



Sustainability Report 2023

Creating a better world at work

Enter →

a better world at work





A better world at work

EMCOR UK is the UK's leading facilities management provider, delivering high-performance, sustainable facilities management, asset services and strategic workplace solutions.

We bring together the best experts, processes and technologies to create a better world at work.

Welcome

Welcome to our second report dedicated to EMCOR UK's sustainability activities and progress. Following last year's inaugural Responsible Business Report, we felt that "Sustainability Report" better captured the broad range of environmental and social focuses and impacts of our business.

Reporting transparently on the sustainability issues that affect our business, and that our business contributes to, is a vital part of our sustainability journey. As the non-financial reporting space continues to evolve, we are committed to ongoing evaluation and improvement of our approach to ensure we provide comprehensive disclosure for a broad range of stakeholders.

For more coverage of our sustainability approach and progress, visit emcoruk.com.

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Highlights

People



Launched our first
ED&I strategy

As of April 2022, we paid the Real Living Wage (RWL) or greater to all colleagues for the first time

Signed Care Leaver Covenant

Recognised as Disability
Confident Employer

Signed Armed Forces
Covenant

Planet

Dedicated energy and carbon
team formed

Launched carbon as a dedicated
customer offering through our

Route Zero
solution

Delivered

25

customer projects,

- avoiding 1,190tCO₂e
carbon emissions
- achieving an operating
cost reduction of £1.44m



Partners

Held our first ever supply chain
partner event, to engage over
100 of our supply chain on
safety & wellbeing

Over

100

responses to our first supply
chain partner ED&I survey



Social value

Launched our

**Social Value
Strategy**

Partnered with Social Value Portal

Delivered

£53m

in social and local economic
value (of the customer accounts
measured)



Delivered 28% of total contract
value in social impact (of the
customer accounts measured)

Positioned within the top 25% of
Social Value Portal members for
delivering social value

2022 awards



British Safety Council

Four International Safety Awards

- Best in Country Winner for the UK
- Overall Sector Winner – construction and property activities
- Winner of Chief Adjudicator's Award
- International Safety Award – Distinction (one of only 135 organisations globally to be awarded a Distinction in the International Safety Awards 2022)



BSI Standards User Award Winner

Business Performance Improvement



Living Wage Foundation

Winner of the Recognised Service Provider Champion Award



11 RoSPA Awards

- Winner of the Water Industry Sector Award for work with: Anglian Water, Severn Trent, Thames Water and United Utilities
- Highly commended in the Facilities Management Industry Sector Award
- Seven Gold Awards with customers including: Anglian Water, BAE Systems – Submarines, British Sugar, Department of Health & Social Care, Thames Water and United Utilities
- Silver Award in the Defence Sector
- Order of Distinction Award with AWE



Institute for Collaborative Working

Pioneers in Collaboration Award – in recognition of the Company's significant achievement in successfully adopting collaborative high-performance business relationships, collaborative leadership behaviours, and innovative collaborative systems.

About EMCOR UK

Who we are

We are an integrated facilities management company with over 3000 colleagues across six offices nationwide. EMCOR UK is part of the EMCOR Group, Inc. group of companies, whose ultimate US parent is a publicly traded company listed on the New York Stock Exchange.

What we do

We provide a range of customer-centric solutions through workplace transformation, integrated facilities management, project solutions, data-led asset management services and carbon reduction. A consistent, holistic focus on sustainability and a commitment to achieving net zero is embedded in our services and operations.

Facilities

We offer a bespoke and highly responsive blend of direct and managed services to support evolving customer needs. Our solutions draw on our range of soft and hard facilities services, supported by people, data and technology which continually drive operational excellence, compliance and strategic improvement.

Projects

We help our customers to plan, design, implement and maintain their mission-critical buildings, systems and programmes. From refurbishing and upgrading buildings, to modernising mechanical and electrical systems and investing in new energy efficient assets.

Assets

We ensure every building and asset in our customers' portfolio is resilient, compliant, sustainable and operates efficiently. Using expertise, along with the latest tools, technology and digital insight, we develop advanced physical asset management strategies to deliver enhanced performance.

Workplace

Our innovative solutions are enabling a new generation of productive, smart, secure and sustainable workplaces for our customers. These enhance experiences and improve engagement, productivity and collaboration.

Carbon

Our carbon reduction capabilities lead the way in the UK facilities management sector with a suite of customer carbon solutions that can supplement or be integrated into our facilities packages. Working with leading experts, our collaborative carbon solution spans asset management, facilities and engineering.



Chief Executive's statement

2022 was another year of progress for sustainability at EMCOR UK. Our business is better communicating our ambitions, setting targets to demonstrate our commitment, and making a difference through many impactful actions and initiatives.

As Chief Executive of EMCOR UK, I've been on a journey with sustainability for more than 10 years. This period has seen us develop and embed our values and purpose, grow our green workplaces and net zero customer propositions, and manage the social impacts of the COVID-19 pandemic and the cost-of-living crisis. We've still got a long way to go, but we're making strides each year as we learn more and strive to match our ambition with action and deliver for our customers.

Facilities management continues to evolve. Our customers increasingly expect environmental improvements and social responsibility at the heart of our products and services. Our purpose, a better world at work, reflects that and captures our desire to bring positive benefits to not just our own people, our supply chain and our customers but to all those impacted by our customers' businesses too.

Through our holistic focus on people, planet and partners, we are creating value for customers, communities and wider society. By partnering with Social Value Portal (and of the customer accounts measured), we were able to demonstrate the delivery of £53m in social and local economic value to our

communities in 2022. Of the 178 Social Value Portal members, that placed us in the top 25% for value created. A remarkable achievement in our first year of leveraging the Portal's National TOMs framework (see more on [page 14](#)). This is a demonstration of how we are improving our measuring and reporting to better engage our stakeholders on these vital topics. We plan to take this further and of the accounts measured, we pledge to deliver one-third of turnover in social value, by 2026.

Looking internally, our achievements last year were wide ranging. We have invested in key senior appointments to drive our efforts in social value, equity, diversity and inclusion and carbon reduction, leading to meaningful strategies with ambitious targets to better demonstrate our commitment.

Initiatives like our Creating Balance and Be There for Life programmes are driving positive change across the organisation and for our customers, making us safer, happier and more inclusive. We are bringing our vast supply chain along for the journey too, hosting over 100 supply chain partners in November for a day dedicated to safety and wellbeing.



£53m

in social and local economic value delivered in 2022 (of the customer accounts measured)

353

colleagues moved from National Minimum Wage to Real Living Wage

25

projects delivered on key carbon reduction customer accounts in 2022

Ultimately, human stories are where I see the real impact of our efforts. I'm especially proud of our decision to embrace the Real Living Wage for over 400 colleagues despite the economic challenges we have faced. This was supplemented with a one-off £200 cost of living payment (see [page 24](#)), because we understand the difference such support can make for many of our team during difficult times. Similarly, our industry-leading parental leave was enjoyed by over 50 employees in 2022, we have over 100 apprentices and almost 600 employees benefiting from our financial health programme.

Our progress has been recognised by a variety of organisations, with EMCOR UK winning awards from BSI, the Living Wage Foundation, RoSPA and the British Safety Council among others. But, there's still much for us to do to deliver on our ambitions.

We have a gender pay gap we want to address, alongside work to do to develop our understanding of our scope 3 emissions and want to deliver even more social and local economic value to our communities. I and the rest of the leadership team will be undertaking important ED&I training.

We're already driving positive change and delivering social value through our activities and governance. However, we want to get to a point where sustainability is not a separate workstream, but embedded in everything we do. We will continue to develop a complete understanding of the potential positive impact we can have on the world, and then we will go and realise it.



Keith Chanter
Chief Executive, EMCOR UK

Our purpose-driven approach

Our purpose, underpinned by our values, guides our strategic sustainability decisions. Together these elements determine how we do business with our customers and help us create long-term value for all stakeholders.

Our purpose

Our purpose at EMCOR UK is to create a better world at work.

A better world at work has two meanings for us:

- to promote a better workplace for all colleagues across our business, as well as those of our customers and partners; and
- to make a significant impact on driving forward the social and environmental agendas to preserve the planet and promote a fair, inclusive and respectful society

Our values

Our values underpin the way we work, and how we build and maintain positive relationships.

People who care

We care about every person

Safe & secure

We consider all aspects of physical and psychological safety and mental wellbeing

Together as one

Collaboration is at the centre of our culture

Active & ambitious

We are continuously raising our standards for the future

Our sustainability mission

Our mission is to deliver targeted and sustainable economic, social and environmental benefits that reinforce our commitment to creating a better world at work for customers, individuals and for the communities in which we operate.



