

SUSTAINABILITY POLICY

October 2023

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INTRODUCTION

The construction industry has a significant impact on the environment. Construction projects can result in the depletion of natural resources, the displacement of wildlife, and the pollution of air, water, and soil.

Sustainable construction is important because it helps to minimise the negative environmental impact of construction projects. Sustainable construction practices can help to conserve natural resources, reduce pollution, and protect ecosystems.

There are several benefits associated with sustainability in construction:

- Environmental protection as mentioned above, one of the key benefits of sustainable construction is that it helps to protect the environment. Sustainable construction practices can help to reduce the depletion of natural resources, the displacement of wildlife, and the pollution of air, water, and soil.
- **Economic benefits** sustainable construction can also have economic benefits. For example, sustainable building practices can help to reduce the cost of construction projects. In addition, sustainable buildings often have lower operating costs than traditional buildings.
- **Social benefits** sustainable construction can also have social benefits. For example, sustainable buildings can provide better indoor air quality, which can improve occupant health and productivity. In addition, sustainable buildings can provide opportunities for community involvement and education.

Making sustainability a key consideration and implementing sustainable construction encompassing renewable and recyclable resources is essential for protecting the environment and mitigating the impact of climate change. Kori Construction Ltd is focused on supporting the government's focus on sustainable development and that focus filtered through to the construction industry to drive this change.

Context of Guidance

Despite the significant number of initiatives relating to sustainable construction undertaken in the UK in recent years, there are only a few mandatory requirements. In addition, since the 2008 financial crisis, UK Government's deregulatory and growth agendas have generally reduced the emphasis on regulation to drive sustainability in buildings and in the construction industry. More recently, growing appreciation of the need to tackle the climate change emergency, has seen the publication of many guides setting out how the UK construction industry can contribute to achieving national 2050 carbon reduction targets under the Climate Change Act. To date, legislation has not been introduced to enforce major carbon reductions from the construction and operation of buildings in the UK.

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Key Legislation or Guidance

- **Building Regulations.** In England Part L of the Building Regulations (Conservation of fuel and power).
- **BREEAM (BRE Environmental Assessment Method)** is the leading and most widely used environmental assessment method for buildings in the UK.
- **Waste Regulations.** Compliance with these regulations is controlled under the Kori Construction Ltd Waste Management Policy.
- Energy Savings Opportunity Scheme (ESOS). ESOS is a mandatory energy assessment scheme for organisations in the UK that meet the qualification criteria. Kori Construction Ltd does not currently meet the criteria to undertake this assessment but reviews annually the need and data.
- Environmental Reporting Guidelines including Streamlined Energy and Carbon Reporting Guidance (SECR). Whilst Kori Construction are not legally required to published Streamlined Energy and Carbon Reporting (SECR), under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, Kori Construction are voluntarily reporting on a range of environmental matters, including voluntary energy and GHG emissions reporting, published annually as part of our reports and accounts.
- GHG Corporate Accounting and Reporting Standard and the GHG Protocol Scope 3 Technical Guidance. Kori Construction's carbon footprint has been calculated in accordance with these guidelines.
- PPN 06/21 Government Policy Taking account of Carbon Reduction Plans and accompanying Technical Standard for completion of Carbon Reduction Plans. Kori Construction Ltd measure and report carbon emissions whilst also operating a carbon reduction plan that meets these reporting requirements.
- The Public Services (Social Value) Act 2012, subsequent Government issued Social Value Model and Policy Procurement Note PPN 06/20 Taking account of Social Value. Kori Construction measure and report on social value in accordance with these.

AIM

The aim of this policy is to outline the requirements, procedures to be followed, to comply and confirm responsibilities to all Kori Construction Ltd employees, setting key objectives and act as a policy document that is to be followed in all cases and only to be deviated from with formal HSEQ approval.

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SUSTAINABILITY POLICY STATEMENT

In today's rapidly evolving world, sustainability has become an imperative for every industry, and the construction sector is no exception. Kori Construction firmly believes that sustainability is not merely an option but an ethical responsibility. Guided by its commitment to the three pillars of sustainability - People, Planet, and Places - Kori Construction strives to create a better future by integrating sustainable practices into every aspect of its operations.

Purpose

The purpose of this policy statement is to communicate to all Kori stakeholders our commitment to doing the right thing for the people we employ; the customers, consultants and supply chain partners we work with; the communities we serve; the environments we work in.

