

Sustain our
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Our Sustainable
Business Strategy

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People
Positive
social value


Planet
Environmental
protection


Prosperity
Sustainable
governance

Introduction

Message from Chief Executive Officer, Danny Chaney

As a family-orientated business, people are at the heart of everything we do. We recognise that in order to deliver world-class infrastructure in today's world, we need to balance environmental protection, social progress and economic growth so that we ensure stability for future generations.

By formally integrating sustainability-driven decisions into our operations, we can demonstrate that we care about positively contributing to the environment, the communities we impact, and our employees, whilst generating value for our clients and end-users.

We are delighted to launch our first Sustainability Strategy, and fully support its vision to make us a leader within our industry. I call on all our employees, suppliers and partners to play their part in achieving its aims and ambitions, and to help us realise the sustainable legacy we intend to leave for future generations.



Danny Chaney
Chief Executive Officer
blu-3 (UK) Limited





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In line with our corporate vision of becoming a world class provider of infrastructure and the employer of choice, blu-3 is committed to ensuring that social, environmental, and sustainable governance issues are at the forefront of all our decision making.

Our sustainability vision:

To be an industry-leading infrastructure provider operating in an economically, socially, and environmentally responsible manner.

Between now and 2030, we will take ambitious action to become a more sustainable organisation.

Our three key themes:



People

Positive Social
Value
Plan



Planet

Environmental
Protection &
Decarbonisation
Plan



Prosperity

Sustainable
Governance
Plan

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Each of our themes are supported by an action plan which set ambitious targets, defines implementation mechanisms, and offers a platform for sharing best practice knowledge and ensuring engagement with all blu-3 colleagues.

We reviewed the issues that are of material importance to our clients and other external stakeholders, as well as asking our colleagues and leaders to identify the material issues to our business.

These form the basis of the priority areas of the action plans.

We will regularly review our progress and report annually on our progress.

Strategy Framework

Sustainability Vision

To be an industry-leading infrastructure provider operating in an economically, socially, and environmentally responsible manner.



To recognise the needs of everyone impacted by our works and maximise the positive contribution we can make to their lives

Health, safety and wellbeing of our employees

Community engagement

Local and responsible procurement



To protect and enhance the natural environment by reducing our environmental impact.

Greenhouse gas emissions

Environmental incidents

Resource use and waste management



To increase business profitability by promoting strong corporate governance and satisfying the needs of our internal and external stakeholders

Talent recruitment and retention

Client satisfaction

Ethical business culture

People



Our Positive Social Value Plan

Our focus for this theme is the wellbeing of our colleagues as well as the communities in which we operate. We are committed to generating positive social value for the stakeholders we impact, whether that is our own colleagues, local communities or our local supply chains.



Our focus

Our aim is..

- for all our colleagues to work in a safe environment that prioritises their physical and mental good health.
- to contribute positively to the communities we work in, or near to, through our charitable activities and local investment.
- to ensure that our supply chains are responsible and that we prioritise local suppliers where possible.
- to support local economies, generate value wherever we work, and reduce the scope 3 greenhouse gas emissions associated with delivering materials to our sites.

Overarching aim

To recognise the needs of everyone impacted by our works and maximise the positive contribution we can make to their lives.

Specific aims



To provide a safe working environment free of injury or incident for our workforce and anyone else affected by our works



To maintain the good mental and physical health of our workforce



To engage positively with the communities we impact and invest in better community engagement



To prioritise local and responsible procurement within our supply chains



Wellbeing of our people

Target

Provide an incident and injury-free working environment

Ensure no harm or injury comes to any member of the public



Key performance indicator

Accident Frequency Rate (RIDDOR)

Target = 0

AFR (Lost Time Injury)

Target = 0

AFR (At fault strike)

Target = 0

Number of safety tours conducted by senior management

2025 TARGET: 2 per month

2030 TARGET: 4 per month

Implementation measures

- Monitor trends in incidents and accidents and implement targeted action programmes where required
- Ensure minimum number of mandatory safety training programmes are delivered to all colleagues per year
- Deliver continual hazard and near-miss training across the business
- Ensure minimum number of safety tours by safety managers, contract managers and directors are conducted and are effective
- Ensure compliance with auditing procedure, process and schedule
- Ensure targets and leading indicators for projects are met on a monthly basis
- Introduce senior management HSEQ inspection tour



