



ESG REPORT

2023 HIGHLIGHTS



BUILDING FOR LIFE



ENVIRONMENTAL SOCIAL GOVERNANCE

COMMITTED TO BEING A RESPONSIBLE AND SUSTAINABLE BUSINESS

ESG, which stands for Environmental, Social, and Governance, is a framework used to assess a business's impact on society and the environment. At Bouygues UK, our commitment to building for life is at the core of our values. We are committed to leaving a lasting legacy by ensuring we have a positive impact on the communities we serve, with a focus on sustainability and well-being.

Our commitment to ESG is guided by the Bouygues Group's global sustainability agenda and is closely aligned with the United Nations' Sustainable Development Goals (SDGs). These principles shape our ambition to create a better world through mindful and innovative practices. By integrating ESG considerations into our business strategies, we strive to drive long-term value for our stakeholders, ensuring ethical governance, and promoting environmental stewardship and social equity.

SUSTAINABLE DEVELOPMENT  GOALS



Fabienne Viala
Chair and CEO of Bouygues UK

INTRODUCTION

Throughout 2023 and as the demands of our industry evolve, Bouygues UK is making great strides in both defining and improving our ESG performance. I'm very pleased to provide an account of what we set out to achieve during that time, and the progress we have made.

At Bouygues UK, our commitment to building for life is at the core of our values. In the interest of our people, our planet, our clients and the communities we work in, we strive to leave a lasting positive legacy. As highlighted in this report, social value and sustainability are areas of key importance for Bouygues UK, and we are fortunate to have a great team of people who have a genuine passion to apply their knowledge, skills and experience to make a difference. We know there is always more work to be done, and we are committed to continually improving our ESG performance with every new project we undertake. Measuring our success and reporting on the progress we have made in this area is essential and increasingly a thought-provoking read.

OUR THREE OBJECTIVES

Bouygues UK's purpose is to create places where people can live, learn and thrive in the built environment. Our strategic plan revolves around three objectives:

Becoming an employer of choice



Offering a 'best in class' experience to our clients



Delivering ambitious net zero targets in our offices, on our new projects and across our supply chain in order to achieve sustainable and strategic growth within our sectors of interest



“ At Bouygues UK, our commitment to building for life is at the core of our values. ”

