

Sustainability & Social Value Strategy

MAKING THE DIFFERENCE RESPONSIBLY





Our Purpose

The Vertas Group understands the importance of preserving the environment. We have taken a proactive stance in reducing the impact of our operations. We are committed to improving our environmental performance continuously and positively influencing the sustainability performance of our supply chain.

At Vertas Group we acknowledge that we have an important role to play in society’s transition to a Net Zero economy as a means of mitigating the worst impacts of climate change.

Vertas Group is committed to achieving Net Zero Greenhouse Gas (GHG) emissions across the entire value chain by 2050 from a 2022 baseline year. This commitment is further supported by a near term target to reduce Scope 1 and 2 emissions by 90% by 2030. Net zero will be achieved by reducing absolute Scope 1, 2, and 3 emissions by 90%.

To further demonstrate our commitment to protecting the environment Vertas Group has a robust management system with certification to ISO 14001 Environmental Management and ISO 50001 Energy Management. As well as this we hold Carbon Charter Silver certification and Planet Mark Business certification.

Governance

Effective governance, transparency and annual reporting to stakeholders is important to us on our sustainability journey.

Annual reporting allows us to share our environmental impact and progress towards our reduction targets.

The Sustainability and Social Value Strategy will be reviewed on an annual basis considering the growth of the business, technology, legislation changes and our own performance. The Sustainability and Social Value Team will be responsible for implementing the strategy, monitoring and evaluating our performance throughout the year and will meet on a regular basis to report progress against our targets to our operational board.



Ian Surtees MBA
Group Chief Executive Officer



We are proud of our Net Zero target, and consider it to be ambitious, yet achievable. To support this target, we have developed a robust Net Zero Roadmap to ensure that progress towards Net Zero remains a business priority.



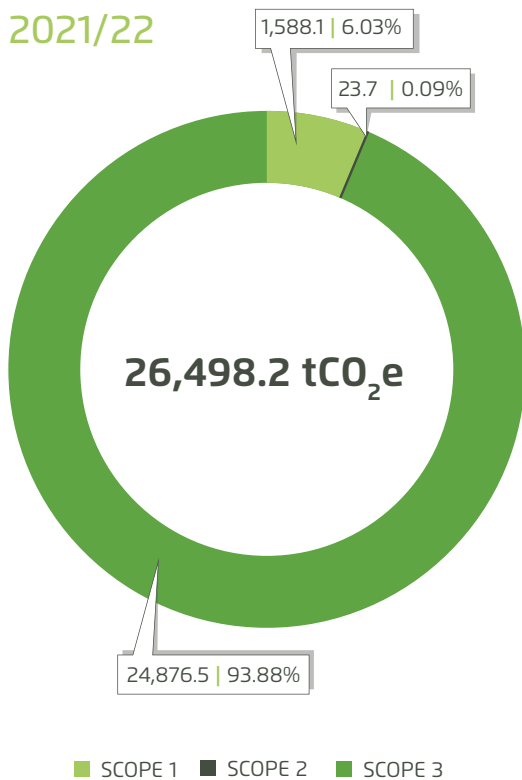


Sustainability

Vertas Group is working with Planet Mark, a sustainability certification body and Net Zero provider for organisations and the built environment. Together with Planet Mark we will look to connect our vision, mission and values authentically into a holistic sustainability approach to ensure it can be embedded into our standard business operations and processes.

In 2021/22 we measured our Scope 1, 2 and 3 emissions with the support of Planet Mark who verified our data and allowed us to capture our baseline footprint emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Vertas Group Baseline Emissions 2021/22



PlanetMark
Certified Business

Vertas Group were awarded the Planet Mark Business Certification which is an internationally recognised sustainability certification for all organisations acknowledging continuous progress, encouraging action and building an empowered community of like-minded individuals. To achieve this certification, we've followed a robust three-step process:

1. Measuring our impact
2. Creating our roadmaps to Net Zero
3. Engaging all colleagues within the business



What are the Scope of Emissions?

