

ESG Annual Report

Responsible Business 2021—2022



Contents

Our CEO's 2021–2022 ESG review	2
Governance	3
Sustainable Development Goals	3
Our Group Strategic Objectives.....	4
Our Responsible Business policy and 2030 strategy	5
Our 2021-22 key performance indicators	6
Supporting structure	6
Memberships and partnerships.....	7
Social	8
Our People	8
Our Partners	9
Environment	10
Our Planet.....	10
Project highlights	11
Key projects	11
Project environmental metrics.....	12
Our next steps	13
Q&A with our Director of Sustainability and Social Impact	13
Our Responsible Business roadmap	14



About this report

Short for environmental, social and governance, ESG represents a stakeholder focused approach to business. For our customers, stakeholders and employees ESG considerations are a growing priority with significantly increased focus across both public and private sectors.

At Robertson, our purpose is to assure a sustainable future. Our Responsible Business (ESG) approach allows us to define and demonstrate how we deliver this in action for Our People, Our Partners and Our Planet.



Our CEO's 2021–2022 ESG review

At Robertson Group we are committed to being a responsible business and fully recognise and hold ourselves accountable for the impact of our activities on the environment, the communities where we work and our teams.

Our annual ESG report will provide you with an insight into our approach and an overview of our activity, social value, and wider sustainability achievements. There have been a couple of key factors over the last year (FY 21-22), further emphasising the importance of being a responsible business, as the covid-19 recovery plan was delivered and the spotlight shone on Glasgow at COP26, further highlighting the need for positive action.

Customer, stakeholder and employee expectations continue to increase, and throughout 21-22 FY Team Robertson has continued to drive progress across each of our Responsible Business themes, Our People, Our Partners, and Our Planet.

Elliot Robertson
CEO Robertson Group

We have much to be proud of to date, and I'm pleased that our headline achievements from 2021-22 FY include:

- **Our People:** 658 lives enhanced by creating work placements and job opportunities, and by supporting apprenticeships, upskilling and new qualifications
- **Our Partners:** £228.9m of social value delivered by enhancing lives, and utilising spend locally and with social enterprises, microbusinesses and SMEs
- **Our Planet:** 67.73% reduction in our carbon intensity vs our 2014/15 baseline scope (24.11% reduction in intensity last year vs 20/21 scope)

We are making good progress towards our 2030 Responsible Business targets, and we hope that as we continue to strengthen our commitment to ESG, you will join us on this journey.



Governance

Our governance focuses on how we interact with our range of internal and external stakeholders, including employees, customers, Government, regulators, competitors, and shareholders. Our approach to governance will continue to evolve to reflect best practice, with an increased focus on improved governance as a way of ensuring that we continue to meet our social and environmental responsibilities.

Sustainable Development Goals

The Sustainable Development Goals are described by the United Nations as the ‘blueprint to achieve a better and more sustainable future for all’. Meeting these goals will promote prosperity while also protecting the planet, and the UN emphasises the need to achieve each goal by 2030.

Robertson supports and endorses the United Nations Sustainable Development Goals.

Although not all the Goals are directly applicable to our operations, we refer to the entire list as a ‘sense check’ for all our activities. We have undertaken significant research and an in-depth internal review to identify and prioritise the areas that are most relevant to Robertson and fall within the scope of our business activity. We’ve used the Sustainable Development Goals to redefine our Responsible Business Policy, focusing on how we can specifically respond to issues within the Global Goals at a local level.



Our Group Strategic Objectives

To ensure that we retain and grow our position in the market, we have established 10 strategic objectives with recommended improvement actions that will deliver expected outcomes and benefits. By having our strategic objectives in place, we can ensure that together we strive to be the best in all that we do, for ourselves, our customers, our supply chain and the communities where we work.

The GSOs are clearly defined statements of our long-term aspirations that will assist in achieving our vision of assuring a sustainable future. Each business will have its own set of KPI's in relation to the GSOs which will ensure consistency in performance and provide targets for the coming years. The GSOs have been established to provide clarity in the direction of the business and to ensure that each part of the Group is performing to the highest of standards.

We already have high performing teams across the business and the GSOs will define our path towards continuous improvement, to assure a sustainable future for all at Team Robertson. They will also support the principles of the Robertson Way, to ensure we are all working towards operating at peak performance in all that we do.