Our sustainability framework

Our sustainability framework groups our material topics into three focus areas:

- People
- Planet
- Partners

Our global goals

Our focus is guided by eight UN Sustainable Development Goals (SDGs), where we believe we can best deliver true and meaningful action.



Creating value for our stakeholders

Sustainable development and ensuring positive stakeholder outcomes are at the heart of our ambition, strategy and delivery.

Alongside our focus on improving the impact of our own operations, our products and services enable our customers to move toward their own corporate responsibility objectives, amplifying our own contribution to tackling the world's key sustainability challenges.

We consider and balance the needs of our key stakeholders in our decision-making, alongside our purpose, values and mission. Our key stakeholder groups include our customers, colleagues, supply chain and other partners, and communities.

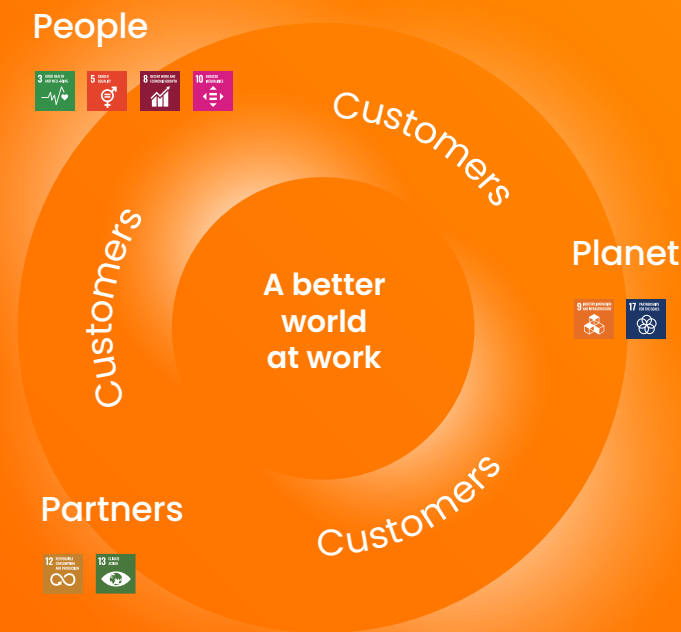


Our sustainability framework

We're creating a better world at work for people and the planet by working with our partners to make a difference to our customers.

Our sustainability framework identifies the key areas we're focusing on to deliver economic, social and environmental benefits for all. Aligned with our purpose, mission and our suite of customer products and services, it guides us to create value for our customers and wider stakeholders while ensuring we manage our business responsibly, ethically and progressively.

Our framework is underpinned by robust systems, processes, policies and measurement tools. We maintain an industry-leading suite of ISO certifications and trade memberships, and have adopted the Social Value Portal's National Themes, Outcomes and Measures (TOMs) Framework, demonstrating the rigour of our approach and the credibility of our reporting.



People

We promote a better world at work for our customers, colleagues, communities and supply chain partners. We strive to understand the needs and priorities of all stakeholders with the aim of delivering transparent social value and accountability.

Planet

We recognise that our operations, and those of our customers and supply chain, have an impact on the environment. As a business passionate about improving lives, we are committed to reducing our negative impacts and maximising our positive contribution and supporting those we work with to do the same.

Partners

We partner with a range of organisations to deliver our customer solutions and sustainability initiatives. We consciously work with businesses that match our integrity, responsibility and ambition to have a positive impact on the world.

People

We are committed to providing an inclusive and safe place to work for our talented people. This includes an ED&I strategy, with objectives to 2025. In support of reducing the skills shortages and ensuring economic resilience in the communities we operate,



we will continue to recruit a minimum of **25** trade apprentices each year

We remain committed to paying the RLW as a minimum to our employees in 2023/24.

Our sustainability roadmap

Planet

We have committed to achieving net zero by

2030

by reducing our operational emissions

We are delivering through continual improvement, increased efficiencies, new technologies and new ways of working. Additionally, we are applying the waste hierarchy and circularity into our FM operations in recognition of the impact of waste on global emissions.



Partners

We will continue to seek partners who share our vision and can work with us to achieve our goal of creating a better world for our customers.

Whilst maintaining our consistent **60%** spend with SMEs per annum

We will also engage and support our supply chain to join us on our sustainability journey.

Social Value

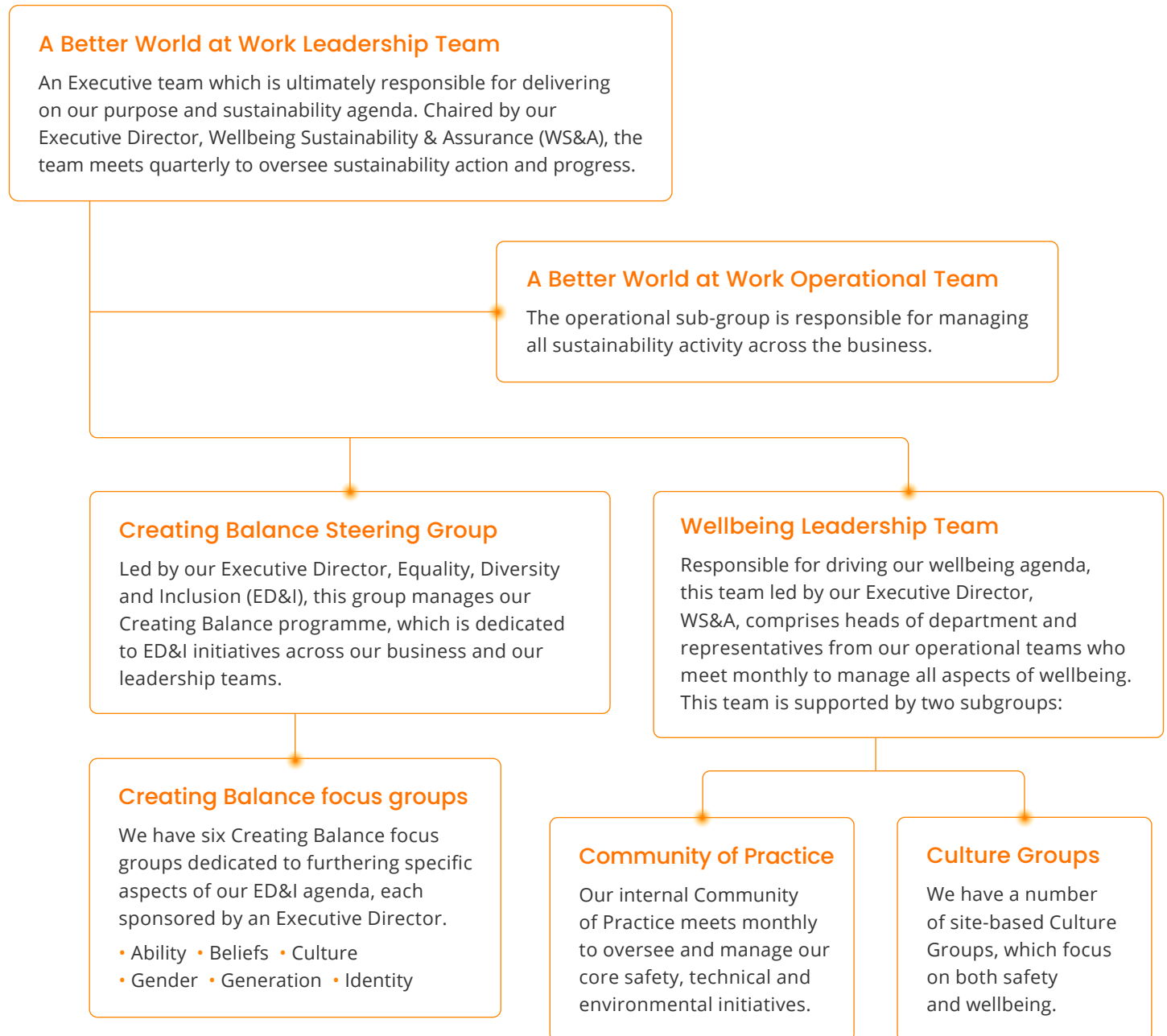
We have a social value strategy to 2026 to ensure that our business and supply chain delivers social value in a way that is targeted, transparent and promotes accountability.