REPORTING COMPANY OPERATIONS

SCOPE 1



Company facilities gas, fuel or refrigerants



Company vehicles

SCOPE 2



Electricity, district heating, steam, district cooling

SCOPE 3 UPSTREAM



1. Purchased goods & services



2. Capital goods



3. Fuel & energy related activities



4. Transportation & distribution



5. Waste generated in operations



6. Business travel



7. Employee commuting



8. Leased assets

SCOPE 3 DOWNSTREAM



9. Transportation & distribution



10. Processing of sold products



11. Use of sold products



12. End of life treatment of sold products



13. Leased assets



14. Franchises



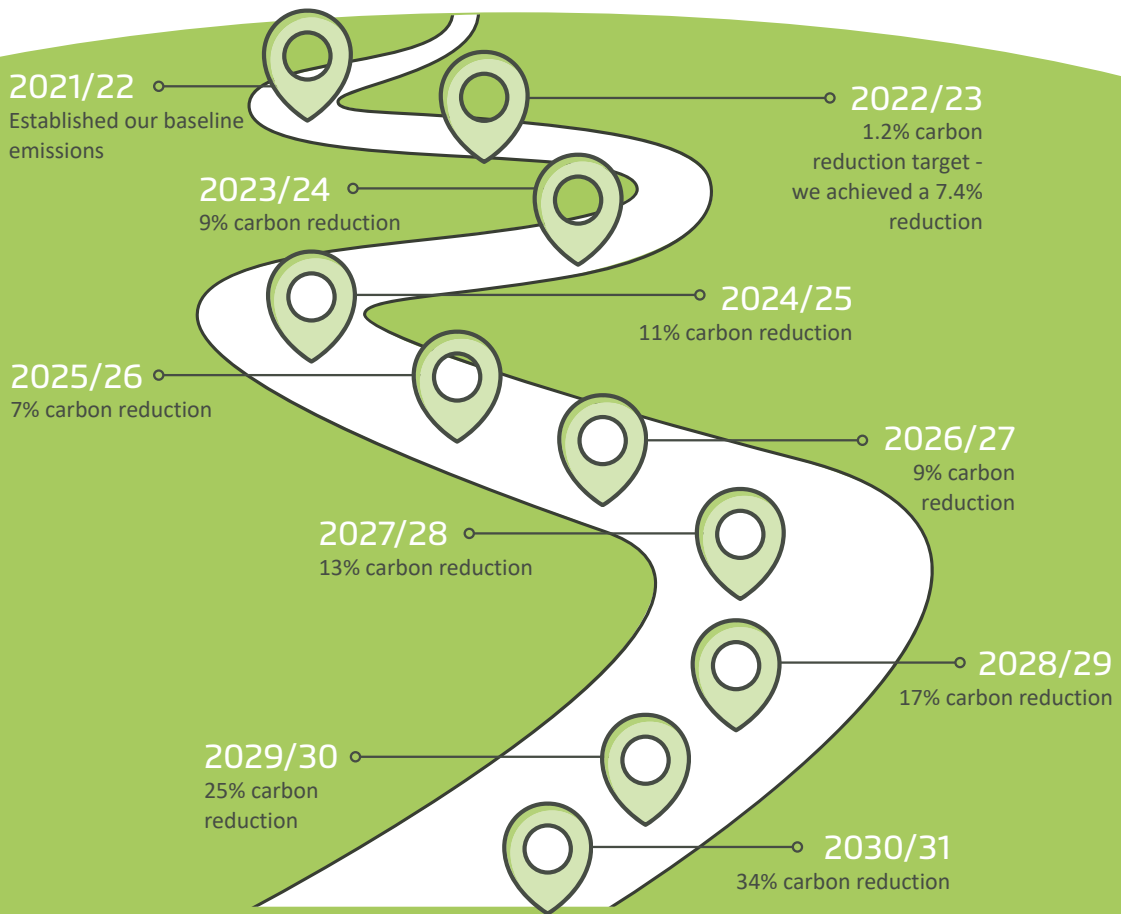
15. Investments



Road to Net Zero

Working alongside Planet Mark we have created our 'Road to Net Zero' which is a robust transition plan of actions to reduce our Greenhouse Gas (GHG) emissions across the Group.

The below shows our target % reductions and associated annual actions.



Convert combustion vehicles to electric across entire car fleet



Installation of photovoltaic panel at Head Office



Renewable energy across all sites



Make energy-efficient changes to buildings (optimising heating, installing LED lighting)



Promote energy-efficient behaviours across all sites

Figures show rolling year-on-year baseline reduction. From 2026/27 onwards, annual reduction targets may fluctuate due to previous year percentage reduction.



Pathway to Net Zero:

Scopes 1 & 2 (Buildings and Fleet) Annual Reductions

Total Scope 1 & 2 Fleet and Buildings Baseline and projected annual carbon footprint (tCO2e market based)



YE2023 emissions have decreased by 7% compared to YE 2022 Outperforming projections of 1% reduction

By YE2030, YE2022 baseline emissions from Buildings and Fleet (Scopes 1 & 2) are projected to be down by 75%

- Buildings Year end (tCO2e) MEASURED
- Buildings Year end (tCO2e) PROJECTED
- Fleet Year End (tCO2e) MEASURED
- Fleet Year End (tCO2e) PROJECTED
- Future Technological Advances



Our Achievements

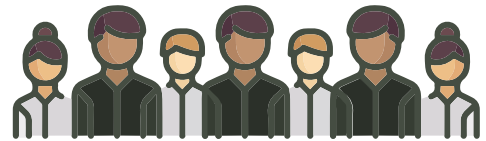
2022



Vertas Group's **location-based emissions** have decreased by **7.4%**

Fleet emissions have decreased by

5.9%



Vertas Group achieved a **17.7% carbon reduction per employee**

Paper emissions have decreased by **21.3%**



9 electrical charging points have been installed at our **Head Office**



Waste emissions have decreased by **88.2%**

This was achieved by **reducing landfill emission by 100%** and by additional reductions in emissions from energy from waste, composting and recycling

Vertas Group's **building emissions** have decreased by **24.1%**



Friars Bridge Road saw a **53% reduction in natural gas consumption** and associated emissions



Upstream transportation and distribution emissions have decreased by **47.3%**

2023



Waste emissions have decreased by **22%**

Fleet emissions have decreased by

57.8%



Paper emissions have decreased by **72.9%**



Gas emissions have decreased by a significant

78%



Building emissions have decreased by

35.1%

Water emissions have decreased by **12.5%**



Figures are based on reporting period 1st April 2022 to 31st March 2023 which have been provided by Planet Mark.