Fabienne Viala
Chair & CEO



ENVIRONMENTAL

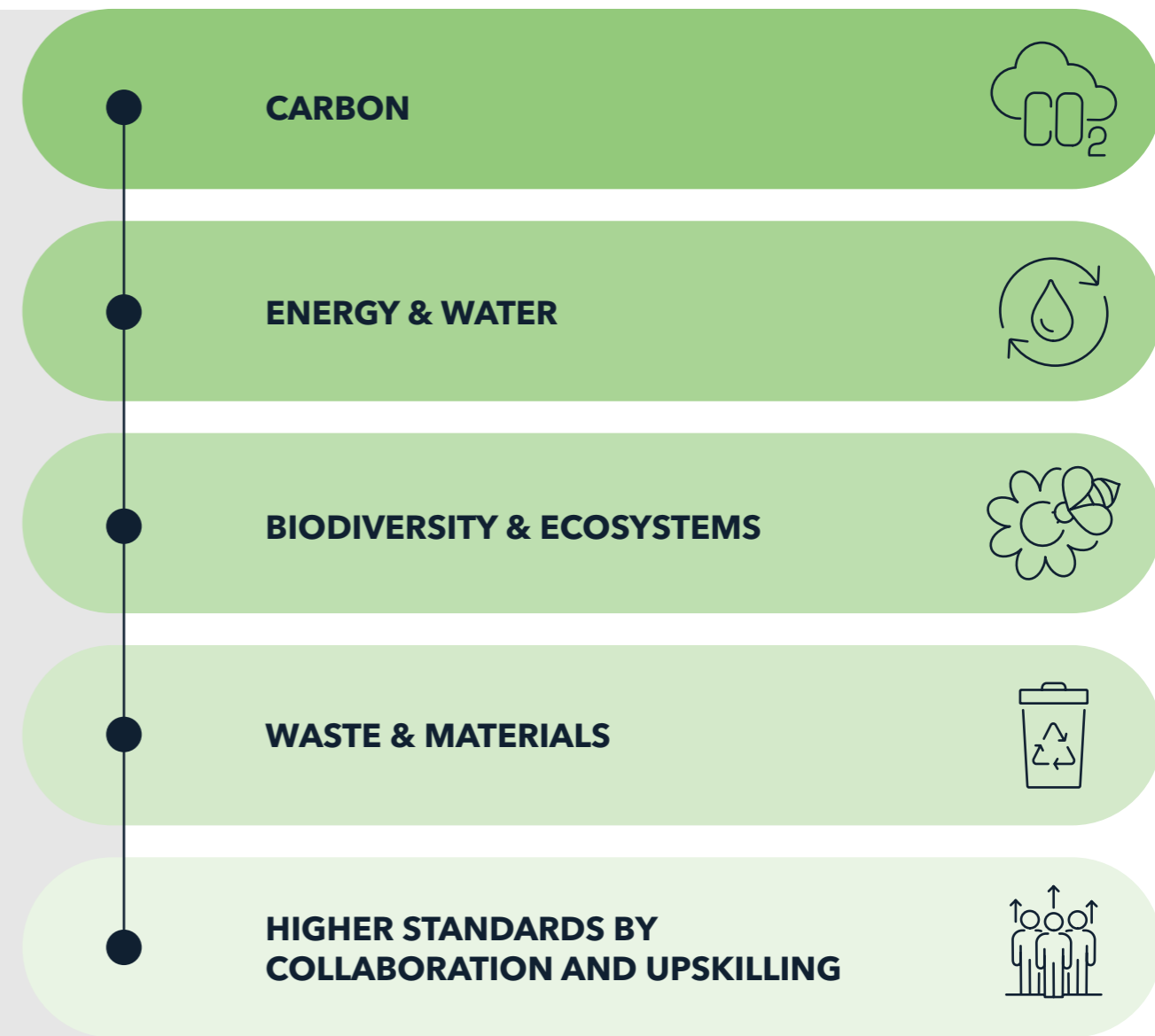
Climate change is unequivocally the biggest challenge humanity has ever faced and is more than just the impact of carbon emissions.

It covers all things environmental: from water and resource preservation to the protection of our fragile ecosystems, from circular economy to collaborative innovation.

Bouygues UK is committed to the care and protection of our planet and as such we recognise our potential to harm the environment through our activities. It is our obligation and ambition to develop lasting systems capable of reducing this potential to cause damage to an absolute minimum whilst contributing to the protection and restoration of natural ecosystems that thrive.

We have set out our commitments to embedding climate and environment in our projects and developments under five major interconnected pillars.

Our Climate & Environment Strategy integrates 24 indicators across these pillars, of which 8 have been identified as key focuses. These indicators are further developed and analysed in our dedicated [Climate and Environment strategy and annual reports](#).





This report presents three selected indicators we wanted to highlight progressing into 2024.

We can be proud of our staff and their commitment to actively deploy our environmental strategies and action plans. We have made significant progress and as a business, we have gained maturity and perspective in defining what good looks like as well as ascertaining how we will continue to measure and improve our performance going forward.

The level of environmental awareness within the company has dramatically increased. The traction from our clients, partners, supply chain and staff has indeed accelerated this. Where we did not fulfil the targets we set out to achieve, we did not let this impede our progress but made all possible efforts to transparently admit these shortcomings and learn from them.

At Bouygues UK, every project is an opportunity to build the future and we are committed to making this our reality.

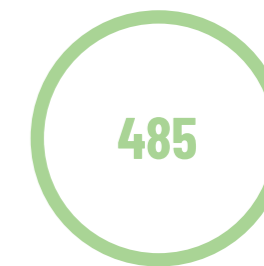


CORPORATE CARBON EMISSIONS SCOPES 1 & 2 (TCO2E)

Our goal is to be Net Zero in our operations by 2025.