Of the accounts measured, we pledge to deliver **1/3** of turnover in social value, by 2026



Sustainability oversight and management

The importance of sustainability is recognised at the heart of our business. Responsibility for overseeing and managing our sustainability agenda lies with our Executive Leadership Team (ELT), which delegates ownership to a number of groups dedicated to specific areas of our framework.



Creating social value

Delivering social value is a key part of our purpose to create a better world at work for our customers and wider stakeholders. It is embedded in our sustainability framework. Following the appointment of a new Head of Social Value, in 2022 we launched our Social Value Strategy. In support of this, we partnered with Social Value Portal, to help maximise our impact and improve how we measure, manage and report on the value created.

Social Value Portal developed the National TOMs Framework to create a standardised way to measure how organisations contribute to society and align their impact to a monetary value.

Our social value strategy

Vision

To ensure our customers, stakeholders and their local communities are at the centre of how social value initiatives are delivered and prioritised, ensuring we leave a positive and lasting legacy.

Purpose

Working with our customers and their local communities, we will understand local needs and priorities and ensure that our business and supply chain delivers social value in a way that is targeted, transparent and promotes accountability.

Outcomes

Targeted and sustainable economic, social and environmental benefits for our customers and society, which reinforce our contribution to the UN SDGs and our customers' ESG requirements.

Our social value priorities and capabilities are focused around the five key areas of The National TOMs Framework

Jobs

to promote local skills and employment

Growth

to support the growth of responsible regional business

Social

to create healthier, safe and more resilient communities

Environment

with an emphasis on decarbonising and safeguarding the planet

Innovation

to promote social innovation



Using the National TOMs framework, we delivered £53m in social and local economic value in 2022 generated largely through 'Jobs' (local employment and training) and 'Growth' (local supply chains). Of the 178 Social Value Portal members, that placed us in the top 25% for value created.

Alignment with other models and standards

Our approach to social value creation is aligned with the five themes of the UK Government's Social Value Model, which sets out the Government's own social value priorities for procurement. We also continue to work towards achieving BS 8950, the first British Standard for social value.

£53m

in social and local economic value delivered in 2022

Social value delivered equated to

28%

of our customer accounts measured in 2022

Top

25%

of Social Value Portal members for social value delivered in 2022



People

Our business touches a wide range of people, from customers and colleagues to supply chain partners and communities. We want to promote a better world at work for all.

As captured in our values, we're committed to inclusion, safety, wellbeing and collaboration. We endeavour to foster a safe, productive and engaging workplace which delivers for our customers, rewards our colleagues and makes a positive impact on our communities.

Our focus areas

- Occupational health, safety and wellbeing
- Equity, diversity and inclusion
- Employee management, development and engagement
- Community impact



Occupational health, safety and wellbeing

As an employer to over 3,000 people, we take the occupational health, safety and wellbeing of our teams seriously. Our holistic whole person approach prioritises both safety and mental health, creating an environment which promotes physical, psychological and financial wellbeing.



Our whole person approach and just culture (which advocates fostering a culture of honesty, fairness and learning instead of blame) is delivered through our Be There for Life (BTFL) programme. The programme is founded on our ISO 45001 and ISO 45003 standards, as well as our safety values and expected safety behaviours. We reinvigorated BTFL in 2022 with renewed commitment and investment.

During 2022 we continued to mature our BTFL program in support of our whole person approach to occupational health and safety management.

Key to our progress was a significant exercise with an external risk, safety and performance management consultancy to assess our safety behaviours and address any identified issues. Alongside point of work improvements, key outputs of this process included the creation of a dedicated culture group and a new enterprise-balanced scorecard for the proactive monitoring and reporting of leading and lagging safety culture indicators.

Our occupational health, safety and wellbeing standards

ISO 45001 identifies that an organisation has a responsibility for the occupational health and safety of its employees, including the prevention of work-related injury and ill health, providing safe and healthy workplaces and promoting and protecting all forms of physical and psychological health.

ISO 45003 is a framework providing guidance on psychosocial risk management in support of creating a psychologically safe place to work as part of an occupational health and safety management system.

As the first organisation globally to be certified to the ISO 45003 standard, we are proud of our ground-breaking work to end the stigma of mental health and our proactive approach to tackling mental health risks in the workplace.

The balanced scorecard underpins our new approach, featuring more leading indicators (proactive and preventive measures such as training, assessments, communications, etc.) alongside established lagging indicators.

The scope of our work in this area is not limited to our organisation, and in 2022 we focused on sharing our approach with our supply chain partners (see more on [page 46](#)). We rely on our supply chain to support the delivery of our solutions, and their safety and wellbeing are as important to us as our own colleagues.

Our industry-leading approach to health, safety and wellbeing was recognised through numerous awards in 2022 (see [page 5](#)).

►► Next steps

Throughout 2023, we will continue to embed our BTFL model to reduce unplanned incidents through the creation of a safe and inclusive workplace. We will combine our ISO 45001 and ISO 45003 policies to reinforce the parity between physical and psychological risk. To build on the impact of our organisation-wide culture group and balanced scorecard, we aim to embed dedicated groups and scorecards in every customer account by the end of 2023.

BTFL Culture Group

12

members,
representative
of all disciplines.

Refreshed terms
of reference,
expectations and
empowerment
developed and
agreed by the
members.

Monthly meetings
covering innovation,
reward & recognition,
operations feedback
and trend analysis.

Quarterly enterprise
culture group
meetings where
representatives from
each group can meet
to discuss positive,
cultural change
initiatives.



The BTFL Culture Group was formed to create engagement between colleagues to review and assess our safety behaviours, standards and culture, as well as to provide a forum for sharing innovative ideas in the spirit of continuous improvement.



Equity, diversity and inclusion

We value the diversity of our colleagues, believing our teams should be representative of UK society. To achieve that, we actively foster a workplace culture that enables us to attract, develop, and retain diverse talent.



Our focus on equity, diversity and inclusion during the year saw the appointment of our Executive Director, ED&I in September 2022. We subsequently defined our ED&I business strategy for the next four years, with key activities and goals demonstrating what we want to achieve by 2025 (see more on page 22). Alongside increased ED&I measurement and reporting, these objectives will be used in appraisals for our senior teams.

Our Creating Balance programme is central to our ED&I activity. Colleagues from across our business work together in the six focus groups to formulate ideas and drive our activity. During the year, we appointed an executive sponsor for each Focus Group to ensure ELT commitment and contribution.

We have focused on improving internal and external communication around ED&I, with a Creating Balance strategy day and business-wide roadshows helping us to reach a wider audience and a new role dedicated to communicating our ED&I strategy and progress.

Our ED&I strategy outlines the key activities that will enable us to become the most inclusive organisation of choice for our employees and customers.

Emma McLaughlin-Edwards
Executive Director, ED&I

~3,000
employees

1 in 25
of our colleagues
are involved in our
six Creating Balance
Focus Groups

We are working closer with our recruitment partners to ensure we are bringing the best talent through our doors along with the creation of a diversity panel for senior appointments.

Ability is one of our Creating Balance Focus Groups and we were proud to be recognised as a Disability Confident Employer in September 2022. The Government's Disability Confident scheme supports employers to maximise the conditions and talents of people with disabilities.

The Ability Focus Group conducted a gap analysis and reviewed all our people-related policies and processes with external auditors to ensure we meet appropriate standards and best practices.

To ensure that we continue to attract, support and retain employees that may have a disability, we are now working toward becoming a Disability Confident Leader organisation.

Promoting opportunities for women in the workplace

We believe improving equality and gender balance in the workplace is not only the right thing to do but that it will enable our business to perform better and grow.

At present, only 33% of our colleagues are women, and we have a gender pay gap we want to address.

To tackle these challenges, we have undertaken a wide range of activities, including introducing our industry-leading maternity policy (see [page 23](#)), launching our EMCOR UK Women's Forum and gender-neutralising our policies, processes and job descriptions with support from Stonewall – the UK's leading LGBTQ+ rights charity.

Work continues throughout 2023 with the addition of a new Female Leadership Apprenticeship Programme, fully funded through the Apprenticeship Levy and designed to unlock talent and nurture our female leaders of the future. Supporting our strive to make EMCOR UK an attractive and welcoming place for women.



33% 20

women in
organisation

women in senior
management
positions

Introducing our ED&I strategy

Guided by our purpose, values and our chosen UN SDGs, we have formalised our commitment to ED&I progress with the creation of our first strategy.

There are three core elements to our ED&I strategy: four strategic goals, three strategic priorities and a timeline of actions and objectives for the four years from 2022 to 2025. Together, they will guide our efforts to becoming a more equitable, diverse and inclusive workplace.