Management Systems



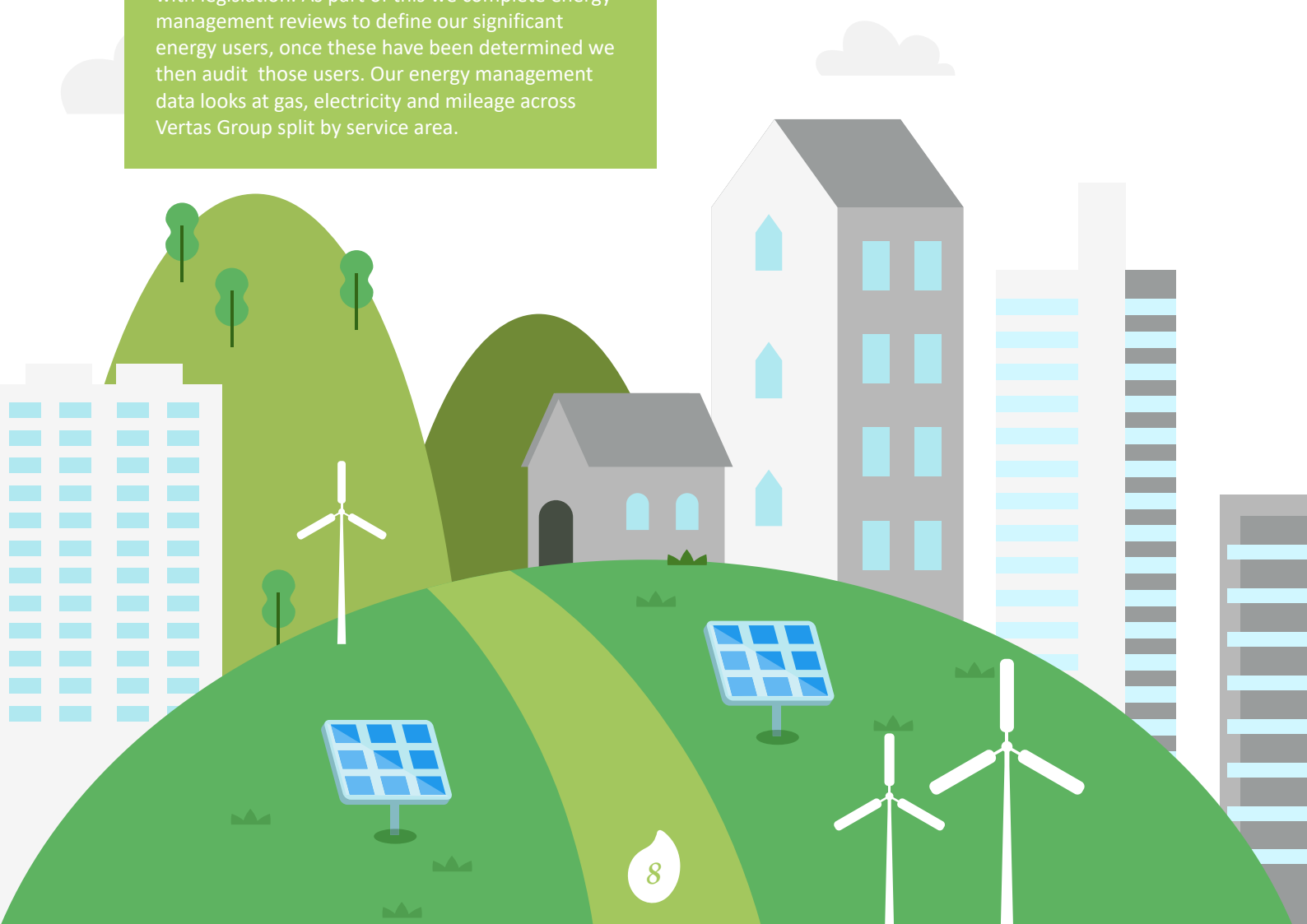
We are certified to ISO50001

Energy Management System which allows us to measure and monitor our energy use to identify where to improve efficiency and meet our reduction targets. Within this framework we identify and manage risks surrounding our future energy supply, improve our energy efficiency, and stay compliant with legislation. As part of this we complete energy management reviews to define our significant energy users, once these have been determined we then audit those users. Our energy management data looks at gas, electricity and mileage across Vertas Group split by service area.



We are certified to ISO14001

Environmental Management System which allows us to review, monitor and improve our environmental performance through an understanding of our business operations and the environmental impact of our activities.