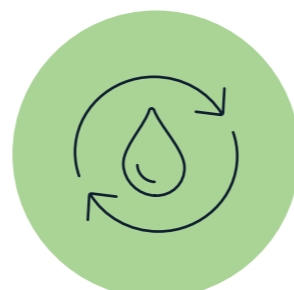
In 2023 and supported by our detailed Carbon Reduction Plan, we have reached reductions on our scopes 1&2 carbon emissions by more than 80% from our 2021 baseline, to 485tCO2e, beyond our target of 848tCO2e for the year.

In order to support our journey towards Net Zero, we collaborated with [Achilles](#) who successfully verified our methodology and calculations for our base year 2021, demonstrating robustness in our carbon reporting processes and procedures.



1,271

848



CORPORATE WATER USE (M3/£100K)

In 2023, we have reduced our water consumptions in absolute from 2022 but also as an indicator on turnover.

As an intensity, it makes more than 5% reduction from the previous year through the organisation of trainings and awareness sessions, engagement with our staff on our sites as well as the use of advanced technology enabling a closer monitoring and the development of corrective measures.

Our intensity for 2023 was 6.17m3/£100k, moving to 6.71m3/£100k if we consider a correction to factor the impact of inflation in the year. These figures fall on both sides of our target which was 6.24m3/£100k for the year and prompts us to reinforce further our efforts to reduce these consumptions and preserve this scarce resource that is water.



6.71

6.24



WASTE INTENSITY (T/£100K)

Our industry is notoriously famous for the amount of waste it is generating!

In many cases and at all levels we should ensure we minimise the waste we produce in the scope of our activities, starting at design stage, in the anticipation and planning of our tasks and missions on our sites, through procurement and indeed execution of our works and treatment of our waste.

In 2023 we've been able to surpass our target for the year and reached an intensity of 2.64t/£100k, this is an improvement of about 25% year on year thanks to an enhanced monitoring of our activities with the use of Q-flow as well as an active role played by all our staff on site as well as our supply chain.



3.58

3.18

KEY

2022 result

2023 result

Target

Met target

Near target

Below target



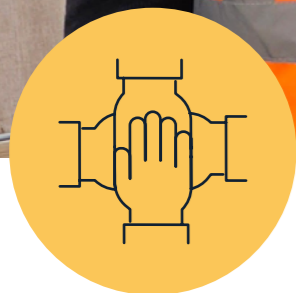
SOCIAL

Our mission is to deliver a sustainable built environment that creates a better life for communities.

As a global business, our social responsibility is essential to operate effectively and sustainably in the diverse range of communities we work for and with. It also benefits our business in attracting and retaining talent, building customer loyalty, mitigating reputational risks and regulatory pressures, and driving long-term value creation.

Our social approach addresses 4 streams and a range of indicators:





EQUALITY, DIVERSITY AND INCLUSION

Our active and influential diversity network, BeYourself, continues to support and educate employees and advise the business. Fairness, Inclusion and Respect ambassadors act as allies and champion key messages to ensure our culture remains open and supportive. Our Speak Up reporting platform offers a confidential way to report concerns if direct engagement with line managers isn't appropriate.

Our 2025 goals are for 35% of our leadership positions to be occupied by women and 15% of leadership positions to be occupied by ethnic minorities.

To date, 30% of Bouygues UK's directors are women. As well as reporting on our gender pay gap, we voluntarily report on our ethnicity pay gap.

EMPLOYMENT STANDARDS, HUMAN RIGHTS AND MODERN SLAVERY

Our Human Resources policies are regularly updated to meet current standards and legal requirements. We continuously benchmark to ensure our working conditions meet legal requirements and are competitive and attractive in the market.

Bouygues UK is committed to playing its part in reducing the risk of modern slavery occurring on its sites and within its extensive supply chain.