Strategic goals

- Goal 1 – Leadership and Management Accountability
- Goal 2 – Workforce Development and Representation
- Goal 3 – Cooperation and Collaboration
- Goal 4 – External Evaluation and Recognition

Strategic priorities

- Priority 1 – Effective communication, awareness raising and training
- Priority 2 – Enhancing recruitment methods
- Priority 3 – Employee Feedback Forums to increase employee engagement

Strategy timeline

A sample of actions and goals from our timeline for the next three years:

2023

- Deliver training to EMCOR UK's ELT
- Develop an ED&I dashboard
- Launch 'Speak up, Speak out' initiative

2024

- Increase the number of Black and Ethnic Minority employees in Operational and Senior Leadership roles by 14%
- Increase the number of women in Senior Leadership roles by 25%
- Increase the number of people with a disability employed by EMCOR UK by 14%

2025

- Apply the PAS 1948:2023 standard code of practice to implement ED&I into the organisation
- Be listed amongst the Inclusive Top 50 UK Employers
- Report on our ED&I progress against the 2022-2025 objectives

►► Next steps

Delivering on the goals of our ED&I strategy will be our key focus for the next three years. 2023 will be the year of allyship, with new allyship training to help our teams support their minority colleagues.

We want to grow the membership of our Creating Balance Focus Groups, with the aim of approximately 10% of our colleagues being involved. We will also partner with more organisations doing great things for ED&I, such as 10,000 Black Interns.

We want to grow the membership of our Creating Balance Focus Groups, with the aim of approximately

10%

of our colleagues being involved

Employee management and engagement

Our whole person agenda strives to create a sustainable and rewarding workplace and decent work for our colleagues, customers and supply chain partners. We are focused on being an employer which rewards fairly, encourages personal and professional development, and has effective mechanisms of communication.



During 2022, we worked to enhance the help and support we provide to working parents and those with salaries at the lower end of our pay structure.

Working parents

We adopted industry-leading parental leave policies in early 2022.

Our parental leave policies

Maternity Pay

26 weeks full pay, 13 weeks SSP and 13 weeks unpaid

Paternity Pay

Enhanced to six weeks full pay

Pregnancy loss (including terminations)

Two weeks paid leave

At the end of 2022, 32 colleagues had taken advantage of our enhanced paternity leave and 23 new mums were benefiting from our enhanced maternity pay. We also had three colleagues utilising shared parental leave.

Alongside this, a review of all our family policies took place at the end of 2022, with a new Carers Policy created to set out our commitment to supporting carers and other colleagues in need of flexible working during unforeseen circumstances. This coincided with us signing up to the Care Leaver Covenant (see more on [page 28](#)).

As a result of the above activity and other ED&I initiatives, EMCOR UK was shortlisted for the Best for Career Progression for Women category at the 2023 Top Employer Awards.

55

employees benefiting from enhanced maternity and paternity approach

Real Living Wage

EMCOR UK became a Living Wage Foundation Recognised Service Provider in 2021, and in early 2022 we were proud to extend that to ensure all colleagues were paid the RLW or greater. This moved 353 colleagues from National Minimum Wage to RLW, with circa 400 colleagues now on the RLW or above.

“ I can buy my wife flowers every week. ”

What the Real Living Wage means for Edward Wilson, a cleaner from our Thames Water account.

At the end of 2022, we also provided 703 RLW colleagues, apprentices, part-time colleagues and those at the lower end of our pay grades with a £200 cost of living payment, to support them over the Christmas period.

Our approach to the RLW was recognised at the Living Wage Champion Awards in August 2022, where we won in the category of “Recognised Service Provider”.

Financial health benefits

Our Salary Finance scheme (where loans and credit cards are consolidated and repaid through payroll at reduced interest rates and shorter terms to help reduce our colleagues' debts) continued to be successful in 2022.

We have 577 colleagues signed up to the scheme and have also supported 31 colleagues to open savings accounts through it. We have saved our colleagues an average of £433 against bad debt and a total figure of £1,733,484 is being utilised to consolidate colleagues' bad debt, providing a total savings of £243,992.

£433

average saving for the 577 colleagues on our Salary Finance scheme

Mentor scheme

Our Mentoring Programme, designed to support the personal and professional development of our people, continued to be successful with over 40 employees assigned a mentor in 2022. Allowing us to not only create a better world for our people, but also enhancing the service provided to our customers.





►► Next steps

For 2023, we have once again committed to pay the Real Living Wage as a minimum to our employees.

In line with gender pay gap work, in 2023 we will focus on developing our approach to recruitment and learning and development (L&D) opportunities for women.

We will launch a Reverse Mentoring programme where our senior leaders will be mentored by more junior colleagues to introduce otherwise unknown concepts and to share lived experiences.

Based on the feedback from our latest EMCOR UK Voice survey, we have also formulated a range of departmental actions to act on suggestions and ensure continued progress.

Overall
engagement score

76%

vs 66.5% in 2021

Case study

Employee management and engagement

Giving our colleagues a voice

To gather feedback on all the work of 2022, we carried out our 11th annual EMCOR UK Voice survey in January 2023. The survey allows open and honest comments from our colleagues and enables us to understand the engagement levels, motivation, trust, and values that they feel in working for EMCOR UK. The survey featured 41 questions which were linked to our four values.

66%

of respondents in our employee survey would feel comfortable raising mental health concerns

Since the last survey was conducted in October 2021, both the participation rate (73% vs 49%) and overall engagement score (76% vs 66.5%) have risen. Other highlights and notable feedback from participants included:

- 80% believe EMCOR UK conducts its activities with honesty, integrity and ethically
- 89% believe safety is taken seriously at EMCOR UK
- 80% believe people are treated equally irrespective of ethnicity, gender, disability, age, sexual orientation or religion
- "I believe EMCOR UK do all they can to provide a safe and happy place to work"
- "EMCOR UK is a very inclusive company to work for"
- "Their (EMCOR UK) values are excellent, charity work is second to none and the welfare of employees is primary"



Community impact

Beyond our immediate customers, colleagues and supply chain, we believe we have a responsibility to help the communities in which we operate. We are committed to creating social value for our communities to help the disadvantaged and vulnerable, and make a real difference to people's lives.



With the economic challenges of the cost-of-living crisis, inflation and the war in Ukraine, those who are vulnerable, from an underrepresented group or in receipt of Universal Credit face even greater hardships. We are proud to support our communities through a range of activities, from social mobility projects to volunteering and donations.

Social mobility initiatives

Apprenticeships at EMCOR UK

Our apprenticeship programme has been running for over 30 years, providing exciting career opportunities for people across all age groups and backgrounds. Many of our former apprentices have progressed further within our business to leadership roles, including two of our executive directors and two of our operations directors.

We offer a range of apprenticeships for both new and existing staff, all with structured training courses and on-the-job mentoring and support. Our Learning & Development team, supported by our dedicated Apprenticeship Manager and Apprenticeship Coordinator, drive our apprenticeship programmes.

We deliver programmes across 35 disciplines, with qualifications ranging from level 2 GCSE equivalents to level 6 and 7 bachelor's and master's degrees equivalents. Programme durations range from 12 months to four years, depending on the subject and the learner's level of qualification upon entry.

We currently have

112

colleagues on our apprenticeship programme, with 32% of those having been recruited as an apprentice.

Our target is to recruit a minimum of 25 new trade apprentices each year and in 2023, we are also launching an apprenticeship scheme for women in leadership, run by women for women.

Armed Forces Covenant

We signed the Armed Forces Covenant (AFC) in June 2022, demonstrating our commitment to supporting people leaving the armed forces by providing employment and training. We also support their families in adjusting to civilian life and securing long-term sustainable employment and wellbeing.

We have formed an AFC social group and are currently evolving our recruitment process to engage more ex-military veterans at the start of their journey to civilian life. This will ensure a smoother transition while reinforcing our position as an armed forces friendly organisation and employer of choice. We are actively supporting the Personnel Recovery Centre programme in Tidworth by collaborating with the centre to offer mentoring and training delivered by our L&D team and our own ex-military managers.

Care Leaver Covenant

We signed the Care Leaver Covenant (CLC) in November 2022, a national inclusion programme that supports care leavers. By signing up to the Covenant, we have made a commitment to help care leavers live independently by providing training and employment opportunities and support beyond that statutorily provided by local authorities.

