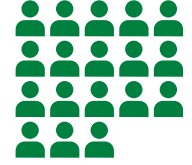
Accident Injury rate comparison between 2021 & 2020 and % below the construction sector rate (%)

2021	2022	2023
1.46	2.90	2.60

Number of qualified Mental Health first Aiders



2021



2022

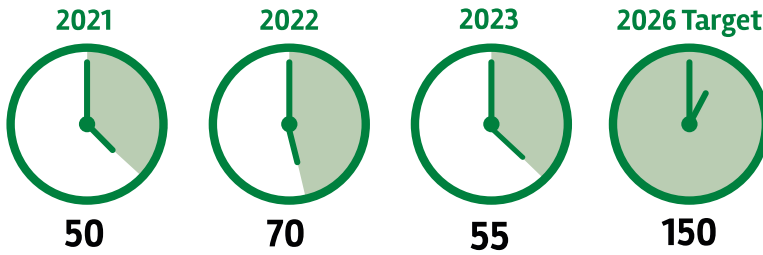


2023



2026

Modern Day Slavery Training Via Webinars/ workshops/Auditing & TBTs (Hours)



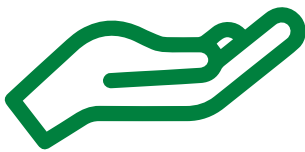
Social Value – TOMs (£)



2021: 94,498

2022: 625,000

2023: 348,518



Social Value – Fund Raising (£)

2021: 19,267.67

2022: 21,647.00

2023: 15,976.00

Social Disclosure	2021	2022	2023	2026 Target	2021 – 2023
Social Value – Fund Raising (£)	19,267.67	21,647.00	15,976.00	22,060.00	-17.09%
Social Value – TOMs (£)	94,498	625,000	348,518	674.83	+268.60%
RIDDOR Stats comparison between 2021 & 2022 (%)	1.44	0.39	0.39	0.00	-72.9%
Staff EDI training through the Supply Chain Sustainability School	7.00	11.00	50.8	30	+625.7%
Staff H&S Training (TBTs/CPD Accredited)	91,791	106,692	6187	150,000	-93.28%
Hours of H&S Training	6685	7881	6187	9000	-7.4%

Governance Metrics

Governance and Economic Sustainability

Andrew Turner

Group Financial Director
J Coffey Group



Our construction Group operates in a dynamic industry that is constantly evolving. In order to remain competitive, we recognise the need to adapt to new philosophies and approaches. One key aspect of our business is the training and development of our workforce, focusing on both technical skills and soft skills. We place great importance on instilling values such as anti-bribery, equality, diversity, inclusion, disability awareness, and stress awareness within our organisation.

Compliance is a crucial aspect of our operations, both in the UK and Europe. We ensure that we adhere to all relevant regulations, including corporate tax, payroll tax, indirect tax, employment compliance, health & safety compliance and working rule compliance. By doing so, we maintain the integrity of our business and uphold our commitment to responsible practices.

To stay ahead in this ever-changing industry, we embrace technological advancements. Recently, we implemented a new ERP system called COINS, which enhances data integrity and provides better control over our operations. We believe that leveraging technology is essential for our continued success.

Transparency, accountability, awareness, and impartiality are core principles that guide our corporate governance. We understand the importance of being transparent in our actions and decisions, holding ourselves accountable for our performance, being aware of the impact of our actions, and ensuring impartiality in our decision-making processes. These principles form the foundation of our corporate governance framework.

Economic sustainability is another key aspect of our commitment to responsible business practices. At J Coffey, we aim to exceed the expectations of our customers, suppliers, and stakeholders while developing professional and mutually beneficial relationships. Economic sustainability is not just about financial profit; it's about creating a thriving environment where all parties benefit. Here's how we're achieving economic sustainability:

