

ESG

Building a better future together



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Tilbury Douglas, a leading UK building, infrastructure, engineering and fit-out business, has launched its new Environmental, Social, and Governance (ESG) strategy – “Building a better future together”.

This follows on from our successful People, Planet, Performance (PPP) model, which was launched in late 2021, which laid a strong foundation for responsible business. The new ESG strategy offers a more structured, targeted framework that connects our core business strategies across all departments.



FOREWORD

by Craig Tatton, Chief Executive Officer

This new focused approach supports our journey to net zero and fosters meaningful partnerships with our clients and supply chain, reflecting our proactive stance in managing our impact on society, the environment, and all our stakeholders.



MESSAGE

from Lucy Davies, ESG Director

As the requirement to manage climate, regulatory, and social risks increases, we are pleased to launch our ESG strategy “Building a better future together”, which builds on from PPP. This not only reaffirms our commitment to doing what's right for our people, clients, and communities, but it also enables us to create, deliver, measure, and report on lasting positive impacts.



Ambitions

Our ESG strategy sets out clear targets and ambitions for the short and longer-term.

The newly established ESG Committee, which includes the ESG Director, alongside senior representatives from our operating divisions and corporate services, ensures constant review of our ambitions and key performance indicators (KPIs).



Environmental



Outcomes and measures	Definition	2025 target	2029 target	Ambition
Nature				
Biodiversity net gain (BNG) on all applicable projects (BNG should apply to all projects that require planning permission)	10% minimum biodiversity net gain	Minimum 10%	Minimum 10%	Minimum 10%
Responsible construction				
Supply chain carbon reduction plans (CRPs)	Supporting our supply chain in implementing a carbon reduction plan into their business to support the journey to net zero	25% of supply chain to have a CRP	80% of supply chain to have a CRP	Maintain 100%
Climate				
Ours: Net zero in operation – continue to be carbon neutral in line with PPN06/21	Maintain operational carbon neutrality, with yearly reduction to emissions	Maintain a year-on-year reduction	Maintain	Net zero
Client's: Embodied carbon assessments	Assessments undertaken using One Click LCA software or similar	Completed on 100% of projects over £3m	Whole life carbon assessments completed on 100% of projects over £3m	Maintain
Resource efficiency				
Waste	Waste diverted from landfill	95% minimum	98% minimum	100%

Nature

Tilbury Douglas is committed to achieving a biodiversity net gain of at least 10%. To meet this goal, we are integrating biodiversity considerations into all stages of our projects, from design to delivery, ensuring alignment with best practices and regulations. By collaborating with ecological experts and engaging stakeholders, we aim to enhance natural habitats and create measurable ecological improvements.



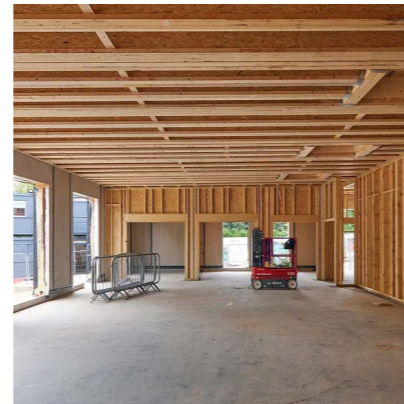
This proactive approach underscores our dedication to sustainability and environmental stewardship while delivering value to the communities we serve.

Responsible construction

We recognise the critical role our supply chain plays in achieving our net zero ambitions. We are committed to working closely with our supply chain partners to develop and implement robust carbon reduction plans. This



includes encouraging the adoption of sustainable materials, optimising logistics to reduce emissions, and promoting the use of low-carbon technologies. Through clear communication, training, and collaboration, we will support our partners in aligning with our carbon reduction targets, ensuring a collective contribution towards a more sustainable future. Together, we aim to drive meaningful change and lead the industry in responsible construction practices.