[Our latest annual statement can be found linked from the homepage of our website.](#)

HEALTH, SAFETY AND WELLBEING

Our objective is to reach zero severe accidents. We also work towards better employee physical and mental health, promoting a wide range of Health & Wellbeing initiatives and dedicated Mental Health First Aiders, Employee Assistance Programme and financial care packages.

Health and safety is the company's first priority on construction projects and this is monitored closely throughout the business and by senior management to ensure exemplary performance levels are maintained. In 2023, Bouygues UK's AFR was 0.02 (2022: 0.05). The rate achieved equates to a 60% improvement in lost time/RIDDOR accidents in 2023. **This rate demonstrates industry leading behaviours** which we will continue to improve in order to prevent any accidents on our sites.





COMMUNITY & SOCIAL VALUE

At Bouygues UK, we define social value as an activity that enhances people's lives. We believe that by improving the conditions of the wider community, we can in turn, reduce inequality, improve wellbeing and inclusion, and deliver prosperity for all.

Our structured 4 pillar approach to delivering social value illustrates the way in which we successfully deliver a lasting impact for all our stakeholders.



The communities that we live and work in need businesses to consciously create social value now more than ever. In this report, we share 3 selected indicators demonstrating our commitment adding value, through SLEVA, volunteered hours as well as donations.

£280m

Social and local economic value added

£128,739

Donated through community and charity support events

2,449

Hours of efforts dedicated to support young people into work



We define social value as the activity we do which enhances people's lives by improving the conditions of the wider community to reduce inequality and poverty, improve wellbeing, inclusion and deliver prosperity for all whilst being aligned to support delivery against The Social Value Act 2012, the Well-being and Future Generations (Wales) Act 2015 and the UN Sustainable Development Goals.

As a business, we need to be truly responsible - from the people to the processes; from our culture and the way we behave to the way we measure our impact. We must ensure that our impact is as positive as possible, whilst still driving and challenging our thinking as business leaders to do things differently, bravely, responsibly and transparently. Our 2023 [Social Value Annual Report](#) highlights exactly how we are doing this across our projects.