- **Exceeding Customer Expectations:** We go beyond the ordinary to exceed the expectations of our customers. We provide high-quality services, deliver projects on time and within budget, and prioritise customer satisfaction. Satisfied customers not only bring repeat business but also contribute to our reputation as a reliable and responsible contractor. Since 2022 we have been able to improve our client satisfaction score to **87%** by spending more time dealing directly with stakeholders at all levels. We have also continued to move relationships beyond commercial, making sure that our clients have access to key contacts in all relevant support departments.
- **Cultivating Supplier Relationships:** Our relationships with suppliers are built on professionalism, transparency, and fair business practices. We believe in creating partnerships with our suppliers, enabling them to thrive and grow alongside us. Since our 2022 ESG report, we have taken steps to understand our supply chain better and have developed a core list of suppliers that reflect our values and goals, each of these companies will help J Coffey deliver our promises and commitments to our clients and stakeholders. We are engaging with these suppliers to understand and introduce to our clients, new innovations and best working practices.

We are also engaging with our suppliers to better understand and where appropriate remove:

- Embodied carbon. (Both materials and services rendered)
- Plastic packaging and single use plastic
- Modern Day Slavery

- **Fair Wages:** We pay fair wages to our staff and operatives. Fair compensation is not just about complying with labour laws; it's about recognising the dedication and hard work of our employees. Well-compensated employees are more motivated, which leads to better job performance and retention. We have continued with our commitment to never pay less the London Living wage to our employees, with annual performance and package reviews.

Our approach to economic sustainability is a win-win for all parties involved. Customers receive high-quality services, suppliers benefit from a mutually beneficial relationship, and our employees enjoy fair compensation and a supportive work environment. Economic sustainability isn't just about profit; it's about fostering growth and prosperity within the communities we work within.

In our journey toward sustainability, we embrace the Wates Code of Conduct of Governance as our guiding principle for ESG reporting. We recognise that our approach to sustainability is not limited to a single aspect but encompasses a broad spectrum of issues vital to our long-term success. It is this holistic approach that sets us apart as a leader in responsible business practices, making us the company of choice for those who value sustainability, inclusivity, and economic growth.

ESG – Managing Regulatory Risks

In 2023 we continued to manage regulatory risks associated to ESG, these include the following but are not limited to:

Training

Communication is key, ensure staff are aware of the Organisations ESG policy and the associated metrics that make up the key ethos and culture that the organisation wishes to project to existing and future clients, through its staff interaction and delivery. This should start at the top, with the Board of Directors and Senior Management aware of such metrics and how they are applied in practice through knowledge of our ESG Strategy, associated Targets and Objectives, which in turn delivers the disclosure data that transparently identifies continual improvement or at least identifies the shortfalls that need to be addressed to meet the objectives; key to this is ensuring Board members and Senior Management are informed and lead from the top, with an awareness of legislation such as but not limited to:

- Companies Act 2006
- Climate Change Act 2008
- Equality Act 2010
- Bribery Act 2010
- Modern Slavery Act 2015

Due Diligence

The Organisation will ensure sufficient internal resources are allocated to remain informed in relation to ESG issues and risks via access to the GRI news briefings received via updates@globalreportingnews.org. Such access will enable regular updates advise on the latest issues associated to ESG developments which could potentially impact the business and in turn, help evaluate the risks that could manifest.

Risk Management

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. A business Risk Register is maintained along with a Climate Change Risk Register, to consider the potential ESG risk events associated to the issues forementioned that could happen.

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, so the organisation has developed a comprehensive ESG Strategy to provide such information and purpose to achieve our ESG goals in support of our client base and be risk aware not risk averse and be the company of choice.

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 risks, 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

J Coffey 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, J Coffey 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**.

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. J Coffey are keen to support the movement of 'Women in Construction' and are now representatives of 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. Directors H&S Training (Hours)
4. Organisation Turnover
5. Company Tax (refund)
6. Profit
7. Assets
8. % of plant and fleet that is Stage 5/electronic/hybrid