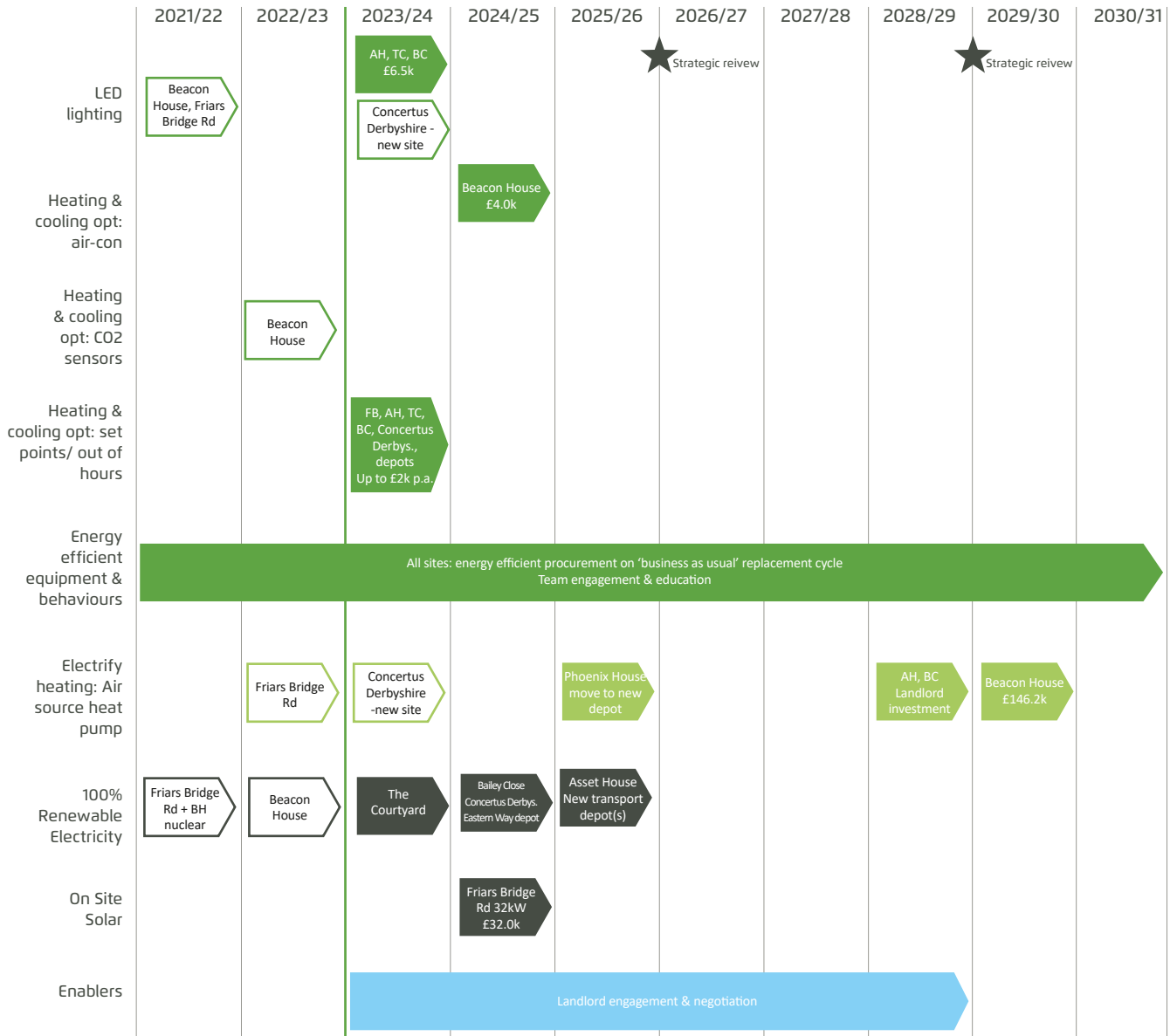




Enablers & Objectives

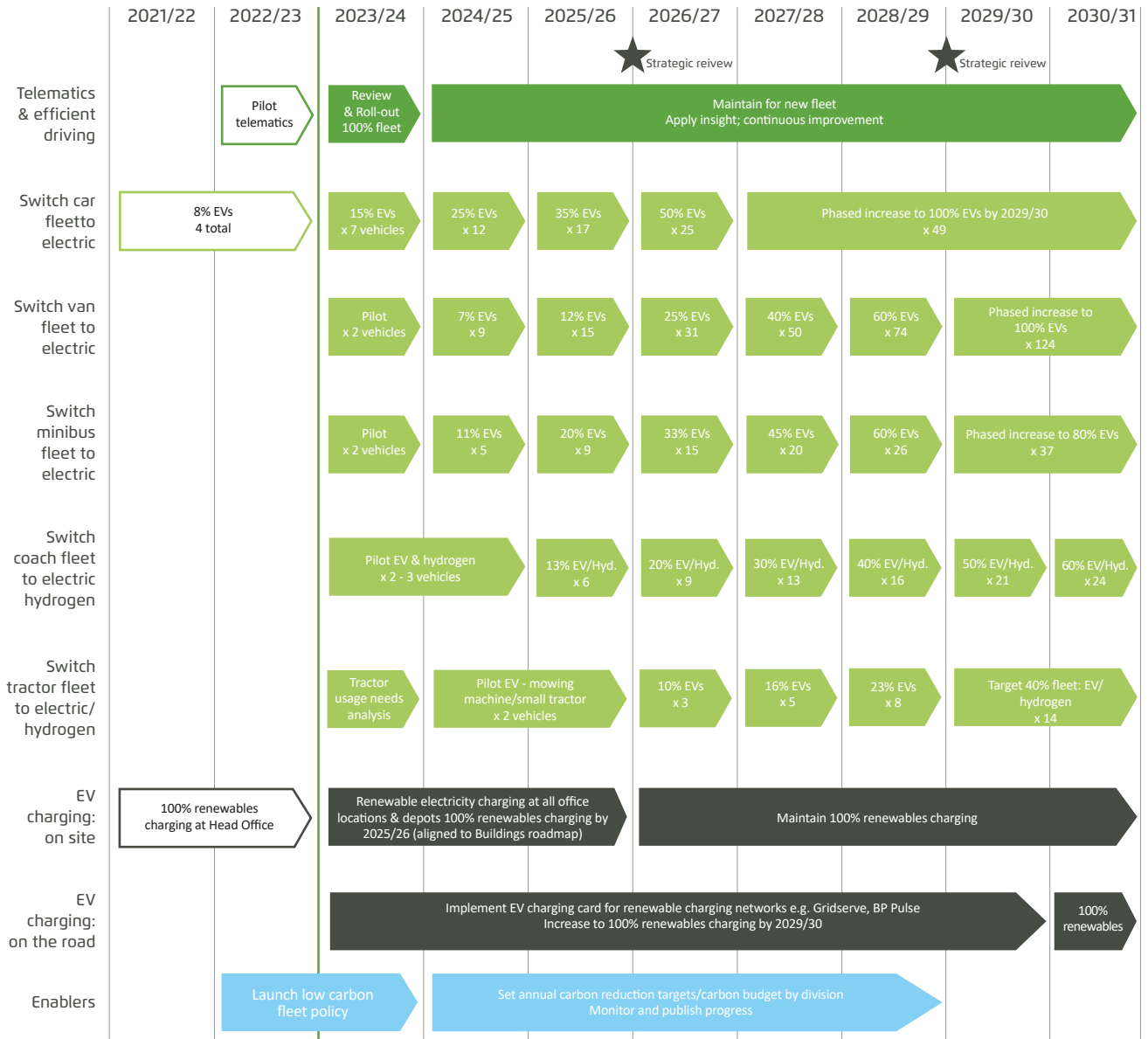
	WASTE	TRAVEL & TRANSPORT	ENERGY & CARBON MANAGEMENT INFRASTRUCTURE	GIVING BACK POSITIVELY
GOAL	To minimise and actively manage waste through elimination, reduction, re-use and recycling.	To actively promote and encourage the use of sustainable modes of transport across Vertas Group to achieve a fully EV fleet by 2030.	To improve the environmental performance of our buildings and infrastructure by moving towards carbon neutral performance.	To positively contribute to the social, environmental and economic wellbeing of our communities through our projects and contracts.
MEASUREMENT AND TARGET	<p>We will:</p> <ul style="list-style-type: none"> Divert 100% of waste away from landfill Minimise use of plastic within our business Ensure that servicable equipment is reused within our business or offered to others Recycle 80% of our waste Quarterly reports on waste counts Reduce our water consumption and waste generation, and increase our recycling. Internally audit our waste management processes Measure and report on printing habits, share results and encourage sustainable decisions 	<p>We will:</p> <ul style="list-style-type: none"> Aim to reduce carbon emissions through our travel plan Monitor and report on our business mileage and fuel consumption Monitor and report on the usage of our electric pool vehicles Monitor and measure how many colleagues are using alternative modes of transport 	<p>We will:</p> <ul style="list-style-type: none"> Define our energy objectives and targets through our energy management system Carry out an energy review and maintain our ISO 50001 certification Investigate significant deviations Reduce our greenhouse gas emissions and energy consumption, and increase our use of renewable energy sources. Achieve Net Zero Greenhouse Gas (GHG) emissions across the entire value chain 2050 with near-term target for Scope 1 and 2 by 2030 	<p>We will:</p> <ul style="list-style-type: none"> Create SMART Social Value targets (People, Places, Partners and Planet) Produce Social Value reports to provide detail on both financial and non-financial impacts of initiatives as generated by the TOMs for board reports and external reporting Conduct Pulse Pulse surveys to capture starting position and effectiveness of delivery plan
PEOPLE	<p>We will:</p> <ul style="list-style-type: none"> Embed waste management within our culture Include waste management information and instructions within our induction process Provide sustainability training to all colleagues Share facts, tips, waste awareness toolkits and results of progress Provide regular updates on sustainability performance 	<p>We will:</p> <ul style="list-style-type: none"> Encourage colleagues to reduce their business travel and commuting emissions by car sharing, using our electric pool cars and using public transport alternatives. Encourage remote meetings where possible Share carbon calculator for colleagues to calculate their own travel emissions Conduct annual commuting surveys Provide sustainable driver training 	<p>We will:</p> <ul style="list-style-type: none"> Provide energy management awareness training Support key stakeholders in identifying their energy consumption and key areas for improvement 	<p>We will:</p> <ul style="list-style-type: none"> Provide Social Value training Collaborate with our supply chain Sustainability and Social Value Campaigns Hold events, competitions, and award category for Sustainability at MTDA Have a CIG Group for colleague questions and ideas Volunteering our time, skills, and resources to support our chosen charity and other enterprises