Home Safe: The health safety and wellbeing of every employee, customer, supply chain partner, and all other stakeholders is our number one priority. We are committed to everyone going Home Safe every day.



Develop our People and Supply Chain: We will inspire our people to be the best version of themselves, and actively engage with and enhance our supply chain. By identifying and narrowing skills gaps, along with implementing an active diversity and inclusion programme we will ensure that our company is open and respectful to all.



Customer Centric: With our customer's goals at the heart of our delivery, we will listen to their requirements and provide certainty through best value by delivering on time, on budget and to the highest quality.



Assured delivery: Guarantee successful outcomes for projects and services by utilising our assured construction delivery and service delivery models alongside our rigorous processes and controls.



Responsible Business: Our responsible business approach will benefit our people, our partners and our planet and provide a more sustainable way of working, helping us reach our Responsible Business 2030 strategy outcomes; enhancing lives, delivering lasting social value and continuing to decarbonise.



Governance & Risk: Governance will be key in the review and strengthening of our processes, and risk management is to be enhanced in all areas.



Placemaking: With a focus on high quality design and delivery with our customers, we will strengthen the connection between people and places through the delivery of projects and services which create both high value and legacy in the built environment.



Maximise Value: By continuing to create a one team approach, we will foster relationships which result in opportunities and enhanced value for ourselves and our customers.



Sustainable Growth: Our professional approach in everything we do will lead to the creation of long-term relationships with our customers resulting in sustainable, profitable growth.



Continuous Improvement: Our commitment to continuous improvement will raise our standards of excellence in everything we do.



Our Responsible Business policy and 2030 strategy

Our Responsible Business Policy, aligned with UN SDGs, outlines our aims for Our People, Our Partners and Our Planet. In 2020 we built upon our Responsible Business Policy, with the launch of our Responsible Business 2030 strategy which set out our overarching ESG targets:

Our People	Policy: <ul style="list-style-type: none">• Ensuring Team Robertson is safe, healthy and happy• Cultivating a diverse and inclusive workforce who are treated with respect• Empowering our people by providing them with the best learning opportunities and resources	2030 target: <ul style="list-style-type: none">• Enhance the lives of 10,000 people, by creating work placements and job opportunities, and by supporting apprenticeships, upskilling and new qualifications 
Our Partners	Policy: <ul style="list-style-type: none">• Engaging communities we work in, creating social value and enabling inclusive growth• Developing and supporting a responsible supply chain• Delivering quality projects and supporting our customers in delivering their ESG commitments	2030 target: <ul style="list-style-type: none">• Create £1 billion of social value, by enhancing lives and spending locally in the areas where our projects are, and with social enterprises, microbusinesses, and SMEs 
Our Planet	Policy: <ul style="list-style-type: none">• Minimising our carbon footprint, utilities consumption, and environmental impact• Minimising our transport emissions, and supporting active and sustainable travel options• Driving down our raw resource consumption, and maximising reuse and recycling	2030 target: <ul style="list-style-type: none">• Build on our 'climate positive' status, by generating zero emissions from our offices, commercial fleet, and construction sites within our operational control, and delivering a biodiversity net gain on our projects. 



Supporting structure

To ensure accountability and collaboration, we have implemented the following governance structures:

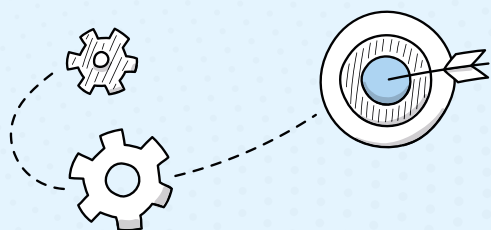
Group Board: Ownership of our ESG approach, and its position within our Group Strategy.

Responsible Business Leadership Group: Senior employees from across Robertson Group with accountability for setting our organisational ESG strategy and ensuring the resources are available to deliver the intended objectives.

Responsible Business Ambassadors: Internal network of Responsible Business Ambassadors who represent each of our family of businesses, sharing best practice, lessons learned and cascading key messages.

We have a range of employee led working groups, supported by senior leaders, that work within our ESG scope and support and implement related activities and information across our entire employee population. The outputs of the working groups are also shared across our customers and supply chain.