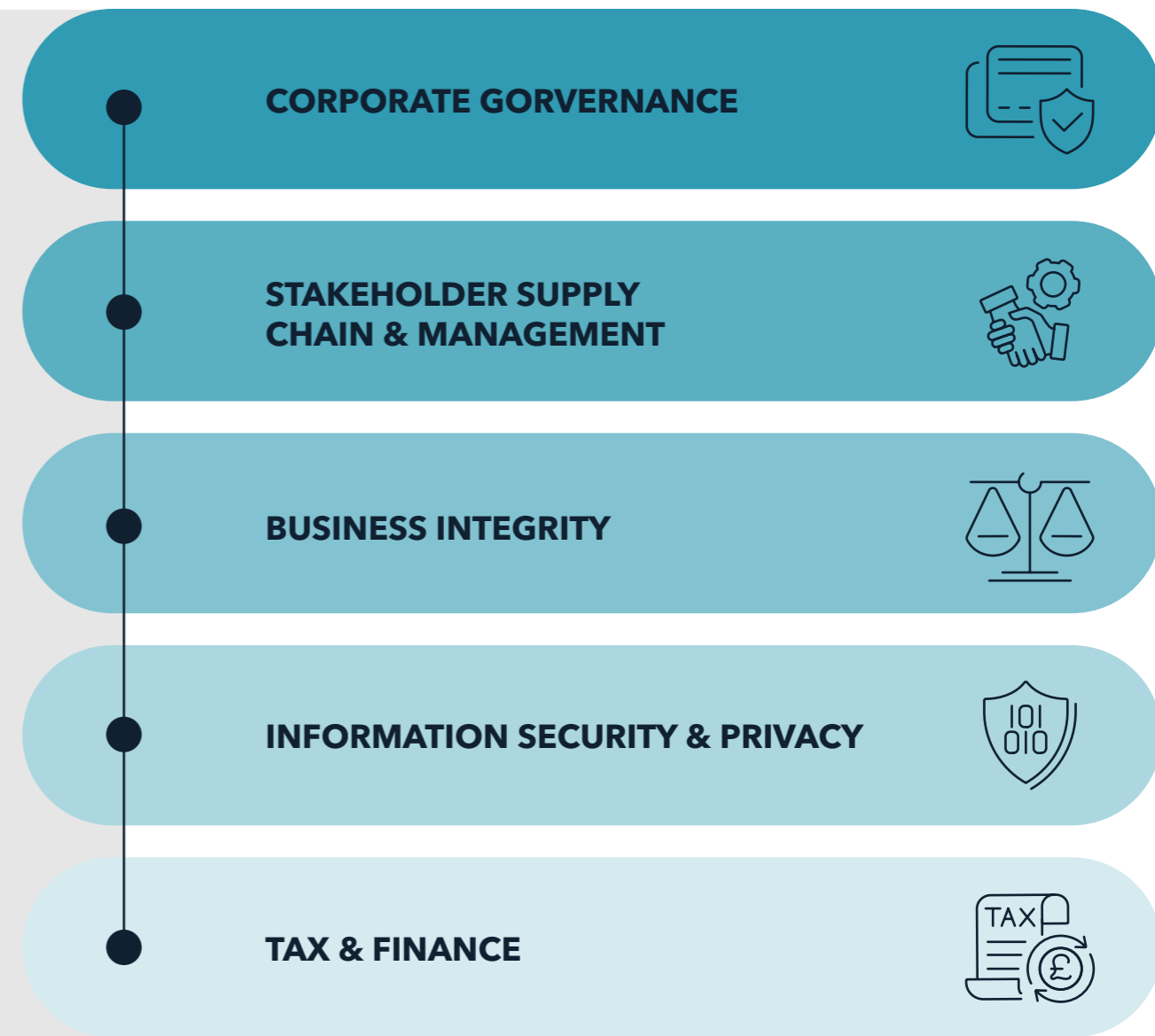
GOVERNANCE

Our approach to the governance of our business sets the tone for the culture at Bouygues UK. It underpins many of the actions described in the Social and Environmental pillars of our ESG strategy, ensuring that the company is well run, acting in the best interests of all our stakeholders.

Our governance strategy promotes transparency and accountability through strong structures, policies and procedures, supported by quality training. We have high standards for our company, our staff and those with whom we do business, and intend to raise these standards even higher.

We recognise 5 key principles which comprise our governance strategy and which link each of our 5 pillars of governance:

- Providing the best client experience possible throughout our project delivery and operation, as per our [Client Value Charter](#);
- A zero tolerance approach to bribery, corruption and anti-competitive practices;
- Ethical and legally compliant behaviours in all circumstances: respect, integrity and responsibility are at the heart of everything we do;
- Strong corporate governance;
- Strategic management of risk through assessment, controls and audits.



OWNERSHIP AND MANAGEMENT

Bouygues (UK) Limited is a wholly owned subsidiary of Bouygues Construction SA, itself a wholly owned subsidiary of the Bouygues SA, which is listed on the Euronext stock exchange. It operates as a main contractor within the construction industry and, through its wholly owned subsidiary BY Development Ltd, as a developer.



Fabienne Viala
Chair and CEO
of Bouygues UK



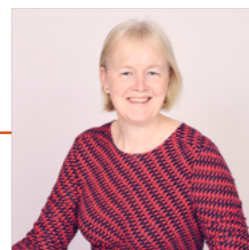
Philippa Prongué
Managing Director of
London & South East