INITIATIVES AND POLICIES	<p>We will:</p> <ul style="list-style-type: none"> Ensure Reduce, Reuse and Recycle is engrained within our policy statement Implement a paper-use minimisation policy Ensure that waste management responsibilities are clearly defined Maintain certification to ISO14001 	<p>We will:</p> <ul style="list-style-type: none"> Switch over to lower carbon vehicles, optimising travel routes and schedules Create a Travel policy Offer a cycle to work scheme Offer an electric vehicle scheme Create a Green travel plan Install tracking software on our fleet and monitor driving behaviours 	<p>We will:</p> <ul style="list-style-type: none"> Decarbonise our Head Office Make our buildings more energy efficient with LED lighting, electrified heating and optimising heating and cooling Install on-site solar PV panels at Head Office in 2025/26 Maintain certification to ISO50001 Carbon Charter and Planet Mark Business Certification 	<p>We will:</p> <ul style="list-style-type: none"> Create a Social Value policy Create a Social Value delivery plan for projects and contracts throughout the group Develop a data capture mechanism to ensure data capture Supporting social causes and initiatives that align with our values and interests, and that benefit the communities we operate within
PROCUREMENT	<p>We will:</p> <ul style="list-style-type: none"> Ensure all equipment and materials are procured sustainably We will only use approved suppliers with preference for those with ISO14001 Order accurate quantities to limit waste Use paper free solutions where possible Buy paper from sustainable forests or recycled content. Ask for FSC or PEFC branded paper as a minimum - ideally with the EU Eco label 	<p>We will:</p> <ul style="list-style-type: none"> Start trial of electric vans from 2024 Switch our car fleet to 100% electric by 2030 Replace diesel vans, minibuses, coaches with electric by 2030. Encourage use of sustainable distribution & logistics e.g. Electric vehicles, route planning software Replace current tractor fuel with HVO/ biofuel in the short-term and hydrogen in the long term completed by 2030 	<p>We will:</p> <ul style="list-style-type: none"> Switch to 100% renewable clean energy within our buildings Ensure lifecycle analysis is carried out on procurement of new equipment and infrastructure. When the opportunity arises we will procure more energy efficient premises 	<p>Where possible, we will:</p> <ul style="list-style-type: none"> Support our local suppliers by using locally sourced products Specify sustainable, environmentally friendly products Source and utilise ethically sourced/ produced products Offer sustainable service options to our customers Contact our key suppliers to understand their journey to net zero Establish and communicate clear and ethical standards and expectations for our suppliers and partners, and ensuring their compliance and alignment. Seek and create opportunities for collaboration with our suppliers and partners, and leverage their expertise and resources. Recognise and award our suppliers for their social and environmental contributions and achievements. Engage and consult with our stakeholders and understand their perspectives and interests. Report and disclose our social value performance and impact to our stakeholders. Participate and contribute to networks and forums that promote and advance social value