8 DECENT WORK AND ECONOMIC GROWTH



16 PEACE, JUSTICE AND STRONG INSTITUTIONS

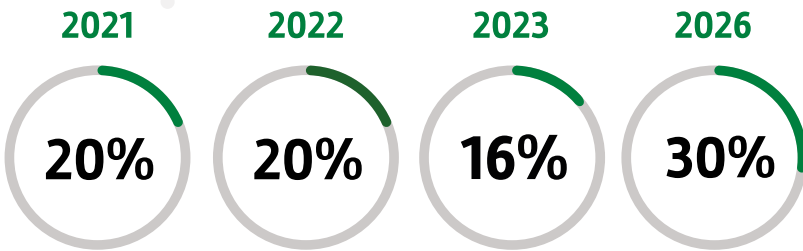


17 PARTNERSHIPS FOR THE GOALS



Governance Strategy Targets

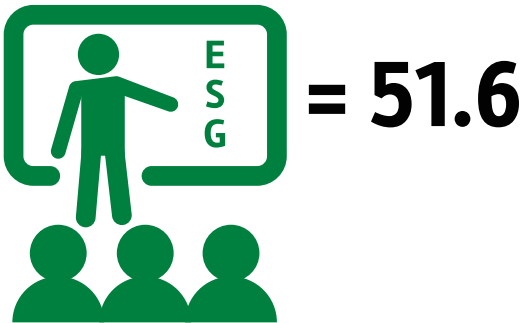
Female representation in J Coffey (%)



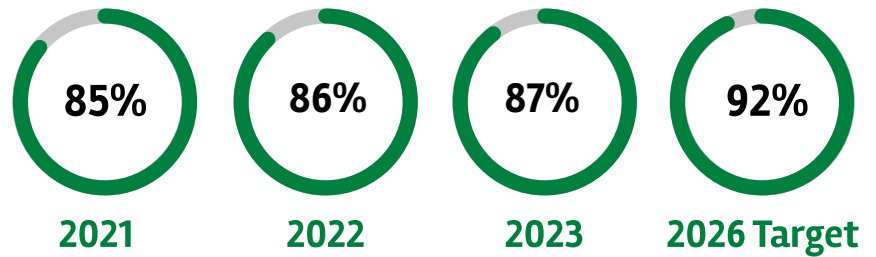
Directors H&S Training (Hours)



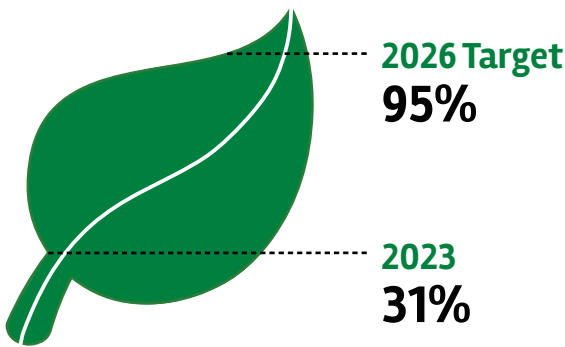
ESG Training – Board Level, Senior Managers, All Staff (Hours)



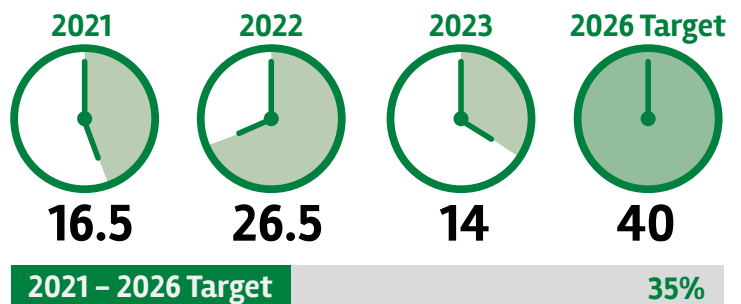
Client satisfaction % based on returns



% of plant and fleet that is Stage 5/electronic/hybrid



Anti-Bribery Training (Hours)



Social Disclosure	2021	2022	2023*	2021 – 2023
Organisation Turnover (£)	164,500,000	198,500,000	171,000,000	-16.9%
Company Tax (refund)	471,000	329,000	592,000	+215.3%
Profit (£)	10,700,000	9,600,000	4,009,000	-67.7%
Assets (£)	167,000,000	167,000,000	153,000,000	-71.3%

*Figures will be finalised in June 2024 - Companies House (<https://find-and-update.company-information.service.gov.uk/company/02937886/filing-history>)



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