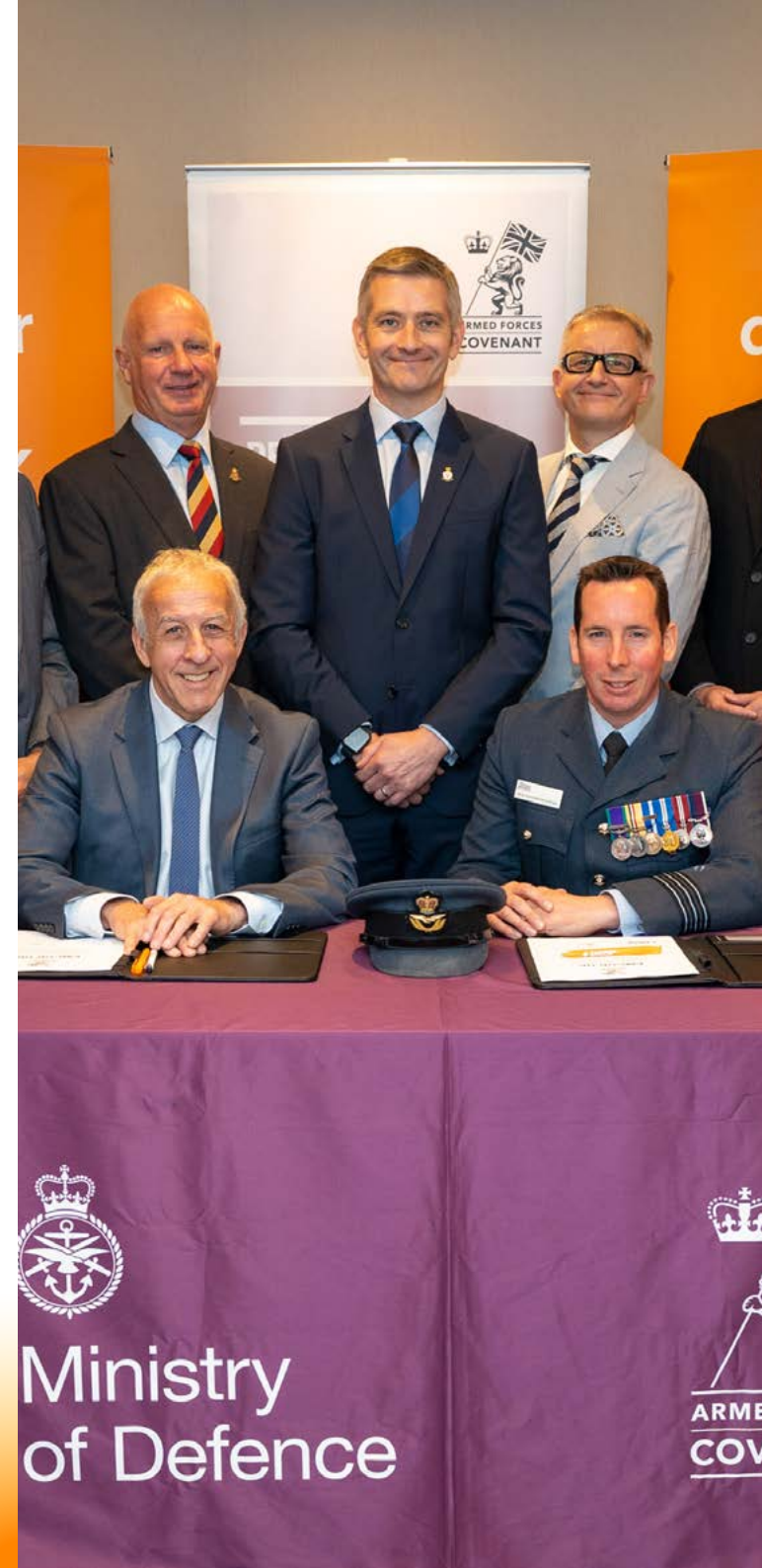
“ We are passionate about providing disadvantaged groups with the opportunities and support necessary to improve their employment prospects, which will provide financial stability and the chance to live independently. ”

Roy Ramrutton

Head of Social Value

Ex-offenders

In 2022, we partnered with the Shaw Trust – a social purpose organisation challenging inequality and breaking down barriers to enable social mobility – to work with more ex-offenders. This will increase our workforce capacity while we provide an inclusive and nurturing environment which will help this target group to re-build and enhance their life chances through sustainable employment. We are working together to offer a range of employment opportunities to ex-offenders being released from custody alongside our customer, British Sugar and within their local communities.



EMCOR UK
colleagues completed

355

hours of volunteering in 2022

Our charity work

We're dedicated to supporting charitable organisations through fundraising and volunteering. We work with several charitable partners, including Macmillan Cancer Support, who we raised £28,826 for in 2022. We also support our colleagues in their own fundraising, contributing almost £6,000 in donations for marathons, bike rides and other challenges last year.

Training

In partnership with a training provider, we have developed an accredited, bespoke City & Guilds Industrial Cleaning course (specific to our customer, British Sugar). We are also looking to introduce this in HMP Norwich, with the aim of supporting ex-offenders to re-enter the workplace. The programme covers practical cleaning skills, mental health awareness and employability. The launch and successful completion of level one has led to the development of level two to enable our people to progress through our career development pathway into more senior roles.

►► Next steps

Our partnership with the Social Value Portal has brought accountability, transparency, control and maturity to our approach, including the ability to measure and report on impact. We will increase our work with the AFC, CLC and sign the Employers Domestic Abuse Covenant in 2023, alongside more flagship social value projects with our customers. We will also formalise and grow our approach to volunteering and complete our biggest fundraising activity yet in tackling the Three Peaks Challenge for Macmillan Cancer Support.

£28,826

raised for charity partner Macmillan Cancer Support

Customer case study

Community impact

The Feed – In Collaboration with Anglian Water

Through our membership with Business in the Community and the East of England Leadership Board, EMCOR UK and our customer Anglian Water have begun a collaboration to support The Feed.

The Feed is a social enterprise working to prevent poverty, hunger and homelessness in Norwich. It operates several cafés providing work experience to disadvantaged people and a 'Social Supermarket' providing food for those struggling to afford it.

Our work with The Feed began in November 2022, and we have a range of targeted initiatives to deliver social value for its community and employees. This will include providing training and access to employment for The Feed's customers, helping The Feed's economic development with IT support and maintenance, and improving its environmental impact through our energy and carbon team.



Customer case study

Community impact

Driving social mobility

In collaboration with our customer British Sugar in 2022, we partnered with Access Community Trust (ACT), a charity providing services that promote social inclusion across Suffolk and Norfolk. Central to ACT's work are its STEAM House Cafés, a group of mental health crisis cafés in the region.

Through collaboration with British Sugar, our volunteers refurbished the STEAM House Café in Kings Lynn, including donations of furniture and equipment from our supply chain partners. We also shared our Apprenticeship Levy to facilitate training for ACT members and donated furniture for ACT's recruitment and housing teams.

The STEAM House Café subsequently helped two candidates successfully apply for jobs with EMCOR UK at British Sugar, helping us to create equity for those who are disadvantaged or have barriers to work and

Over

£70k

in social value generated through our work with ACT in 2022 (Based upon the National TOMs Framework)

diversify our workforce at British Sugar. ACT also provided a two-day training course on mental health awareness to eight of our colleagues.

Using the National TOMs Framework, this initiative has so far generated over £70k in social value:

- 180 volunteering hours = £3,000
- Donations = £20,000
- Employment of two people = £41,000
- 53 people accessed mental health training provided by the STEAM House Café = £7,000

As part of our ongoing partnership, a further phase of refurbishment of the STEAM House Café in Kings Lynn will take place in September 2023, with two other ACT locations to follow.

■ The relationship has been pioneering and represents the true social value of EMCOR UK. We have created a pathway to assist in the transformation of the individual's life. EMCOR UK assist in providing a sustainable route to lasting change. ■

Lewis Tyrrell

ACT Service Manager,
Youth, Employment and Volunteer Services



Planet

At the COP27 Climate Change Conference in November 2022, UN Secretary General António Guterres concluded that the world was “on a highway to climate hell with our foot on the accelerator.” It is clear the world faces a collective and urgent imperative to drastically reduce greenhouse gas emissions generated by human activities and move towards a carbon neutral future.

We are committed to safeguarding the future of our planet and creating a sustainable world for all life. By improving the impact of our customers’ operations, as well as that of our own, we can make a significant contribution to the Paris Agreement’s central aim of combating climate change.