Buildings Roadmap





Fleet Roadmap





Our International Influence

The Sustainable Development Goals (SDGs), also known as the Global Goals, are a collection of 17 interrelated goals set by the United Nations.

They cover a broad range of social and economic development issues. These include poverty, hunger, health, education, climate change, gender, equality, water, sanitation, energy.

By measuring and reducing our carbon footprint we are directly contributing to 9 of the SDGs.

6 CLEAN WATER AND SANITATION 	6.3 - Reduction in total waste produced 6.3 - 90% of water treated	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	9.4 - Reduction in energy use 9.4 - 1% of fleet that is electric or hybrid	13 CLIMATE ACTION 	13.3 - Reduction in absolute carbon emissions 13.3 - Donation to the Eden Project
7 AFFORDABLE AND CLEAN ENERGY 	7.3 - Reduction in energy use	11 SUSTAINABLE CITIES AND COMMUNITIES 	11.6 - Measured carbon emissions 11.6 - Reduction in absolute carbon emissions 11.6 - Reduction in travel emissions 11.6 - Reduction in total waste produced 11.6 - 36% of waste recycled and composted 11.4 - Donation to the Eden Project	14 LIFE BELOW WATER 	14.3 - Reduction in absolute carbon emissions 14.1 - Reduction in total waste produced
8 DECENT WORK AND ECONOMIC GROWTH 	8.4 - Reduction in absolute carbon emissions 8.4 - Reduction in carbon emissions per intensity	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	12.6 - Measured carbon emissions 12.1 - Reduction in absolute carbon emissions 12.5 - Reduction in total waste produced 12.5 - 36% of waste recycled and composted	15 LIFE ON LAND 	15.5 - Reduction in absolute carbon emissions 15.2 - Reduction in paper use