Wellbeing of our people

Target

Maintain and improve the mental health of our workers



Key performance indicator

Number of sick days per colleague per year

2025 GOAL: <2

2030 GOAL: <1.5

Number of resignations *(with stress as a factor)*

2022 Establish baseline

2025 GOAL: 10% reduction from baseline

2030 GOAL: 15% reduction from baseline

Volume of overtime claimed

2025 GOAL: 10hrs or less per month per colleague

2030 GOAL: 5hrs or less/month/colleague

100% of 1:1s conducted

2025 GOAL: 95%

2030 GOAL: 100%

Implementation measures

- Review and action the results of our employee engagement survey
- Monitor 1:1s conducted and baseline information
- Provide refresher appraisal training to the management team
- Upskilling managers for reviews, objective setting and motivating teams
- Simplify PDR process, making in the moment feedback easier
- Introduce quarterly employee review in addition to the PDR process
- Implement Talent Lead role to source quality and experienced candidates
- Implement effective exit interviews for leavers
- Introduce 'stay' interviews with colleagues
- Roll out of 'Own Minder' programme across the business throughout 2022
- Engage in occupational health campaigns (e.g. workplace stress)
- Improve understanding and monitoring of overtime worked by all employees
- Increase site engagement with mental health first aiders
- Increase training and awareness of MHFA
- Increase mental health initiatives across the business
- Increase reach of MHFA and ensure there is always someone with the appropriate training available within reach



Wellbeing of our people

Target

**Increase
physical
well-being
of employment**



Key performance indicator

Number of mental health first aiders trained

2022 GOAL: 1 per project >£1m/static office

2025 GOAL: 1 per project >£500k/static office

2030 GOAL: 1 per project/office

% of workforce attending well-being clinics and health checks

2022 GOAL: Baseline data information

2025 GOAL: 10% improvement

2030 GOAL: 30% improvement

Implementation measures

- Increase provision and awareness of occupational health facilities available
- Increase provision of and breadth of health checks available to employees
- Implement targeted programmes for key issues (smoking cessation, stress management in the workplace, healthy eating and financial guidance)
- Review occupational health providers



Positive community engagement

Target

Increase uptake of volunteering

Key performance indicator

% of employee uptake of paid volunteering day

2022 GOAL: Baseline data information

2025 GOAL: 25% improvement from baseline

2030 GOAL: 50% improvement from baseline

Implementation measures

- Implement better awareness of paid volunteering day
- Generate and promote library of volunteering opportunities for employees
- Commit to one corporate volunteering event per quarter

Invest in the communities impacted by our works



Generate baseline figures for community engagement across company

2025 GOAL: 3 school engagement activities per year

2030 GOAL: Minimum 3 school engagement activities

- Review corporate social responsibility activities and generate baseline data for resources (time, money, resources) spent
- Produce baseline data for community engagement
- Generate library of community engagement activities
- Communicate community engagement/volunteering opportunities available to employees
- Build on existing relationships with schools to both office and site locations
- Build relationships with new schools within key areas and investigate opportunities for engagement



Positive community engagement

Target

Positive engagement with communities

Key performance indicator

Increase average score received in Considerate Constructors audits

2025 GOAL: Achieve 5* on CCS audit

2030 GOAL: Maintain 5* on CCS audit

Implementation measures

- Review and communicate results of audits
- Invest in improvements for future audits

Close out of complaints from public

2025 GOAL: 95% satisfactory close-out within 7 days

2030 GOAL: 95% satisfactory close-out within 5 days

- Review current timescales for close-out of complaints and implement targeted action to ensure satisfactory close out is met within defined timescale
- Update procedure to implement quicker response
- Implement review process for complaints and introduce targeted response for any repeat occurrences





Responsible and local procurement



Target

Improve procurement of responsible materials



Key performance indicator

% of key materials are procured from sustainably accredited sources

2022 GOAL: Baseline information

2025 GOAL: 10% improvement on baseline

2030 GOAL: 20% improvement on baseline

% of key materials to be locally procured to project (within 30 miles)

% of labour to be procured from within 30 miles of project.