Climate

In 2019, we established a baseline for our operational carbon emissions, leading to the development of our first PPN 06/21 Carbon Reduction Plan in 2020. This plan outlined our commitment to reducing emissions through initiatives such as adopting electric vehicles, implementing more efficient site accommodation, and reducing business travel. By 2022, we successfully halved our operational carbon intensity, and in 2023, we achieved carbon neutrality in our operations, with emissions certified

by Achilles in accordance with ISO 14064 Part 1: 2018. Moving forward, we remain focused on minimising our operational carbon footprint and maintaining carbon neutrality.

Our PPN 06/21 Carbon Reduction Plan also sets a clear pathway to becoming a net zero organisation by 2040, encompassing our wider Scope 3 emissions. To support this ambition, we mandate carbon assessments on all projects over £3m, support our supply chain partners to implement their own carbon reduction plans and provide

carbon data for the materials and services they supply. Additionally, we are investing in digital design technologies to optimise the carbon performance of the buildings we deliver. Together, these measures demonstrate our commitment to leading the construction industry in sustainability and carbon reduction.



Resource efficiency

Achieving zero waste to landfill is a key part of our sustainability strategy. We will accomplish this by prioritising waste reduction at the source, maximising material reuse, and implementing comprehensive recycling programmes across our projects.

Collaborating closely with our supply chain and project teams, we aim to embed circular economy principles into our operations. By continually monitoring and innovating waste management practices, we are committed to reducing environmental impact and driving industry-wide change towards a more sustainable future.

Social



Outcomes and measures	Definition	2025 target	2029 target	Ambition
Ethical business and human rights				
Modern slavery assessment – Tilbury Douglas	MSAT audit score reported to Cabinet Office	90%	Maintain	95%
Modern slavery and labour exploitation statement and awareness in supply chain	% of Supply Chain with Modern Slavery Statement	90%	Maintain	95%
Compliance to Fair Payment Code	Compliance with Fair Payment Code criteria	We will continue to comply or exceed Fair Payment Code	Maintain	Maintain
Customer satisfaction score	Annual average score answered in the customer satisfaction survey throughout the contract	Above 80%	90% or above	100%
Social value				
Social return on investment (SROI)	Minimum 25% SROI on all jobs over £3 million	Minimum 25%	Minimum 50% SROI	100% SROI with 10% outside of economic spend
Local supply chain spend	Local supply chain spend on all projects (within a 50 mile radius)	50% minimum	75% minimum	85%
Small to medium enterprise (SME) spend	Spend with SME on projects	75% minimum	85% minimum	90%
Voluntary, charity, social enterprise (VCSE) engagement & support	Increase in VCSE engagement across projects	Engage with minimum one new VCSE per year, per region	Minimum £100k spend per year	Spend a minimum of £1 million per region per year with local VCSE

Outcomes and measures	Definition	2025 target	2029 target	Ambition
Health, safety and wellbeing				
Accident incidence rate (AIR)	AIR in business	Zero AIR	Maintain zero AIR	Maintain AIR
Health and wellbeing	Frequency of campaigns	Minimum of six campaigns per year	One campaign per month	Improve health and wellbeing interactions
People				
Diversity and inclusion	Targeted, meaningful support for low socioeconomic groups	Engage and support a minimum of 50 individuals from low socioeconomic groups annually	Support and empower minimum 100 individuals from low socioeconomic groups to enter and advance within the construction industry	25% of our annual early careers intake recruited from low socioeconomic groups
Professional body memberships	Supporting our people to gain a professional membership	Increase by additional 30 employees (minimum)	Continued increase of 30 employees year on year (minimum)	Opportunity to gain professional memberships for everyone across the business, irrelevant of role
Early careers	Minimum of 5% of business to be early careers (direct apprentice or graduate roles)	Maintain gold status in The 5% Club accreditation (maintain above 5% early careers positions)	Achieve platinum status with The 5% Club accreditation	Maintain



Ethical business and human rights

Delivering exceptional service is our priority, with a commitment to maintaining an annual customer satisfaction score above 80%. Through regular feedback, open communication, and continuous improvement, we ensure quality, value, and long-term client partnerships.