Social Value Strategy

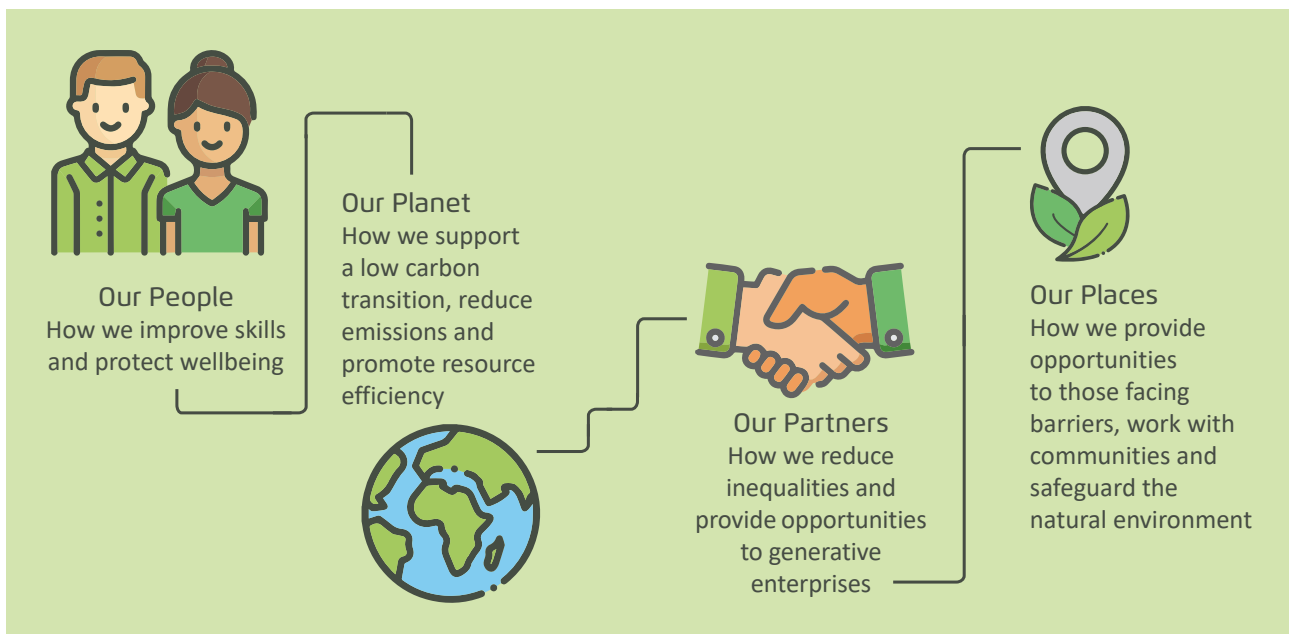
Social Value, also referred to internally as ‘Giving Back’ is the measure of the positive changes that we create for people, communities, and the environment through our work. It is not only about the financial benefits, but also about the social, environmental, and economic outcomes that we contribute to. Social Value is aligned with our vision, mission, and values, and it reflects our commitment to being a responsible and ethical business. At Vertas Group, Social Value is known as ‘Giving Back’.

This Social Value strategy is based on four key pillars: People, Places, Partners and Planet. We believe that by following this strategy, we can create positive social impact through our core values and practices, and enhance our reputation, competitiveness, and sustainability. We also believe that by Social Value, we can generate shared value for our stakeholders, and contribute to the well-being of colleagues society and the environment.



Where appropriate all entities within the Group shall:

- Find ways to contribute to the wellbeing and growth of our **People**.
- Look to deliver benefits to the **Places** and communities we operate within.
- Create opportunities for the other responsible enterprises who we **Partner** with.
- Monitor operations to identify areas we can reduce our environmental impact on our **Planet**.





People

Our people are our greatest asset, and we value their well-being, diversity, inclusion, and development. We aim to create a positive and supportive work environment where everyone can thrive and grow. We also want to make a positive difference in the lives of the people we serve and the communities we operate in. We aim to do this by:

- Providing fair and competitive benefits to our employees, and ensure a safe and healthy work environment.
- Offering learning and development opportunities to our employees, and supporting their career progression.
- Encouraging and rewarding innovation, creativity, and excellence among our employees, and recognising their achievements and contributions.
- Promoting diversity, inclusion, and belonging across our organisation, and ensuring equal opportunities and respect for all.
- Engaging with our interested parties and understanding their needs, expectations, and feedback.
- Delivering high-quality services that meet or exceed our customers' requirements and expectations.
- Supporting social causes and initiatives that align with our values and interests, and that benefit the communities we operate within.
- Volunteering our time, skills, and resources to support our chosen charity, non-profits, and social enterprises.

Some of the indicators that we will use to measure our Social Value in this pillar are:

- Employee satisfaction, engagement, and retention rates.
- Employee diversity and inclusion metrics, such as gender, ethnicity, age, disability, and LGBTQ+ representation.
- Employee learning and development hours and investment.
- Employee recognition and reward programs and outcomes.
- Customer satisfaction, loyalty, and retention rates.
- Customer feedback and complaints resolution.
- Social impact of our products and services, such as accessibility, affordability, and quality.
- Social impact of our community engagement and support, such as number of beneficiaries, amount of donations, and hours of volunteering.