2022 GOAL: Baseline information

2025 GOAL: 10% improvement on baseline

2030 GOAL: 20% improvement on baseline

Implementation measures

- Establish baseline of key building materials sourced from sustainable suppliers (timber, steel, concrete, aggregates, stone)
- Provide responsible procurement training for relevant staff (commercial, procurement, senior leaders)
- Implement auditing programme for supply chain for key responsible issues (modern slavery, sustainable accreditation)
- Implement Sustainable Procurement Policy

- Baseline data from 2022 and target 10% improvements year on year
- Identify key suppliers central to projects and track/monitor data on this to be fed into this strategy

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Planet



Environmental protection and decarbonisation

Research is now showing with alarming clarity, just how quickly we are running out of time to avoid catastrophic and irreversible changes to the world we live in. As a society we must halve global emissions by 2030 and eliminate them completely by the middle of the century. The construction industry is one of the biggest contributors to pollution through its operations, and at blu-3 we recognise the part we play. Without a healthy world, we are unable to function successfully.

Our focus

Our focus for this theme is environmental protection and decarbonisation. We are committed to protecting the environment in which we operate and working towards becoming a net-zero carbon organisation by 2030. To do this we will target our scope 1 and 2 emissions and will work towards measuring and baselining our scope 3 emissions. We will introduce an environmental accident frequency rate to better monitor and raise the profile of environmental incidents.

We will also be focussing on efficient resource use across the business and the reduction of waste; pursuing our value of continuous improvement and reduce our impact as well as generate economic benefits for ourselves and our clients.

Overarching aim

To protect and enhance the natural environment
by reducing our environmental impact

Specific aims



To ensure the protection of the environment in which we work and reduce environmental incidents



Monitor and reduce the greenhouse gas emissions associated with our works



Improve our resource use and efficient waste management

Protection of environment and reduction of incidents

Target

Protection of the environment and reduction of environmental incidents



Key performance indicator

Zero pollution incidents that result in prosecutions or formal notices from a regulatory body.

Environmental accident frequency rate

2022: Baseline goal

2025: 10% reduction

2030: 20% reduction

Implementation measures

- Introduce environmental accident frequency rate and promote awareness alongside health and safety metric
- Implement initiatives to reduce incidents of frequent incidents (e.g. hydraulic hose bursts; better plant maintenance)
- Each project to implement thorough environmental risk assessment
- Implement target for minimum number of environmental hazard and near-miss training days for all colleagues
- Track time it takes to respond and close out incidents. Implement training and awareness to reduce response times

Monitor and reduce our greenhouse gas emissions

Target

Aim to be net-zero carbon by 2030



Monitor our scope 3 emissions

Key performance indicator

Onsite plant/equipment

2025: 70% hybrid/diesel alternatives

2030: 100% hybrid/diesel alternatives fleet van (2t)

2025: 75% electric

2030: 100% electric

Company Car options

2025: 75% electric

2030: 100% electric office energy

2025: 100% offices powered by renewable energy

Generate baseline data for scope 3 emissions.

Implementation measures

- Commit to industry relevant pledge to reduce emissions
- Increase company awareness of targets
- Implement emission reductions into project health check data
- Move towards industry recognised scheme for measuring emissions
- Commit to an industry recognised pledge to reduce emissions
- Develop template for pricing jobs with low-carbon options

- Engage with suppliers to capture scope 3 data for emissions
- Incorporate scope 3 emissions into company carbon impact data.

Improve efficient resource use and waste management

Target

Improve use of resources across the business

Waste



Key performance indicator

Reduce use of high carbon products such as timber, concrete and steel.