A central email inbox ResponsibleBusiness@robertson.co.uk has been created to support engagement from our employees and external stakeholders, capturing observations and innovations.



Our 2021-22 key performance indicators

We aim to be clear and transparent with our reporting and ensure that we remain accountable for our ESG impacts. Since launching our Responsible Business 2030 Strategy in 2020, we have reported annually on the commitments we have set which focus on our three themes: Our People, Our Partners, and Our Planet.

Theme	2030 target	Responsible Business 2030 KPIs	2020/21 (Year 1)	2021/22 (Year 2)	Accumulative total since 2020	To be delivered by 2030
Our People	10,000	No. of lives Enhanced	598	685	1,283	8,717
Our Partners	£1billion	Equivalent total social value (£)	£202.9m	£228.9m	£431.8m	£568.2m
Our Planet	0 direct emissions from site, offices, and fleet*	Net carbon footprint (tonnes of CO2e) (before offsetting)	8922.8	7721.74	-3302.05	4,376.97

*Our overarching *Our Planet* target focuses on our direct emissions from site, offices, and fleet, with sub-targets set for other emissions sources which exceed the 'well below 2°C scenario' referenced in the Science Based Targets initiative.

Memberships and partnerships

As well as our own internal governance structure, and the engagement we have with our employees, stakeholders, customers, and supply chain, we also work alongside a range of membership, accreditation, and industry bodies to help us to remain at the forefront of responsible business practices and to benchmark ourselves against others.



<p>Be Supported</p> 	<p>BITC</p>  <p>The Prince's Responsible Business Network</p>	<p>BREEAM</p> 	<p>Breathing Space</p> 	<p>Buy Social Challenge</p> 
<p>Considerate Constructors Scheme</p> 	<p>Climate Neutral Now</p> 	<p>DYW – Young person's guarantee</p> 	<p>MCR pathways</p> 	<p>One Carbon World</p> 
<p>Investors in People</p> 	<p>Investors in Young People</p> 	<p>PassivHaus Trust</p> 	<p>People Matter Charter</p> 	<p>Plant Charter</p> 
<p>SmartWaste</p> 	<p>Supply Chain Sustainability School</p> 	<p>Women into construction</p> 	<p>Terra Carta</p> 	<p>Sustainable Markets Initiative</p> 

Social

Social value is the delivery of added value beyond the financial cost of a project or contract, and should improve the economic, social, and environmental wellbeing of the local area. We generate social value by engaging with individuals, groups, and businesses from the communities we work in, identifying and delivering activities which best support their needs and initiatives while promoting sustainable change. Social value delivery plays a significant role in both public and private procurement strategies, with current focus upon rebuilding the economy.



Our People

Our policy aims:

- Ensuring Team Robertson is safe, healthy, and happy
- Cultivating a diverse and inclusive workforce who are treated with respect
- Empowering our people by providing them with the best learning opportunities and resources

Our 2030 target:

Enhance the lives of 10,000 people, by creating work placements and job opportunities, and by supporting apprenticeships, upskilling and new qualifications.