We uphold the highest ethical standards across our operations and supply chain. All partners must have a modern slavery policy, supporting our zero-tolerance approach to exploitation. By adhering to the Fair Payment Code and implementing robust compliance measures, we promote fairness, transparency, and respect for workers' rights, ensuring ethical business practices remain at our core.



Social value

Thrive is an online user-friendly platform specifically designed to help track, audit and report on all social value and ESG activities. The framework allows us to convert the social impact we are creating into an indicative financial value (SROI). Collectively the metrics, proxy values and guidance provide a transparent, consistent and auditable model for tracking and valuing

We are dedicated to fostering strong relationships with local businesses, small to medium enterprises (SMEs), and voluntary, community, and



social enterprises (VCSEs). By actively engaging with these organisations, we aim to support local economies, create job opportunities, and encourage innovation within our supply chain. We will prioritise procurement from local and diverse suppliers, provide mentoring and development opportunities, and facilitate partnerships that drive collaboration. This approach ensures our projects deliver meaningful, long-term benefits to the communities in which we operate.





Health, safety and wellbeing

Health, safety and wellbeing are at the core of our operations. We are committed to promoting a culture of care through targeted health and wellbeing campaigns that address physical, mental, and emotional wellbeing across our workforce. Simultaneously, we are striving for a zero accident incidence rate (AIR) by embedding rigorous health and safety standards, continuous training, and proactive risk management into every aspect of our business. By prioritising the wellbeing of our people and maintaining an uncompromising focus on safety, we aim to create a healthy, supportive, and incident-free working environment.

Changing the conversation is a health and safety initiative that uses the *Cultural Calculator* behavioural safety dashboard app to collect data from Tilbury Douglas colleagues, as well as our supply chain working on our sites. It asks people to fill out a short survey which is based around our company values and safety habits. We hope by changing the conversation, we will further improve our safety culture.

People

We are committed to investing in our people, supporting professional development, and fostering continuous learning. We encourage membership in leading industry bodies such as the Chartered Institute of Building (CIOB), the Chartered Institution of Building Services Engineers (CIBSE), the Institution of Civil Engineers (ICE) and the Royal Institution of Chartered

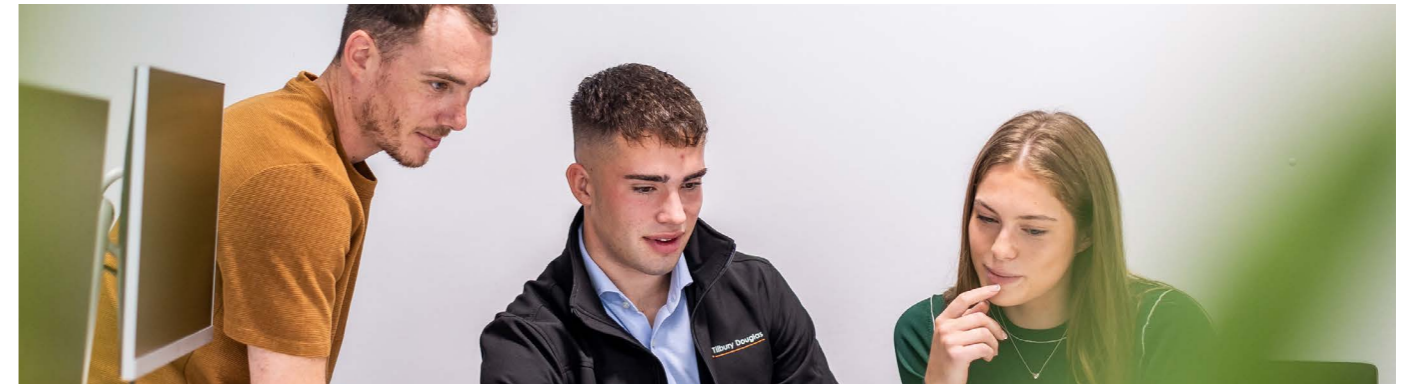
Surveyors (RICS), ensuring our teams stay at the forefront of industry standards and best practices.