Reduce use of primary materials (e.g. prioritise recycled aggregate)

2022: Baseline information

2025: 10% reduction

2030: 20% reduction

Reduce construction waste (particularly skips)

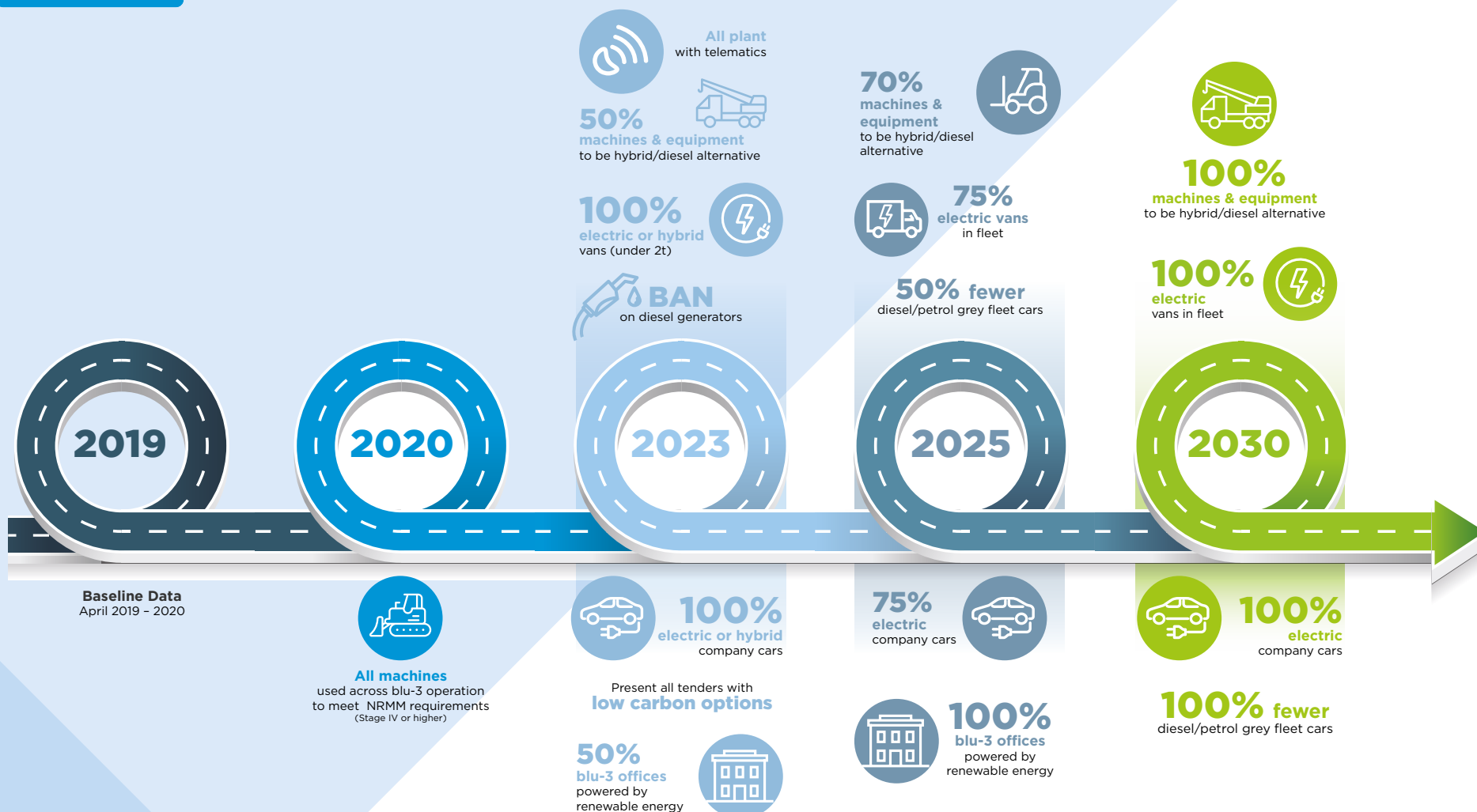
2022: Baseline information

2025: 10% reduction

2030: 20% reduction

Implementation measures

- Improve use of site waste resource management plans to track and review resource use/reuse
- Improve use of company yard to encourage efficient resource use across the business
- Implement better communication with suppliers from point of procurement to explore waste reduction initiatives (e.g. packaging, single-use plastics)
- Early engagement with clients, suppliers and relevant statutory undertakers to prioritise use of recycled materials
- Implement campaign on over-ordering and efficient use of resources
- Introduce and implement Sustainable Procurement Policy



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Prosperity

Sustainable governance

Businesses are increasingly required to be more accountable and transparent about their activities and the ways in which they impact the economy, the environment and society.