Scope

This policy applies to all Kori employees (including temporary), customers, supply chain partners, consultants and any third parties.

Our Policy

Kori is committed to making economic, environmental and social considerations integral to all decision-making. Through collaboration with our employees, customers, consultants, supply chain partners and stakeholders, Kori is committed to:

- People:
 - Ensuring that we cultivate a diverse environment and adhere to our commitments made as signatories to the CIOB Diversity and Inclusion Charter.
 - Investment in training and development programmes, empowering our workforce with the skills needed for sustainable construction practices.
 - Delivering a zero-accident culture throughout the business and promoting health and safety and well-being in its broadest context, with an emphasis on occupational health and employee welfare.
 - Continuing to provide a strong network of Mental Health First Aiders throughout our business.
 - Engendering a culture of inclusion and mutual respect, providing inclusive employment, career development and life-long learning opportunities and supporting our teams to be diverse, motivated and competent.
- Planet:
 - Respecting and protecting the natural environment and enhancing biodiversity.
 - Acting on climate change and delivering our net zero ambition.
 - Incorporating climate resilience into the assets that we build and within our own business
 operations.
 - Delivering sustainable outcomes through our procurement activities and services provided and improving resource efficiency by reducing the supply of natural resources used on our projects and encouraging circular economy solutions.

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• Places:

- Engaging with the communities in which we work, actively promoting social cohesion and fighting inequality and exclusion, engaging with young people to promote career opportunities in the construction industry and supporting local charitable causes through the Kori Charitable Fund.
- Enriching local commerce by utilising the services of local suppliers, micro, small and medium sized enterprises (MSMEs) and voluntary, community and social enterprises (VCSEs) throughout the delivery of each project.
- Treating all supply chain partners fairly and responsibly.
- Measuring the social value derived from our operations.

Kori Construction's commitment to sustainability through the pillars of People, Planet, and Places is a testament to its dedication to building a better future. By prioritizing the well-being of communities, minimizing environmental impact, and creating sustainable and liveable spaces, Kori Construction sets a positive example for the construction industry, leaving a lasting legacy for generations to come.

We will regularly review and continually strive to improve our sustainability performance.

We will communicate this policy to our employees, supply chain partners, customers and relevant interested parties and review it at least annually or to take into account any legislative changes.

The development and implementation of this policy is the responsibility of Managing Director, Jordan Connachie. Head of Sustainability & Communications, Elaine Kendall, is responsible for the day-to-day management of this policy.

Signature of person responsible for policy:

Name	Jordan Connachie	Position	Managing Director
Signature	Sim	Date	6 th October 2023

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RESPONSIBILITIES

Managing Director (MD)

The MD has overall responsibility for promoting the culture for sustainability within the business and shall:

- Have overall responsibility for environmental management across Kori Construction Ltd and ensure legislative compliance and continued environmental improvement.
- Ensure that all Projects adopt and comply with this Sustainability Policy.
- Ensure that adequate and competent resources are allocated for the implementation of the Sustainability Policy.
- Instigate discussion and reporting at Business Board meetings regarding matters of importance or significant relevance as a result of this policy.
- Review and approve the Sustainability Policy on an annual basis.

Head of Sustainability and Communications

Reporting directly to the Managing Director, the Head of Sustainability & Communication is responsible for the day-to-day management of Kori's sustainability policy to ensure that its commitment to the three pillars of sustainability – People, Planet and Places – are met. They will:

- Utilise expertise and industry best practice, develop, maintain and apply a comprehensive sustainability strategy aligned with Kori's values and industry best practices.
- Identify and prioritise sustainability objectives, targets, and initiatives throughout the business.
- Drive continuous improvement by monitoring progress against the plan, tracking progress, and reporting on strategic initiatives.
- Build strong relationships and collaborate with internal and external stakeholders, including clients, regulatory bodies, educational establishments and community organisations.
- Act as a subject matter expert on sustainability, providing guidance and support to Kori teams and client stakeholders.
- Develop and implement robust measurement and reporting frameworks to assess the effectiveness of sustainability initiatives.

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- Prepare regular reports and presentations on sustainability performance, goals, and progress for internal and external stakeholders.
- Identify opportunities for benchmarking and sharing best practices throughout the business.