Our focus areas

- Energy and carbon
- Responsible consumption
- Creating greener workplaces



Energy and carbon

We have a mature approach to customer energy and carbon management based on our Route Zero Model. Solutions driven by this approach and wider environmental considerations are embedded in all our customer bids and accounts. This work is underpinned by our commitment to net zero in our own operations by 2030.



In 2022, in recognition of the importance of energy and carbon for both our business and our customers, we invested in a holistic approach to supporting our net zero aspirations and those of our customers. We expanded our carbon reduction capability and offering by creating a dedicated energy and carbon team, led by our first Director of Carbon Solutions and formalising our carbon solutions as a fifth key service offering of EMCOR UK.

EMCOR UK's energy and carbon

We have a Carbon Reduction Plan (CRP), which demonstrates our commitment to achieving net zero for our operations and supply chain by 2030. The plan was updated in 2022 as part of annual reviews to ensure continued adequacy, suitability and improvement.

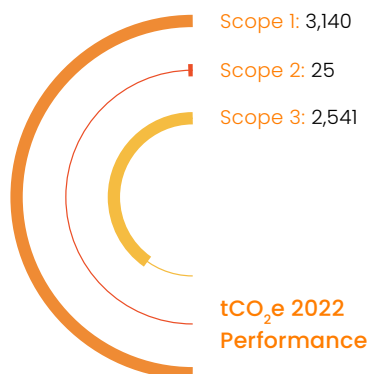
Our CRP is supported by existing business processes which include

- ISO 50001 Energy Management System
- ISO 14001 Environmental Management System
- ISO 20400 Sustainable Procurement Framework
- Fleet management strategy
- Working from home policy
- Business travel policy
- Implementation of the Sustainability Dashboard across our supply chain

Our path to net zero

Net zero refers to the balance between the amount of greenhouse gas (GHG) produced and the amount removed from the atmosphere. This will be achieved by reducing our emissions across all three scopes through efficiency savings, decarbonisation investment and engagement with our internal and external stakeholders.

Our 2022 performance

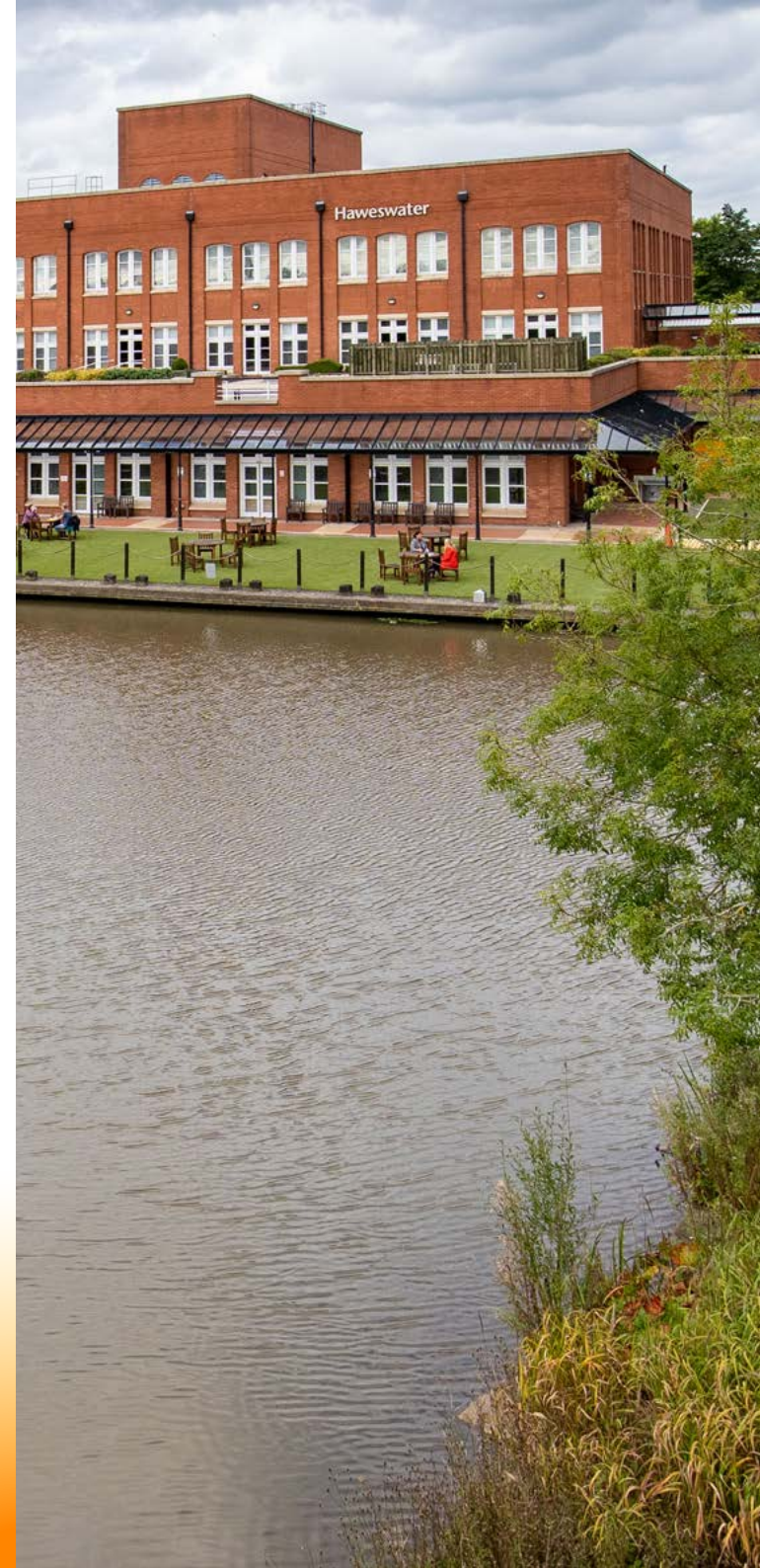


	2022 performance (tCO ₂ e)	2019 performance (tCO ₂ e)
Scope 1	3,140	3,698
Scope 2	25	134
Scope 3	2,541	3,398

Our net zero commitment

To achieve net zero by 2030 by reducing our operational emissions through continual improvement, increased efficiencies, new technologies and new ways of working. In the interim we will offset our annual residual emissions to minimise our climate impact.

Our overall performance during 2022 shows a decrease in consumption against our 2019 baseline in scopes 1 and 2. This includes the impact of procuring electricity directly from Renewable Energy Guarantees of Origin (REGO) sources in our scope 2 emissions. Our scope 1 emissions reduction shows improvements achieved through awareness raising linked to our fleet and in our office space usage. The impact also reflects a change in our office use and an increase in hybrid working as a consequence of COVID-19 during 2020 and 2021.



Scope 3

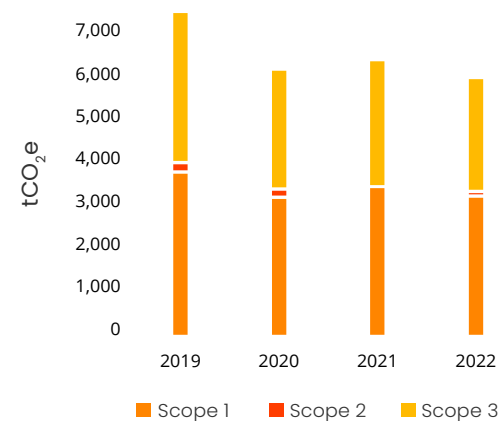
Scope 3 reflects the impact of our supply chain and interaction with our service providers, including grey fleet, waste management and commuting. It also includes an assessment of our goods and services. Due to our extensive supply chain (working with over 2,000 supply chain partners on over 100,000 individual projects in 2021 for instance), it requires time and resources to accurately measure and verify our scope 3 emissions. During 2023, we will calculate the emissions based on our total supply chain spend for the categories that are applicable to our business.

However, our scope 3 calculation in the 2019 baseline only includes those limited categories where data was available for EMCOR UK. As we proactively quantify and verify our scope 3 emissions, our understanding of the true scale increases and our scope 3 emissions will increase markedly. It is generally accepted that scope 3 emissions can account for up to 90% of an organisation's overall GHG emissions.

Glidepath to net zero

EMCOR UK have targets for achieving net zero in 2030. Net zero is defined as achieving a state in which the greenhouse gases going into the atmosphere are balanced by removal from the atmosphere. This will be achieved by reducing our emissions across all three scopes through efficiency savings, decarbonisation investment and engagement with our internal and external stakeholders.