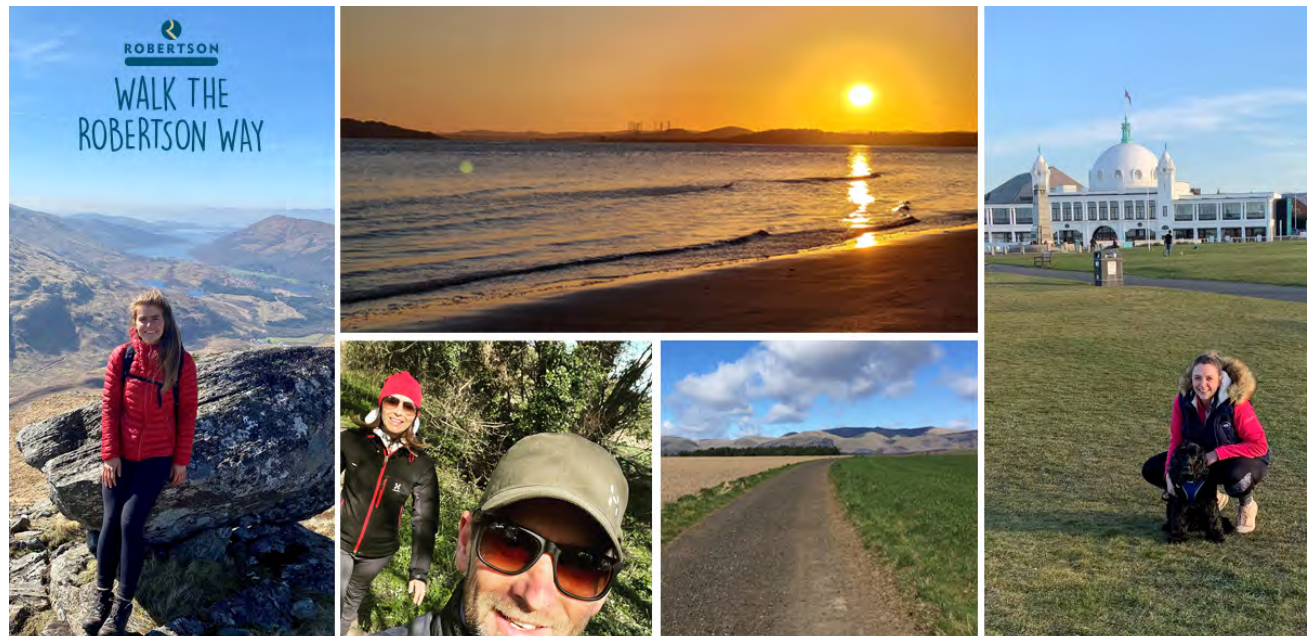
Our progress:

- Enhanced the lives of 685 people, in the reporting period, in our local communities
- Trained more than 85 of our employees to become certified mental health first aiders
- Enhanced our family friendly policies, including our smarter working policy
- Launched our committee of Young People Ambassadors, who help make sure young people are given a voice within our business

- Walk the Robertson Way challenge, creating friendly competition between teams of employees to walk 10,000 or more steps a day – with the winners choosing a charity of their choice receive a donation
- Implemented a range of wellbeing support initiatives, including our cycle to work scheme, gym & fitness discounts, and SHE ‘Green Cards’ for positive behaviours, attitudes, and contributions
- Retained our Investors in People & Young People accreditation



Stacie Walton, certified Mental Health First Aider



Our Partners

Our policy aims:

- Engaging communities we work in, creating social value and enabling inclusive growth
- Developing and supporting a responsible supply chain
- Delivering quality projects and supporting our customers in delivering their ESG commitments

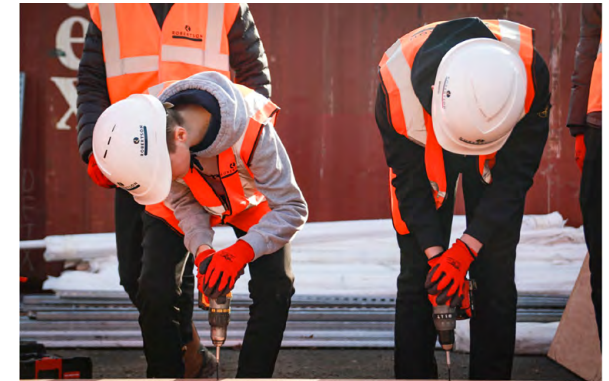
Our 2030 target:

Create £1 billion of social value, by enhancing lives and spending locally in the areas where our projects are, and with social enterprises, microbusinesses, and SMEs



Our progress:

- Delivered £228.9m of social value in the year (accumulative total £431.8m)
- Spent £303K with social enterprises through the Buy Social Challenge with Social Enterprise UK
- Collaborated with the Fraser of Allander Institute to better understand our impact on the economy in Scotland, highlighting:
 - 11,200 jobs supported annually
 - £39.5m spent in districts with the top 20 most deprived postcodes in Scotland
 - £1.8bn contributed in GVA (gross value added) over 2017-2020
- Delivered phase 1 of our Sustainable Growth Agreement with SEPA (Scottish Environment Protection Agency) to help upskill our supply chain, and minimise their environmental impact
- 1330+ hours of training undertaken by our supply chain through our Supply Chain Sustainability School partnership
- An average score of 41/45 from Considerate Constructors Scheme, with many projects achieving innovation points for their contribution to the community
- Continued to embed Clear Futures, our strategic partnership model, which assists public sector partners with decarbonising their estates



Environment

The climate and biodiversity emergency has been described as the defining issue of our lifetime, and without action there will be significant impacts on our planet and our lives. With the built environment contributing around 40% of the UK's total carbon, policy and legislative pressure has been building on the operation and delivery of built assets. Customer expectations and project deliverables are changing as a result.