Head of Construction

The Head of Construction has overall responsibility for environmental compliance and sustainability and shall:

- Have overall responsibility for environmental management to ensure legislative compliance and continued environmental improvement.
- Ensure the Sustainability Policy is considered and targets set for project and contract delivery to support the policy.
- Ensure that all necessary documentation in relation to discharging the requirements of legal compliance is satisfied.
- Ensure appropriate and competent resources are made available, including delivery of discipline and role specific environmental and sustainable development training, to be completed as each individual's needs require.
- Pro-actively ensure that the Operational Managers in their team are fully competent and compliant in following this policy.

Estimator, Design Manager, Contracts Manager

Understand the sustainability drive for improvement and reduction to meet key targets and legislation as it applies to the works to be undertaken to ensure that it is considered and addressed during the project design / planning stages.

- Identification of environmental impacts and consider compliance with reduction of any impacts relevant to the works being planned.
- Allocation of responsibilities to appropriately qualified individuals or organisations, including consultants and considered supply chain partners.
- Understand the full client brief and develop this through value management and value engineering to provide best value. Part of this process will include consideration of sustainable technologies and systems within the design.
- Ensure Waste is managed in accordance with the Waste Management Policy.
- Consider environmental impacts and possible improvements or benefits through the delivery team, from client to supply chain.

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Site Management Team

Site teams are responsible for supplying information to clients and implementing planned control measures as directed in the Project Environmental Management Plan (PEMP). They are not to deviate or allow supply chain partners to conduct operations in any way that would increase environmental impacts.

Site Teams shall:

- Ensure the PEMP is available on site, is suitable and sufficient and contains clear operational direction on how they are to manage relevant risks.
- Implement adequate control measures on site to reduce energy usage.
- Manage Waste controls.
- Provide the Head of Sustainability relevant data to be included in social value and/or carbon reduction calculations (such as local individuals employed, energy usage, volunteering time, charitable donations, etc.).

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ENERGY MANAGEMENT

We monitor our energy usage to help us reduce the amount we use on our projects. By monitoring and setting targets we can continuously improve our performance and better understand the mechanisms that affect our consumption.

Energy Consumption and Monitoring

The Head of Sustainability will collate monthly data for inclusion in each project's operational carbon footprint and Kori's overall carbon footprint. This data is also instrumental for the continual development of our Carbon Reduction Plan.

Carbon Reduction Plan

We are aware that reducing our greenhouse gas emissions represents significant benefits for us, our customers, suppliers, and the wider community.

Kori Construction operate a formal Carbon Reduction Plan that:

- Details our organisational carbon footprint.
- Confirms our commitment to achieving Net Zero by 2050 and Carbon Neutrality by 2030.
- Meets the reporting requirement set out in PPN 06/21.
- Is updated annually to develop clear targets against our baseline data.
- Is published and clearly signposted on our website.
- Demonstrates a clear commitment to reduce emissions.
- Is aligned to our Sustainability Policy and Environmental Management strategies.

The carbon emissions detailed within our Carbon Reduction Plan have been calculated in accordance with the GHG Corporate Accounting and Reporting Standard and the GHG Protocol Scope 3 Technical Guidance, and used the appropriate Government published emission conversion factors for greenhouse gas company reporting. Scope 1 and 2 emissions are reported in accordance with SECR requirements, and the required subset of Scope 3 emissions are reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

The Operational boundary for our Carbon Reduction Plan has been set using the Financial Control approach, and a location-based approach used to calculate our carbon footprint. In order to reflect growth changes within our business, as part of our Carbon Reduction Plan, we have also adopted intensity ratios to normalise and compare emissions over time.

In determining our carbon reduction approach, we have adopted the Greenhouse Gas (GHG) Management Hierarchy set out by the Institute of Environmental Management and Assessment (IEMA):

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In determining our carbon reduction approach, we have adopted the following Greenhouse Gas (GHG) Management Hierarchy set out by the Institute of Environmental Management and Assessment (IEMA):

- 1. **Eliminate:** Influence decisions and actions to prevent emissions via property strategy, IT, procurement, design, operations, travel and green energy procurement.
- 2. **Reduce:** Seek opportunities for real and relative reductions in carbon and energy. Seek efficiency in operations, processes, fleet, energy management and behaviour change. Optimise approaches using technology and digital as enablers.
- 3. **Substitute:** Adopt and enable renewables and low carbon technologies on sites and in transport. Switch purchased goods and services with lower embodied or embedded emissions.
- 4. **Compensate:** Compensate 'unavoidable' residual emissions through mechanisms such as carbon offsets. Investigate value chain, asset sharing and carbon credits. Support local climate change actions.

