

RSK SUSTAINABILITY ROUTE MAP 2021 PROGRESS REPORT



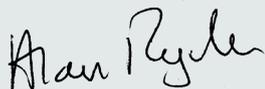
RSK

Introduction

Since RSK's inception back in 1989, sustainability has been one of our nine business principles. Our business is centred around the delivery of solutions to our clients that support the United Nations Sustainable Development Goals, for example, improving farm productivity, creating new habitats to facilitate biodiversity net gain, food supply chain stakeholder engagement, climate change assessments, peat bog restoration, land regeneration and provision of water services. The metrics by which we measure our own performance have also changed from purely financial metrics to ones that encompass carbon, biodiversity, social value and governance. This is in response to the Sustainable Development Goals, climate change and the recognition that we are living beyond the means of our planet's resources.

Our sustainability route map is structured around five pillars: safety, health, environment and quality (SHEQ), our people and ethics, environment and communities, clients and suppliers, and finance and governance. Under each of these pillars, we have selected four topics to focus on, with a long-term aspirational goal that we are working towards for each topic. We have set ourselves 20 targets across the 5 pillars to achieve every objective. During FY21, businesses globally were grappling with the effects of the pandemic. Although this certainly provided challenges and made many of our targets more difficult to achieve, it also enabled innovation and new services to be established. We delayed the installation of electric vehicle charge points, awarded fewer apprenticeships than planned and could not meet our proposed supplier payment target. We did, however, generate homeschooling packs and support employees working from home in unprecedented numbers; and who would have thought, two years ago, that we would be instrumental in Chester Zoo reopening to the public?

We are publishing this report to give our stakeholders an update on the progress we have made on our sustainability targets and ensure that we remain transparent about areas for improvement.



Alan Ryder, Chief Executive Officer



Safety, health and quality

Providing safe and healthy conditions of work, preventing both physical and mental harm to workers and ensuring that our services satisfy the highest professional standards with year-on-year improved performance.



Topic	2021 objective	Result
Quality	Driver and vehicle management training available to all business drivers	Training is available and communicated to all UK staff
Health and well being	100% of offices have well-being champion	Not completed owing to COVID-19; 66 well-being champions and 65 mental health first aiders in place
Quality	Roll out SHEQ MS to Office 365 SharePoint	The roll out has been successfully completed
Continuous improvement	100% of workers receiving health and safety training	Induction training and basic training is available to all staff

Progress indicator: ■ On target ■ Behind target but improving ■ Needs immediate action

RSK COVID-19 Response

In response to the COVID-19 pandemic, hygiene requirements were enhanced at all RSK facilities, including fieldwork locations. All offices were provided with hand sanitiser to keep at main entrances and other welfare areas. Deep-cleaning teams were provided with protocols, effective cleaning supplies and suitable PPE. We also assembled regional COVID-19 response teams to provide a decontamination service when a deep clean was insufficient. Measures to ensure that homeworking was safe and practical for as many employees as possible included adapting roles and providing technical support. Effective social distancing pathways were implemented when employees gradually began to return to the office.



Our people and ethics

Developing a satisfied and motivated employee base, providing opportunities for career progression, enhancing workforce diversity and treating each person fairly and equitably based on individual merit.



Topic	2021 objective	Result
Inclusivity	Facilitating homeworking for over 75% of office-based workers during the COVID-19 pandemic	We switched quickly to homeworking while making sure that employees had the necessary technology and equipment to work safely from home
Training and development	Introduction of online training to accommodate homeworking	We launched our online training platform and employees could easily access relevant training remotely
Engagement	Extension of share offer programme to staff	All employees were invited to buy ordinary shares to increase the level of employee ownership
Ethics	100% of team leaders trained in human rights	Owing to COVID-19, our original plans were delayed, but we continue to roll this out

Progress indicator: ■ On target ■ Behind target but improving ■ Needs immediate action

Launching the junior business development forum

RSK's junior business development forum is made up of environmental impact assessment specialists, environmental managers and landscape architects in the first five years of their careers who have a shared interest in business development. The topics covered at the forum focus on what business development departments are currently doing, what they would like to focus on next, or how to improve networking skills. The initiative provides a great opportunity for like-minded colleagues to meet up on a regular basis, form friendships, improve their confidence and support one another in their work.



Environment and communities

Finding innovative ways to use fewer natural resources, produce less waste and contribute to the transition to a low-carbon economy, while also managing the environmental risks associated with our activities and minimizing potential disruptions to local ecosystems and surrounding communities.