John Boughton
Managing Director of
South West & Wales and
North & Midlands



Pascal Lux
Refurbishment and
Recladding Director



Charissa Shears
Legal Director



Didier Cloix
HR Director

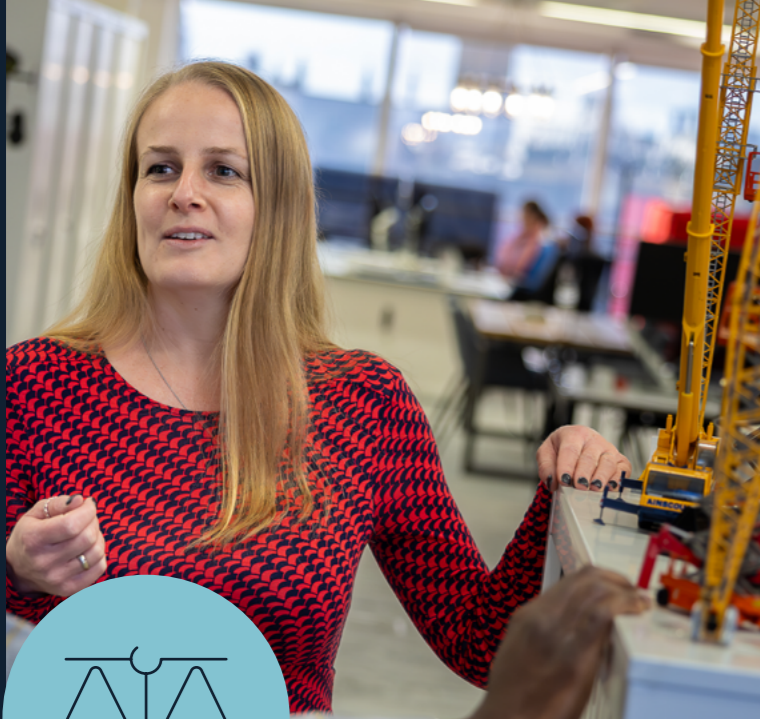


Thibaut Roux
Finance Director



37.5%
of board is
comprised
of women

Providing visibility and
leadership to encourage
greater gender diversity
across the business



BUSINESS INTEGRITY

Business Integrity continues to be at the core of our culture and how we work. We continue to improve and refine our policies, procedures and controls, setting out strong governance of ethics and compliance risks and making clear the behaviours required of all our staff and supply chain. We ensure robust due diligence in respect of the third parties we work with.

All of our senior managers and directors are required to sign an undertaking committing them to compliance with our business integrity documentation, HR Charter principles, tax policy, sanctions and embargoes policy and reminding them of their responsibility to act ethically and competitively.

On the rare occasion that any member of staff, supply chain member, client or member of the public has a concern about any behaviour of one of our employees or activities in relation to our projects, we encourage them to communicate this to us using our [BeSignal reporting platform](#), ensuring that appropriate investigation and remediation can take place.



SUPPLY CHAIN MANAGEMENT

Bouygues UK is a signatory to the Prompt Payment Code. By the end of 2023, the average number of days it took to pay suppliers was 24 days.

We regularly review payment procedures, controls and thresholds to ensure that our robust governance will enable prompt payment of our supply chain.

Our procurement and supply chain management are key to successfully embedding our ESG initiatives. Bouygues UK promotes sustainable procurement by incorporating environmental, social and governance principles into our processes and policies to ensure that engagement with our supply chain is aligned with our corporate social responsibility strategy. To embed a socially and environmentally responsible approach to our procurements, we have developed a number of principles and policies, including around labour standards, ESG requirements, use of management indicators to assess supply chain performance and potential audits, health and safety standards and early involvement with the supply chain.

We are proud to work so closely with our supply chain partners and recognise best practices in particularly through our Supply Chain Awards.



CONCLUSION

During 2023, Bouygues UK has seen great success in defining and bolstering our ESG performance even as the demands of the industry evolve. Our company has adopted a best-in-class approach to responsible business practices, adhering to the highest standards of ESG performance and making sure we are fully compliant with the necessary regulations, in particular for carbon and gender pay gap reporting.

We have ensured we have remained at the forefront of ESG-related advances. We are proud to put a particular focus on the promotion of diversity and inclusion throughout our workforce and operations, a commitment to the care and protection of the environment, all underpinned by a robust corporate governance. As one of the leading construction companies in the UK, we believe Bouygues UK is setting a strong example to other organisations operating in our industry.

More information can be found on [our website](#) as well as our dedicated reports, particularly our [Climate and Environment suite of publications](#), from our strategies to our performance reports, as well as our [commitment to social value](#).





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