GHG Totals



Our glidepath shows the improvements we have made against our 2019 baseline for our own emissions i.e. scopes 1 and 2. It confirms our downward trend but reiterates the challenge we face and the gap to net zero. This will be further accentuated as we address the gaps in our scope 3 data over the coming year.

Our customers' energy and carbon

Taking our customers on the net zero journey is as important as achieving our own emissions reduction targets.

Carbon is now one of our five key service offerings, as we help to ensure assets and facilities make a positive contribution in the collective journey towards net zero. Through working with customers on accounts and projects that contribute to decarbonising and safeguarding the planet, we can amplify our own contribution and increase our positive impact.

Working with a leading environmental consultancy, our collaborative carbon solutions provide clear pathways to net zero by spanning asset management, facilities and engineering. We bring expertise in assessment, investment funding, monitoring, metering, transparency, reporting and compliance assurance, supporting customers across every stage of moving to a sustainable energy future.

Projects

25 projects delivered on key accounts

Carbon

Emissions avoided 1,190t CO₂e

Savings

Operating cost reduction £1.44m per annum

►► Next steps

In 2023, we will launch a full strategy to demonstrate how we will achieve net zero by 2030 across scopes 1 and 2. This will be underpinned by a project to firmly establish a method for calculating and accounting for our scope 3 emissions through working in partnership with a specialist FM environmental consultancy. As part of the strategy, we will commit to setting a Science Based Target for our emissions and develop a clear glidepath and roadmap to net zero.

We will also further support our customers with the development of our net zero solution, enabling them to set clear objectives, put action plans in place and achieve net zero themselves. In addition, we will support our customers in managing the price risks of buying utilities in an extremely volatile market.



Customer case study

Energy and carbon

Working with Woking Borough Council on energy efficiency

In 2022, we undertook a major project with customer Woking Borough Council, focused on improving its energy and carbon performance.

For heating its 17-storey office block, it had two 20-year-old gas-fired boilers in need of replacement. It proposed to connect this building to the low-carbon district heating network. However, we concluded its heating infrastructure could not be connected to the network without costly modifications. We proposed installing two 400kW heat pumps, which could upgrade the heat delivered by the district heating network so that the building could be heated while retaining the existing infrastructure.

The heat pump solution enabled us to secure Government funding for heat decarbonisation and delivered an extremely efficient heating supply, which now provides zero carbon heat for the building.

We were also charged with investigating an inefficient legacy data centre which had both IT security concerns and high running costs for energy and maintenance. After reviewing various options, relocating the data centre to an alternative council office building led to a 55% reduction in energy use due to an innovative cooling system with a return on investment of less than three years.



Responsible consumption

Sustainable management and efficient use of natural resources is everyone's responsibility. We recognise we have our part to play in eliminating, reducing and minimising environmental impacts associated with the delivery of our services both directly and indirectly within our supply chain.



ISO 14001 Environmental Management System continues to play an important function, demonstrating our commitment to sustainable processes and helping us to identify improvements across both our own estate and our customers.

Much like carbon, it is through our customers and projects where we can deliver the most meaningful change and maximise our positive impact.

►► Next steps

We recognise the role that the FM industry can play in the move to a circular economy. From our waste management activities and interactions with waste contractors to our project management activities including lifecycle management, building refurbishments and procurement.

To ensure we can fully support our customers with their own circular economy initiatives, we have developed a Circular Economy Working Group, which consists of members from our Energy, Procurement, Asset Management, Social Value, Waste and Environment teams.

During 2023, we are looking to further develop our strategy by collaborating with multiple stakeholders, enabling us to move through the stages of circular economy maturity from basic, improved, engaged to optimised, where our services contribute in a positive way to a restorative and regenerative environment.

Customer case study

Responsible consumption

Embracing innovation for our customer, Japanese Tobacco International

Guided by our ISO 14001:2015 Environmental Management System (EMS), we deliver on our responsible consumption agenda across many of our customer accounts. For Japanese Tobacco International (JTI), we provide maintenance to 17,000 retail merchandising units nationwide. To support them with their own waste and energy reduction targets, we have delivered a number of innovative solutions based around circular economy and waste hierarchy principles.

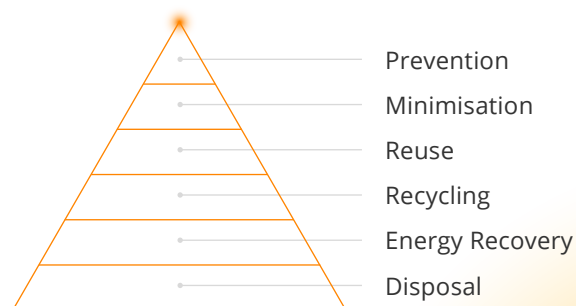
We 3D printed a small plastic clip which, once fitted to the merchandising unit, saved 255,442 kWh of electricity and 50 tonnes of CO₂ by allowing the unit to switch off once the roll-down shutter doors were closed.

Challenged with replacing nearly 1000 LED driver trays annually, we recognised an opportunity to significantly reduce the amount of waste electrical and electronic equipment (WEEE) by replacing faulty components rather than replacing the complete unit which was only sold complete by the manufacturer. We achieved a saving of approximately £82,000 per year while reducing WEEE disposal by 85%.

Working with one of our supply chain installation partners, we identified components that can be recovered from units taken out of service and used to repair other aged equipment. This has reduced our expenditure on materials by an estimated £30,000 per annum, and reduced waste by an estimated 95%.

These examples demonstrate how we are embracing innovation to help us identify opportunities, drive down costs, increase efficiency and reduce emissions. We are helping our customer deliver against their own ambitious targets while growing our contribution to Global Goal 12 – Responsible Consumption and Production.

Waste hierarchy pyramid



Creating greener workplaces

In a post-COVID-19 world, many organisations have a more flexible approach to workspaces and are actively considering their requirements. Key factors such as changing work patterns, environmental responsibilities, recruitment and retention, wellbeing, cost efficiency and productivity are all driving rapid change.



We combine extensive facilities expertise with a deep understanding of the dynamic relationship that exists between people, organisational culture and workplace. This underpins how we help our customers respond to these workplace challenges.

Our evidence-based workplace strategies are backed up with powerful data-led insights to enable a new generation of responsive workplaces. Aligned with our energy and carbon team, our workplace solutions target sustainable economic, social and environmental benefits as standard.

►► Next steps

The review of any workplace should happen continuously, as many factors can change how space needs to be used or how people choose to use it. Working closely with our customers, we continue focusing on new locations, building a broad picture of space utilisation, workplace experience and building performance. The ultimate goal is to ensure customers and their employees have the right space, the best experience and that building performance is as sustainable as possible.

Critical workplace factors to consider

- The number of people using the space
- The indoor environment colleagues need (heat, cooling, light, fresh air)
- The physical features (carpet, furniture, paint)