REGULATIONS

COMPLIANCE

STANDARDS

POLICIES

RULES

Our focus

We recognise that good corporate governance is about showing leadership that has an impact. We make decisions that are accountable, responsible, ethical and equitable. Our vision is to be a market leader that is competitive, innovative and also recognised for its social responsibility.

Overarching aim

To increase business profitability by promoting strong corporate governance and satisfying the needs of our internal and external stakeholders.

Specific aims



Managing risks
and monitoring
processes



Increase client
satisfaction for
repeat business



Promote and
champion an ethical
business culture



To improve colleague
evolution via
training and decrease
staff turnover



Managing risk and monitoring processes



Target

Managing risks and monitoring processes

Key performance indicator

Reduce timescales to close items identified on risk register

2022: Baseline information

2025: Reduction from baseline (%TBC)

Implementation measures

- Regular management of key risk mitigation processes (e.g. whistleblowing, risk management)
- Defining roles and responsibilities for risk management within the business
- Complete annual review of R&O to identify trends across the business
- Implement training and focussed workshops to increase awareness of the need, purpose and importance of R&O





Increase client satisfaction and repeat business

Target

Increase client satisfaction



Key performance indicator

% repeat business by key clients

2022: Baseline information

2025: 10% business from repeat clients

2030: 20% business from repeat clients

Increase in negotiated work *(i.e. not tendered)*

2022: Baseline information

2025: 10% improvement

2030: 20% improvement

Client 360 reviews completed

2022: All projects >£200k to have at least one client 360 conducted

Projects 6-12m (up to £1m) two 360 reviews completed (1 within first 3 months)

Projects >12m (>£1m) three 360 reviews completed (1 within first 3 months, 1 at middle, 1 at end)

Increase client satisfaction

2025: 90% score on client satisfaction survey

2030: 95% score on client satisfaction survey

Implementation measures

- Review and update client satisfaction process and procedure
- Implement better monitoring and communication of client feedback
- Make better use of client feedback within tenders
- Include client feedback as an item within lessons learnt meetings
- Customer care awareness training to be offered to relevant staff to increase awareness in importance of this issue
- Better communicate client feedback across business
- Monitored via on-site/desktop audits
- Built into HSEQ audit schedule



Improve colleague evolution and increase retention

Target

Promote ethical business culture

Key performance indicator

% relevant staff with ethical business culture training

2025 Goal = 100% relevant employees

2030 Goal = 100% relevant employees

Implementation measures

- Update COC to ensure coverage of all relevant roles within the business
- Ensure all employees are given awareness of the requirements of this code
- Include ethical business question within employee engagement survey
- Roll out ethical business training for all relevant employees
- Upskilling managers for reviews, objective setting and motivating teams



Promote and champion ethical business culture

Target

Improve colleague evolution via training and decrease employee turnover



Key performance indicator

% turnover of staff against industry benchmark

2022: Baseline information

2025: 20% reduction from 2021

2030: 50% reduction from 2021

Completion of personal development plans

Implementation/introduction goal

2022: Baseline information

2025: 75% employees completed 100% of PDP commitments by end of year

2030: 100% employees

Measure internal promotions (as opposed to new hires)

2022 Goal = Baseline information

2025 Goal = 10% improvement

2030 Goal = 25% improvement

Implementation measures

- Roll out recruitment and interview training for hiring managers
- Review onboarding and induction processes
- Introduction of 6-week check in in with People and Culture team
- Objective setting and regular feedback throughout probation period
- Introduce 'stay' interviews with employees
- Review of PDR with a view to move to regular feedback and away from annual reviews
- Monitor effectiveness of 1:1s conducted
- Provide refresher appraisal training to the management team
- Improve quality of candidates recruited
- Promote roles internally, where possible
- Upskilling managers for reviews, objective setting and motivating teams
- Introduction of learning and development budget for departments
- Introduction of personal development plans

People



To recognise the needs of everyone impacted by our works, and maximise the positive contribution we can make to their lives