Our Planet

Our policy aims:

- Minimise our carbon footprint, utilities consumption and environmental impact
- Minimise our transport emissions and supporting active and sustainable travel options
- Drive down our raw resource consumption, and maximising reuse and recycling

Our 2030 target:

Build on our 'climate positive' status, by generating zero emissions from our offices, commercial fleet, and construction sites within our operational control, and delivering a biodiversity net gain on our projects.

Our progress:

- 67.73% reduction in carbon emissions intensity since 2014/15 (third party verified)
- 'Climate positive' - fixed offsetting in 2018/19 to become carbon neutral. We have continued to make emissions reductions, meaning we now offset more emissions than we generate
- Launched our Carbon Management Plan 2030, with a range of reduction and replacement measures including:
 - Increased application of more efficient, and electric plant and equipment
 - Green tariffs for gas and electricity in our offices and factory, and on new construction sites
 - HVO (hydrotreated vegetable oil) as a diesel replacement on site, with 90% less emissions
 - Small scale hydrogen fuel cell pilot

- Implemented our Net zero fleet approach, only offering EV and hybrid vehicles across all company car levels and continuing to pilot commercial EVs where practical
- Initiated our *Next Step Zero* internal development plan, focusing on how we further support our customers and supply chain to deliver net zero / low carbon projects, and develop an industry leading net zero platform to simplify project delivery for customers
- Developed our own UK wide Carbon Literacy training, with environmental charity KSB



Project highlights

As a national business working with local stakeholders and supply chains, we provide customers with the expertise to invest, develop, construct, and maintain across the whole environment lifecycle. Throughout 2021-22 we have focused on collaboratively delivering quality, impactful projects.

Key projects

COP26 House, Glasgow

Showcased at COP26 in Glasgow, this demonstrator house was constructed with local timber and will sequester more carbon over its lifetime than was generated during construction.

Sculpture of Hope, Glasgow

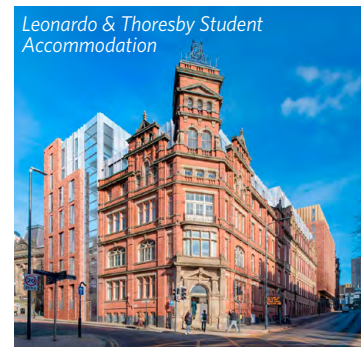
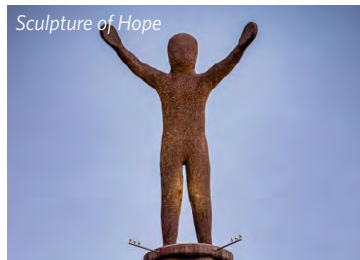
Serving as a reminder that we must take care of our environment and our mental health, the Sculpture of Hope is made from low carbon 100% cement-free concrete, locally sourced aggregates and recycled crushed glass.

Net Zero Innovation Centre, Teesside

Aiming to position Teesside firmly at the heart of the green industrial revolution, this facility will be net zero for both embodied and operational carbon as well as BREEAM Outstanding. On site we have utilised small scale hydrogen, HVO (a diesel alternative with 90% less emissions) and a range of electric or highly efficient plant and equipment. *Teesside University*

Riverside Primary School, Perth

Construction of this new Perth school is underway and will be the first primary school to be built and certified to 'PassivHaus' standard (an ambitious energy and quality) in Scotland. *Perth & Kinross Council and East Central Hub*



National Robotarium, Edinburgh

Aiming to create the UK's leading innovation hub for the practical application of robotics and autonomous systems, the Robotarium will be certified to 'Fitwel' standard, meaning its design meets strict criteria for supporting occupants' health, wellbeing, and productivity. *University of Edinburgh, Heriot-Watt University, and the Edinburgh Centre for Robotics (ECR)*