Kori Construction is committed to prioritising the elimination, reduction and substitution of carbon in advance of any offsetting commitments

Transport

We recognise that one of the largest contributors to CO_2 emissions will be linked to transport. We employ the following techniques to minimise impacts.

- Use of local supply chain to reduce travel distances to site.
- Minimise unnecessary site meetings.
- Encouragement of car sharing and public transport and encourage the use of conference calls to reduce the need for site meetings.
- Our company car policy encourages the use of fuel-efficient vehicles, and we operate maintenance regimes in accordance with the manufacturer's instructions to reduce emissions.

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SOCIAL VALUE

The long-term societal, ethical and environmental benefits that can be provided through delivering social value during construction cannot be underestimated. As a responsible contractor, with extensive experience of working in local communities, we understand that a project is not just 'bricks and mortar' but that it is an important opportunity to help enrich the lives of local people, while helping our clients ensure their investments provide genuine value to society.

At Kori Construction, we are passionate about delivering social value and maximising the social impact our operations have on local communities. Enriching the lives of local people is an integral part of our approach to the delivery of every project. This approach is formally embedded into our processes and underpinned by our organisational structure, governance and established procedures for the delivery and measurement of social value.

We operate a 5-step process on each project to ensure we unlock the maximum social value:

- 1. **Understanding the Need:** Understanding our customers' needs through engagement and mapping the local need using publicly available data via ONS.
- 2. **Developing our Approach:** Implementing social value action plans with clear delivery targets and actions to deliver a bespoke approach to social value which responds to the local need.
- 3. **Working with others:** Identifying local partners and community organisations to ensure we harness existing activities and work with those that need it most.
- 4. **Measuring our Impact:** Using the National Social Value Measurement (TOMs) Framework to measure the output of our activities and the contribution made to society.
- 5. **Reviewing our Approach:** Undertaking regular reviews to ensure we listen to feedback from delegates, partner organisations and customers to feed into programmes for continuous improvement.

A project-specific social value action plan, using the National Social Value Measurement (TOMs) Framework and incorporating localised Median Annual Wage and GVA Multipliers, is developed for each project, based around the following key themes:

- Jobs: Promoting local skills and employment
- Growth: Supporting growth of responsible regional businesses
- Social: Healthier, safer and more resilient communities
- Environment: Decarbonising and safeguarding our world
- Innovation: Promoting social innovation

The Head of Sustainability will measure progress against the targets set in this plan, on a monthly basis, with monthly progress reports produced and included in each project's Monthly Contractors Report.

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CONTRACT AND PROJECT DELIVERY

It is understood that everyone wants to do the right thing and reduce the environmental impact, therefore at planning and design stages a focus will be assigned to close liaison with the client to consider sustainable options and suggest improved design, if sufficient funding is invested, we will aim to deliver the improved strategies.

Ecological Surveys

Kori Construction Ltd will take action on any recommendations (such as minimising any negative impact or making a positive change on local biodiversity).

Project Environmental Management Plan (PEMP)

Kori Construction Ltd is accredited to ISO 14001. At the heart of this and to support delivery for our clients, a PEMP is produced before work commences and highlights not only impacts and controls, but also key performance indicators requested by the client.

Review Meetings

We will hold regular Site Meetings with our Clients and Supply Chain at which we will ensure that any environmental issues are addressed. In addition Close Down Meetings for each project with Stakeholders, End Users and Facilities Managers will be held at which we will seek to achieve 'lessons learned ', feedback to support continuous improvement.

WASTE MANAGEMENT

Although it is understood that most of the waste generated by the business which includes mixed construction and demolition waste, general waste and hazardous waste. Kori Construction Ltd only uses approved waste contractors who can deliver high recycling rates. The management of waste is controlled in accordance with the Waste Management Policy.

PROCUREMENT

Sourcing materials specified to minimise the impact upon finite primary resources will remain a priority if client design and specification permit. Kori Construction Ltd aims to use local resources, in terms of:

- Subcontractors
- Suppliers
- Locally produced materials

As part of our Sustainability Policy, Kori Construction also actively targets the use of:

- Local micro, small and medium sized enterprises (MSMEs)
- Voluntary, community and social enterprises (VCSEs)

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