Planet

We care about the planet and the environment, and we want to minimise our negative impacts and maximise our positive impacts. We aim to do this by:

- Reducing our greenhouse gas emissions and energy consumption, and increasing our use of renewable energy sources.
- Reducing our water consumption, and increasing our recycling.
- Reducing our environmental footprint and pollution, and complying with all relevant environmental laws and regulations.
- Educating and raising awareness among our colleagues, customers, and partners about environmental issues and best practices.
- Collaborating and partnering with other organisations that share our environmental goals and values.

Some of the indicators that we will use to measure our Social Value in this pillar are:

- Greenhouse gas emissions and energy consumption targets.
- Reducing water consumption and waste generation.
- Recycling count.
- Environmental compliance and performance ratings and audits.
- Compliance to ISO14001 and ISO50001 from suppliers.
- Environmental impact of our products and services, such as carbon footprint, life cycle assessment, and circularity.
- Environmental awareness and engagement among our employees, customers, and partners.
- Environmental partnerships and collaborations with other organisations.

Partners

We believe that partnerships are essential for Social Value. We aim to build and maintain strong and mutually beneficial relationships with our suppliers, partners, and other stakeholders. We aim to do this by:

- Establishing and communicating clear and ethical standards and expectations for our suppliers and partners, and ensuring their compliance and alignment.
- Seeking and creating opportunities for collaboration and co-creation with our suppliers and partners, and leveraging their expertise and resources.
- Recognising and awarding our suppliers and partners for their social and environmental contributions and achievements.
- Engaging and consulting with our stakeholders and understanding their perspectives and interests.
- Reporting and disclosing our Social Value performance and impact to our stakeholders.
- Participating and contributing to networks, and forums that promote and advance Social Value.

Some of the indicators that we will use to measure Social Value are:

- Supplier and partner satisfaction, loyalty, and retention rates.
- Supplier and partner diversity and inclusion metrics, such as gender, ethnicity, age, disability, and LGBTQ+ representation.
- Supplier and partner social and environmental performance and practices, such as certifications, and audits.
- Supplier and partner recognition and reward programs and outcomes.
- Stakeholder satisfaction, engagement and feedback.
- Social Value reporting and disclosure quality and frequency.
- Social Value participation and contribution to networks/ forums.



Places

We care about the communities that we work with and we want to utilise our opportunities to make a difference within the communities that we work. We aim to do this by:

- Creating more opportunities for disadvantaged people.
- Improving skills for disadvantaged people.
- Improving employability of young people.
- Working within our local community to safeguard the natural environment.
- Creating opportunities for unemployed people.
- Supporting armed forces veterans who are disabled and facing barriers transitioning into full time employment.
- Volunteering time to support local community projects.

Some of the indicators that we will use to measure Social Value to our places are:

- Frequent and accurate reporting to support disadvantaged people back into work.
- Hours spent supporting young people getting back into work.





Our Commitment

We are committed to achieving and sustaining excellence with our Social Value performance and impact. We aim to do this by:

- Setting and reviewing our Social Value goals and targets, and aligning them with our vision, mission, and values.
- Developing and implementing our Giving Back policy and ensuring compliance and adherence.
- Monitoring and measuring our Social Value performance and impact, and using data and insights to inform our decisions and actions.
- Evaluating and reporting our Social Value performance and impact, and using feedback and learning to improve our practices and outcomes.
- Allocating and managing our resources and budget for our Social Value activities and initiatives.
- Assigning and empowering our roles and responsibilities for our Social Value management and delivery.
- Creating and fostering a culture of Giving Back across our organisation, and inspiring and motivating our colleagues, customers, and partners to join us in our Social Value journey.

Some of the indicators that we will use to measure our Social Value in this pillar are:

- Social Value enablers and objectives achievement and progress.
- Social Value policy.
- Social Value communications strategy.
- Social Value reporting quality and frequency.
- Social Value resources and budget allocation and management efficiency and effectiveness.
- Social Value roles and responsibilities assignment and empowerment clarity and accountability.
- Social Value culture and engagement across our organisation, and among our colleagues, customers, and partners.

Volunteering

Vertas Group is committed to supporting local communities wherever it works. When the opportunity arises, we are delighted to work in partnership with others to improve the lives of the communities we work in. One of the ways in which we can help is to volunteer our time to promote health and wellbeing projects wherever we can.



Measuring Progress

To ensure we can measure Social Value activity at scale across multiple projects, we have partnered with the Social Value Portal to centralise our data and reporting capability with an online solution where data and evidence of Social Value outcomes is localised and verified.

Vertas Group is committed to using the National Social Value Measurement Framework (the National TOMs – Themes, Outcomes, Measures) to measure and report our activity. The TOMs Framework is a recognised

reporting standard that follows the principles laid out by HM Treasury’s Green and Magenta books monetising economic, environmental and social impact.



Raising Awareness

We have created a training course for all colleagues to learn about our Social Value commitment and how they can support our Social Value mission.

A QR code to report Social Value has been created and posters are displayed at our sites.

An email address givingback@vertas.co.uk has also been created.

We will circulate our Social Value stories as well as create best-practice case studies, and learn from our bid response feedback and successes.

Thank you for reading our document.



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Vertas Group Limited



Vertas

#VertasFamily