Our early careers commitment ensures over 5% of our workforce consists of apprentices, graduates, and placement students, helping to develop future industry leaders.

We also focus on creating opportunities for individuals from low socioeconomic backgrounds.

Through our partnership with Circl, we support their Dual Mentorship programme, alongside community outreach and targeted recruitment, helping those furthest from the workforce.

By investing in our people, we build a skilled, diverse, and future-ready workforce, ensuring long-term success for our business and the communities we serve.



Governance



Outcomes and measures	Definition	2025 target	2029 target	Ambition
Corporate structure				
Board governance	Board structure and supporting committees which promotes good governance with clear terms of reference and memberships	Formation of ExCo and supporting committees	Maintain	Adopt best practice from UK Corporate Code/ Wates principles
Clear accountability	Delegated authorities from Board through to operating divisions			
Process and procedures				
Company policies	Clear policy statements	Reviewed on an annual basis	Maintain	Maintain
Process and procedures	Operational Integrated Management System (IMS)	IMS rolled out across operating businesses	Maintain	Maintain
Internal assurance and audit				
Internal business assurance and audit programme in place	Internal programme reviewed on an annual basis based upon assessment of risk	Reviewed on an annual basis	Maintain	Maintain
External accreditation				
External accreditations (ISO/PAS/BS) held by the business	Critical accreditations for Quality, Safety, Environmental, Information Management and Cyber Security	Renew in line with re-certification requirements	Maintain	Maintain

Corporate structure

Strong corporate governance is at the core of our ESG principles, ensuring transparency, accountability, and ethical decision-making. Our Board governance structure includes well-defined committees with clear terms of reference, driving strategic oversight and alignment with best practices.

To enhance leadership effectiveness, we have established an Executive Committee (ExCo) alongside supporting committees to proactively manage ESG integration. Additionally, delegated authorities ensure clear accountability, cascading from the Board to operating divisions, embedding ESG considerations into everyday business operations.

This governance framework fosters a culture of integrity, sustainability, and continuous improvement, reinforcing our commitment to responsible corporate leadership.

Processes and procedures

Our structured processes and procedures ensure compliance, consistency, and continuous improvement across all operations. We maintain clear policy statements aligned with industry best practices and regulatory requirements, reviewed annually to remain effective and relevant.

We have implemented an operational Integrated Management System (IMS) across all operating businesses. This system standardises quality, environmental sustainability, health & safety, and information security, embedding ESG principles into decision-making.

Through these structured policies and systems, we drive accountability and operational excellence, reinforcing our commitment to sustainable and responsible business practices.

Internal assurance and audit

We uphold the highest standards of governance, risk management, and compliance through a comprehensive internal assurance and audit programme. This structured framework ensures policies and controls are effectively implemented and continuously improved.

Our internal audit programme is reviewed annually, using a risk-based approach to identify areas for improvement and mitigate potential risks. This process strengthens regulatory compliance, stakeholder trust, and ESG alignment.

By embedding rigorous assurance mechanisms, we reinforce transparency, accountability, and continuous improvement, ensuring ESG remains integral to our operations.



External accreditation

We maintain high standards in quality, safety, environmental sustainability, information management, and cybersecurity through recognised external accreditations, including International Organisation for Standardisation (ISO) standards. These certifications demonstrate compliance with industry best practices and regulatory requirements.

Regular audits ensure ongoing adherence to these frameworks, with certifications renewed in line with re-certification requirements. Through external validation, we provide stakeholders with confidence in our ability to operate sustainably, securely, and efficiently.



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