Customer case study

Creating greener workplaces

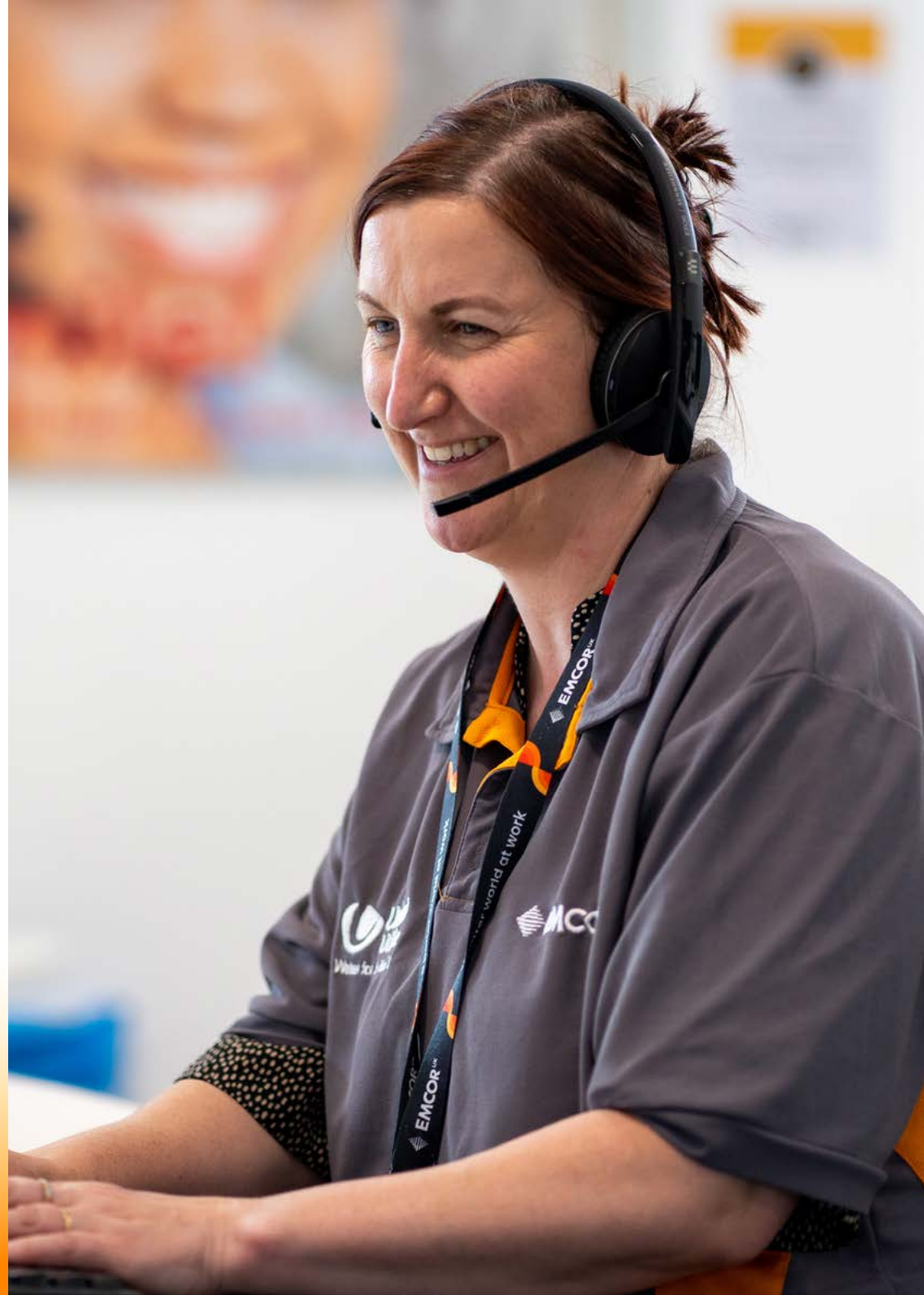
Workplace Utilisation Project for our customer, United Utilities

Throughout 2022, we have worked with United Utilities to help them understand how their employees were using their office spaces, following a continuation of the COVID-era flexible working policy.

Starting in 2021, we undertook a joint research project to provide United Utilities with valuable insights into their employees' needs and behaviours as they returned to the office following the pandemic. Like many organisations at the time, United Utilities were not mandating the number of days employees needed to attend the office, however, they were aware that office use would likely be different in the future.

To assist in this, we completed initial research between September 2021 and March 2022, reviewing when employees returned to the office and the frequency with which they did so. As more people returned, United Utilities made the decision to further investigate the utilisation of specific buildings across the campus.

Using sensors to capture the occupancy and utilisation of space over a period of 6 months, we identified how little one floor was being used. Aligning this data with other insights gathered in support of the hybrid working policy, our work provided United Utilities with the data needed for an informed and evidenced-based decision to be made.



Partners

In a world that faces many major challenges that impact our people and planet, collaboration is our way to contribute to a sustainable future for us all. We proactively seek partners who share our vision and can work with us to achieve our goals and create a better world at work for all.

Our supply chain plays a large part in delivering our services to our customers, and we strive to build long-lasting and trusted relationships with our supply chain partners. We are evolving our approach to ensure supply chain partners are treated the same as colleagues, alongside improving how we engage our supply chain partners and monitor their performance.

Alongside our many dedicated teams and individuals, external expertise and collaborative partnerships are key to the progress we are making on our sustainability journey. We partner with a range of specialist organisations to provide services, programmes and technology which are creating value for our customers and wider stakeholders.

Our focus areas

- Working with our partners
- Supply chain engagement



Working with our partners

We work with a range of partners to make a difference for our people, customers and communities.



ACT

As discussed on page 31, in 2022 we partnered with Access Community Trust (ACT), a charity providing services that promote social inclusion across Suffolk and Norfolk.



Business in the Community (BITC)

We partner with BITC on a variety of joint rural regeneration programmes. See page 30 for how we're supporting the social enterprise The Feed through our BITC membership.



Commercial Foundation

By procuring through the Commercial Foundation social enterprise, via Commercial Ltd, every £1 spent generates £5.07 of social value.



Inclusive Companies

Our partnership with Inclusive Companies, a leading membership body specialising in equality, diversity and inclusion, has enabled us to develop our ED&I training programme.



REMPLOY

Through our partnership with REMPLOY, we created the Access to Work Mental Health Support Service – a confidential and vocational support service for employees with mental health challenges.



Salary Finance

Our partnership with Salary Finance plays a key role in our commitment to improving financial wellbeing for our employees. We have consolidated the debt of 577 employees, providing a total saving of £243,992.

SEE HER THRIVE

See Her Thrive

In partnership with See Her Thrive, we host events in support of women's health and the menopause.



Social Value Portal

As discussed on page 14, we partnered with Social Value Portal in 2022 to maximise our social value impact and improve how we measure, manage and report on the social value we create.



Stonewall

As part of our partnership with Stonewall, the UK's leading LGBTQ+ rights charity, we will be participating in their UK Workplace Equality Index. To benchmark our progress on inclusion in the workplace.



Supply Chain Sustainability School (SCSS)

We're a founding partner of the award-winning SCSS. For over a decade, the school has championed expertise in a wide range of areas relevant to our business and our customers.



Verco

In 2022, we partnered with leading environmental consultancy, Verco, to grow and deliver our carbon customer proposition.



White Ensign Association

We partner with the White Ensign Association, which help us hire ex-military personnel and support their need for resettlement. We are proud to have several ex-military veterans that hold senior positions in our business.

Supply chain engagement

We work in collaboration with our supply chain partners, holding them to the same standards we hold ourselves and expecting them to match our approach to improving our environmental and social impact. By respectfully engaging with our supply chain, we've created a collaborative environment that encourages best practice.



Our supply chain approach is underpinned by the ISO 20400:2017 – Sustainable Procurement standard and ISO 44001 – Collaborative Business Relationship Management. We were the first facilities management company to be awarded ISO 20400.

We work with our supply chain partners to sign up to the Sustainable Supply Chain Charter as a first step to demonstrating their shared ambition and commitment to sustainable practices. Our approach focuses on specific impacts, risks and opportunities, and we speak with supply chain partners to understand and identify the most mutually relevant aspects of the charter.

Our supply chain engagement includes supply chain days (see page 46), our supply chain Community of Practice, roadshows, share and learn sessions and questionnaires.

Case study

Supply chain engagement

Engaging our supply chain on ED&I

We're actively working to ensure our ED&I focus and progress extends to our supply chain. Using a gap analysis of ISO 30415 Human Resource Management – Diversity and Inclusion, we surveyed 200 key supply chain partners in October 2022 to learn more about how they are approaching ED&I.

We drew from over 100 responses, developing a detailed picture of where and how we can help our supply chain to move forwards on ED&I. This will be the focus of a new Creating Balance supply chain working group.

Over

100

supply chain partners
responded to our ED&I survey



Case study

Supply chain engagement

Bringing our supply chain along for the journey

In November 2022, we held an event to engage our supply chain around our approach to topics including health, safety and wellbeing as well as equity, diversity and inclusion.

Our supply chain partner event saw around 100 suppliers join 100 EMCOR UK colleagues to learn more about our policies and procedures. After presentations from key figures, a significant part of the day was also devoted to allowing our supply chain partners to interrogate and feedback on our plans.

Following the success of the day, we have set up an ongoing supply chain partner community of practice. This provides a regular opportunity for us to engage with our supply chain, inform them about our actions and gather their ongoing feedback.



“It was great to see how much EMCOR UK values feedback from their supply chain.”

Alex Collins
Sunbelt Rentals

“I’ve never done anything like this with other customers. It shows how much EMCOR UK cares about their supply chain and their customers.”

Stuart Nixon
Trident Water Solutions

“It was good to see how much EMCOR UK is committed to collaborative principles, whether they are applied to sustainability, health and safety, or the environment.”

John Osbourne
Institute of Collaborative Working

>60%

of supplier spend per annum is with SMEs

100

suppliers attended our first supply chain partner event

“We wanted to create a safe space for everyone to be honest, open and to listen to one another. It’s really important that we understand what our supply chain is saying.”

Jonathan Gawthrop
Executive Director,
Wellbeing Sustainability & Assurance



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