Leonardo & Thoresby Student Accommodation, Leeds

Bringing the former Leonardo Printworks & Thoresby buildings back to life, by combining a low carbon approach with sensitive refurbishment of Grade II listed buildings through retention of existing structure, fabric upgrades and connecting to the council's district heating system. *McLaren Property*

The McEwan, Edinburgh

Providing 476 homes for rent, next generation resident amenities and 25,000 sqft of retail and leisure space, the development is the first and only residential development in Europe to be awarded a highly sought-after Fitwel 3 Star Rating. *MODA Living*

Project environmental metrics

	2020/21	2021/22	% Improvement vs 20/21	
Carbon intensity (tonnes of CO2e per £1m turnover) (20/21 scope)	12.35	9.38	24.11%	↓
Construction energy use (kg CO2e/£100k project spend)	686	562	18%	↓
Construction water use (m3/£100k project spend)	11.6	4.91	58%	↓
Construction waste diverted from landfill (%)	98.97%	99.42%	0.45%	↑
Construction Waste (tonnes/100m2)	6.9	1.81	74%	↓
% of company car fleet ultra-low emissions vehicles	18%	38%	20%	↑
Supply Chain Sustainability School hours training undertaken for Robertson supply chain	996	1330	34%	↑
Customer CEQ for sustainability	—	8.4	—	



Our next steps

Q&A with Graeme Hannah, our Director of Sustainability and Social Impact

Q: How do you reflect on the progress made over the last year?

“With the impacts of Covid-19, COP26, Ukraine and the energy crisis, the challenge and importance of being a responsible business is greater than ever. Collectively we all need to act. Both internally and with our customers and stakeholders, we are seeing an increased desire to do things more sustainably. Our purpose at Robertson is to assure a sustainable future, and over the last 12 months we have, and are, delivering some amazing projects and contracts, and delivered really well against our Responsible Business 2030 targets.”

“We are already a ‘climate positive’ business, and this year we have made further reductions to our emissions intensity totalling 67.73% since 2015. We have also delivered really powerful social outcomes, enhancing 685 lives and delivering £228.9m of social value within our local communities. There’s more to be done, but we have a great foundation to build on.”

Q: Given these results, is it safe to say that everyone at Robertson is aligned to your purpose?

A: “As a family business we understand the importance of community and take our responsibility for the local communities we work in very seriously. Part of our ongoing commitment is to create a legacy where we work to benefit the local people and the next generation long after our projects are completed.”

“Our approach to Responsible Business is something that is delivered across the Robertson family of businesses, not just by our sustainability team. Throughout 21/22 we piloted Carbon literacy training, which is now being rolled out across the business, to empower our teams to make informed decisions supported by our working groups.”

Q: And how does that extend into projects and contracts?

“Securing buy-in is one thing but giving people the tools to take that forward is another. To support this, we recently launched our internal Next Step Zero programme that builds on our existing processes, tools and knowledge, and equips us to deliver really sustainable, zero carbon and socially impactful projects across the business.”

“We cannot deliver without our supply chain, and we try and partner with key organisations to implement the next steps that we need to take for us all to secure positive outcomes. For example, we have a Sustainable Growth Agreement with SEPA which focuses on better understanding the biggest environmental impacts within the construction supply chain in Scotland, and then collaboratively developing learning pathways for key themes like waste, emissions, water and pollution for each sub-contractor package. These are in development, now and will be hosted on and tracked through the Supply Chain Sustainability School which is free to access for all.”

Q: Is there a particular area that the industry needs to focus on going forward?

“New guidance and standards from industry and public bodies are driving a more holistic approach to sustainability, we no longer just looking at operational energy or carbon. It’s a combined approach that also looks at whole life or embodied carbon, healthy buildings and biodiversity. The focus isn’t just on the asset either, we are pushing ourselves and being challenged by our customers to deliver more impactful social outcomes too – supporting the Covid-19 recovery plan and tackling more hard-hitting societal issues.”

Q: So, what’s next?

“There’s a balance to being proactive and reactive. We have our own roadmap towards 2030 with key targets and outcomes that we are confident that we will be able to achieve, but we must also be mindful of the changing landscape around policy and technology. External factors can play an important role and have significant impact, but as a business, we know where we want to get to, how we will get there, and I’m delighted that we are well on the way to delivering against our targets.”

Our Responsible Business roadmap