Topic	2021 objective	Result
Community engagement	Published "homeschooling packs" to support parents during COVID-19 lockdowns	RSK technical experts created range of child-friendly resources to help keep them busy while schools were closed over lockdown
Environmental protection and enhancement	Charge points for electric vehicles at largest RSK offices in UK and Europe	Two offices have been equipped with charge points with the intention of equipping other offices next year
Climate change	Sign up to carbon reduction initiatives.	RSK has signed the Pledge to Net Zero, an initiative that commits us developing science-based targets to measure, report and monitor its carbon footprint
Resource efficiency and waste	Report water use for all offices and implement an action plan for water use reduction	An action plan was developed but its implementation was postponed due to COVID-19

Progress indicator: ■ On target ■ Behind target but improving ■ Needs immediate action

Reusable face coverings

RSK Response has been doing its bit to help mitigate the environmental impact of disposable face masks by ditching its usual business cards in favour of reusable face coverings. The masks, which were given out to potential clients, feature the RSK Response logo and are washable and reusable.

"We were very disappointed to see the amount of litter that has been created from disposable face masks since the beginning of the pandemic," said RSK Response Environmental Incident Response Consultant Emily Martin. "As a company providing COVID-19 decontamination and protection services, we thought that there was a great opportunity to do our bit, so we decided to give out reusable face coverings to potential clients instead of our usual business cards. These proved to be very useful, as more settings, such as shops and other indoor spaces, in the UK required people to wear a face covering."



Clients and suppliers

Playing our part in a sustainable value chain through collaboration, exercising appropriate due diligence, supporting economies local to our operations and developing long-term mutually beneficial relationships with our business partners.



Topic	2021 objective	Result
Collaboration	Set up working group to promote collaboration across our value chain as the basis for subsequent targets	Established within our innovation network
Selection and development	60% of approved suppliers to have an environmental policy	Progress is challenging owing to a fragmented supplier base. Our top 50 suppliers will be prioritised next year.
Local economy	50 apprentices employed across the company	36 apprentices were employed
Relationship management	90% of invoices paid within agreed terms (clients and suppliers)	Unachievable in the context of the COVID-19 pandemic

Progress indicator: ■ On target ■ Behind target but improving ■ Needs immediate action

Apprenticeship success

Londeka Noxolo has completed a six-month internship in South Africa. "During the first six months at RGM Environment (Pty) Ltd, I have acquired numerous resourceful skills. Field work has been intriguing, from understanding the objective of the investigation to conducting either soil or water sampling and working with contractors, and I am grateful for the support and mentorship from my seniors. As a graduate with no work experience, my technical skills have greatly improved. The training modules and different webinars available have added great value to my professional development as a young female scientist. I am very humbled to be surrounded by a team with great skills and experience in the field of science. My great appreciation goes to RGM for giving me this opportunity to grow in my career and make my dreams a reality."

Max, an RSK apprentice at the Structural Soils laboratory, says, "I have learnt how to work safely in a laboratory and how to comply with regulations that are relevant to the business. In addition, I have gained the knowledge and practice of how to perform laboratory tasks using the appropriate scientific techniques, procedures and methods. I have learnt the importance of UKAS audits and how to help the laboratory maintain this accreditation. During the last two years, I have been shown and then trained on how to run a variety of testing on soils and rock to BS1377, EN ISO 17892 and the ISRM standards." Following the successful completion of his apprenticeship, Max has now been offered a laboratory technician position at Structural Soils.



Finance and governance

Investing in strong financial performance and sustainable growth that is grounded in our commitments to integrity, governance and responsible business practices.



Topic	2021 objective	Result
Governance	Review compliance policies and procedures and further develop the group board's governance training	Compliance policies were reviewed, and governance training will be launched next year
Financial performance	Despite COVID-19, deliver £30 million pro forma EBITDA for the first time	Over £40 million achieved
Investment and growth	Invest £20 million in our global businesses	More than £11 million was invested in capital expenditure across the group and over £65 million on new acquisitions.
Business probity	Update audit protocol for corporate compliance issues	Postponed to next year owing to insufficient resources

Progress indicator: ■ On target ■ Behind target but improving ■ Needs immediate action

Award-winning acquisition strategy

The Environmental Business Journal (EBJ) has named RSK as one of its Business Achievement: Mergers & Acquisitions award winners for the second year running. The annual awards recognise outstanding business performance. The EBJ specifically highlights RSK's recent acquisition of Black & Veatch's UK and Asia water businesses, now renamed Binnies, in its summary of RSK's achievements: "[Binnies will add] an expected £160 million to RSK's annual revenues. The deal [includes] UK-based Black & Veatch Limited, Black & Veatch Hong Kong Limited and Black & Veatch (SEA) Pte Limited in Singapore. The businesses ... specialize in water utility, infrastructure, engineering and environmental projects, and flood and coastal defence planning and design. The deal will increase RSK's headcount from 4,300 to 5,500 employees worldwide and add significantly to RSK's Asian footprint."

On the acquisition, RSK Chief Executive Officer Alan Ryder commented, "This acquisition marks the most significant growth in our 31-year history, positions RSK as a market leader in the water sector and provides a springboard for RSK into the East Asian markets. The combination of RSK's environmental, scientific and engineering capabilities and global presence with Binnies' expertise in water utility, flood and coastal and environmental services will enable our group to deliver ever more sustainable water and environmental solutions."