	2022	2025	2030
Provide a safe working environment free of injury or incident for our workforce and anyone else affected by our works	AFR (RIDDOR) (0) AFR (LTI) (0) AFR (at fault strike) (0)	<ul style="list-style-type: none"> • AFR (RIDDOR) (0) • AFR (LTI) (0) • AFR (at fault strike) (0) • 2 safety tours by senior management per month 	<ul style="list-style-type: none"> • 0 AFR (0) • AFR (RIDDOR) (0) • AFR (LTI) (0) • AFR (at fault strike) (0) • 4 safety tours by senior management per month
Maintain and improve the mental health of our workers	Baseline info	<ul style="list-style-type: none"> • <2 sick days • 10% resignation reduction • <10hrs overtime claimed per employee • 1 MHFA per project >£500K 	<ul style="list-style-type: none"> • <1.5 sick days • 15% resignation reduction • <5hrs overtime claimed per employee • 1 MHFA per project
Increase physical well-being of employees	Baseline info	<ul style="list-style-type: none"> - 10% attendance increase to well-being clinics 	<ul style="list-style-type: none"> - 30% increase in uptake of employee volunteering days
Engage positively with the communities we impact and invest in better community engagement	Baseline info	<ul style="list-style-type: none"> - 25% increase in uptake of employee volunteering day - 3 school engagement activities per year - Achieve 5* CCS audit score - 95% close out complaints within 7 days 	<ul style="list-style-type: none"> - 50% increase in uptake of employee volunteering day - Minimum 3 school engagement activities per year - Maintain 5* CCS audit score - 95% close out complaints within 5 days
Responsible local procurement	Baseline info	<ul style="list-style-type: none"> -10% more key materials sourced from certified sources - 10% increase in locally procured materials and labour 	<ul style="list-style-type: none"> - 20% more key materials sourced from certified sources - 20% increase in locally procured materials and labour

Planet



To protect and enhance the natural environment by reducing our environmental impact

	2022	2025	2030
Protection of the environment and reduction of environmental incidents	Introduce EAIFR	<ul style="list-style-type: none"> • 10% reduction EAIFR 	<ul style="list-style-type: none"> • 20% reduction EAIFR
Monitor and reduce our greenhouse gas emissions		<ul style="list-style-type: none"> • 70% equipment/machines to be hybrid/diesel alternative • 75% electric vans (<2T) in fleet • 50% fewer diesel/petrol cars within grey fleet • 75% electric company cars • 100% offices renewable energy 	<ul style="list-style-type: none"> • 10% equipment/machines to be hybrid/diesel alternative • 100% electric vans (<2T) in fleet • 100% fewer diesel/petrol cars within grey fleet • 100% electric company cars
Monitor our scope 3 emissions	Baseline info	<ul style="list-style-type: none"> • TBC 	<ul style="list-style-type: none"> • TBC
Low-carbon tender options		<ul style="list-style-type: none"> • Present all tenders with low carbon options 	<ul style="list-style-type: none"> • Present all tenders with low carbon options
Improve resource and waste management	Baseline info	<ul style="list-style-type: none"> • 10% reduction in use of high carbon products • 10% reduction in use of primary materials • 10% reduction in C&D waste removed 	<ul style="list-style-type: none"> • 20% reduction in use of high carbon products • 20% reduction in use of primary materials • 20% reduction in C&D waste removed

Prosperity

To increase business profitability by promoting strong corporate governance and satisfying the needs of our internal and external stakeholders

	2022	2025	2030
Managing risks and opportunities and monitoring processes	Baseline info	<ul style="list-style-type: none"> • Reduce timescales to close out items on risk registers (% TBC) 	<ul style="list-style-type: none"> • Reduce timescales to close out items on risk registers (% TBC)
Increase client satisfaction for repeat business	Baseline info	<ul style="list-style-type: none"> • 10% increase repeat business • 10% increase negotiated work • All projects to have 1 client 360 survey conducted 	<ul style="list-style-type: none"> • 20% increase repeat business • 20% increase negotiated work • All projects to have at least 1 client 360 survey conducted
Improve colleague evolution via training and decrease employee turnover	Baseline info	<ul style="list-style-type: none"> • 20% turnover reduction • 75% staff complete 100% PDP commitments • 10% increase internal promotions 	<ul style="list-style-type: none"> • 50% turnover reduction • 100% staff complete PDP commitments • 15% increase internal promotions
Promote ethical business culture		<ul style="list-style-type: none"> • 100% relevant employees to have training 	<ul style="list-style-type: none"> • 100% relevant employees to have training