

Supply Chain Sustainability Charter 2024

For our clients

For our people

PUSHING THE
BOUNDARIES

Shaping a lasting legacy for
our clients, our environment,
our people and society

For society

For the environment

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About Laing O'Rourke

Laing O'Rourke was formed in 2001, bringing together the construction arm of John Laing plc, whose origins stretched back to 1848, and R O'Rourke & Son, a regionally-based formwork and concrete specialist, founded in 1978. Since those very beginnings, we have taken pride in our sense of purpose which sit at the heart of the company.

Our strong culture stems from our family ownership and a passion to deliver projects that improve the lives of the communities they serve. Our company purpose, which is to push the boundaries of what's possible in service of humanity, together with our values of care, integrity and courage, are what make us unique. They help drive the impact that we want to have as a business in the world.

We recognise that our industry is a significant contributor to global emissions, and we have a determination to take on the sustainability challenge inherent in construction. The decisions we make over materials, construction methods, supply chain partnerships, community engagement – among many others – all have an impact.

We recognise that achieving net zero isn't feasible with our current materials, technologies and methods. Furthermore, we understand that transformation cannot happen in isolation. Collaborating closely with supply chain partners who share our ethos and vision is essential for our collective success.

Our 2030 goal is to achieve carbon reduction aligned with our approved science-based targets: 42% reduction in Scope 1 & 2 and 25% reduction in Scope 3. Before 2050 we plan to be a net zero company delivering nature positive solutions with teams that represent our diverse society. We're committed to enriching the lives of 2 million people and creating £2bn of social impact by 2030.



We are shaping
a lasting legacy
for our clients,
our society,
our environment
and our people.



Purpose of this document

This document sets out our expectations for supply chain members in terms of supporting our sustainability strategy, meeting our targets and improving the sustainability profile of the construction industry.

We understand some supply chain partners may not yet be able to fulfil all the expectations documented.

We are committed to collaborating with those organisations to create action plans and offer assistance to help bridge any gaps and ensure we are all working to the same high sustainability standards.

We believe in true partnership, and welcome input on how we can nurture and expand engagement opportunities and foster innovation on our collective journey towards a sustainable future.

Further detail is provided throughout the document. *Visit our summary table of all our expectations [here](#).*

This document will be reviewed regularly to reflect the fast-paced movement within the sustainability sector.

This document should be read in conjunction with the Health & Safety and Environmental Sustainability Standards & Expectations for Contractors & Suppliers.

Further information on our sustainability journey can be found within our [Sustainability Report](#).



Introduction



Adam Crompton
Head of Procurement for Europe



Rossella Nicolin
Head of Sustainability for Europe



At Laing O’Rourke, our core values of Care, Integrity and Courage support our purpose of “pushing the boundaries of what’s possible in service of humanity” and a key aspect of this is our sustainability agenda which integrates ethical and environmental practises into our entire supply chain to reduce negative impacts whilst maintaining profitability.

We fully understand that our supply chain play a vital role in supporting our business activities and our reputation depends on the quality of the services they deliver. For this reason, I am committed to working closely with our supply chain partners to ensure they share our values, working with us to meet our targets based on our safety, environmental and people development objectives and in supporting our partners through training and knowledge-sharing as well as holding regular forums to communicate clear expectations.



We are clear about our sustainability journey and the difference we must make as a business and as an industry. Our 2030 goal is to achieve carbon reduction aligned with our approved science-based targets: 42% reduction in Scope 1 & 2 and 25% reduction in Scope 3, and to be a fully net zero company by 2050. We’re also committed to delivering £2bn in social impact and enriching the lives of 2 million people by 2030.

Although we’re making good progress, we know we cannot achieve these goals in isolation. Working collaboratively with our supply chain partners and industry stakeholders will help us to collectively achieve a cleaner, more equitable and inclusive industry.

We can’t achieve net zero using today’s materials, technologies and approach. By working together, using data to inform our decisions, investing in technology and innovation and by trialling new solutions, we can drive meaningful change.



Our approach to Sustainability

Sustainable practices are central to our company ethos, and we recognise that to truly make a difference for our environment, society, people and clients, we must work collaboratively with our supply chain and industry partners.

Deliver innovative, high performance sustainable solutions

- Reduce whole life carbon through the use of calculation tools, design partnerships and continuous product development
- Modern methods of construction enable us to help clients meet their sustainability ambitions

Engender an inclusive, healthy working environment

- Achieve 50/50 gender balance among 5,500 global staff by 2033
- Maintain industry-leading parenthood policy



Make a positive, lasting impact for society

- Inspire the next generation: Promote STEM and construction careers in schools, colleges and universities
- Enrich the lives of 2 million people whilst delivering £2 billion social impact by 2030

Preserve our planet

- Our 2030 goal is to achieve carbon reduction aligned with our approved science-based targets: 42% reduction in Scope 1 & 2 and 25% reduction in Scope 3, and to be a fully net zero company by 2050
- Use 100% low carbon concrete on our UK projects and progress research on net zero materials
- Understand the impact of our sites, projects and depots on nature and use to inform responsible action





1. For our clients

Deliver innovative, high performance sustainable solutions

Our goal is to deliver innovative, high performance sustainable solutions for our clients. Because of this, we want to work with businesses at the forefront of transformation and those that invest in and prioritise the development of new technologies.

1.1 Whole Life Carbon Reduction

The buildings and infrastructure we build represent major contributions to our clients' carbon footprints. Our clients have ambitious decarbonisation targets in light of legal, commercial, moral and social drivers. They rely on our expertise to help reduce carbon emissions associated with their assets, and, in turn, we are looking to our supply chain partners to help us in working towards these ambitious targets.

To support our whole life carbon measurements and to enable informed decisions we require clear and transparent data from our supply chain partners to identify and progress with carbon reduction opportunities.

We ask that suppliers communicate any assumptions or limitations they experience and ask for support where required in providing this information.

Some projects require Environmental Product Declarations (EPDs) as a minimum standard - in these instances we will look to prioritise those suppliers that can provide us with the necessary information.

Expectation:

Supply chain partners will be required to provide EPDs when requested, or the provision of alternative data where this is not yet available. We are happy to work with you to develop data in line with these requirements. Calculations should be transparent and either independently verified or available for independent audit

1.2 Responsible Innovation

We envisage that many of the low-carbon solutions we will deploy in five years do not yet currently exist. We are fortunate to have a dedicated research and development sustainability team, focused on the identification of future low-carbon solutions and the acceleration of their adoption in projects.

Expectation:

Supply chain partners should:

- Provide market insight on relevant product and material innovation
- Offer lower carbon alternatives
- Submit information on innovative products [here](#)



For our clients

1.3 Supply Chain Excellence

Collaboration

We recognize the significance of cultivating enduring partnerships with our supply chain collaborators, ensuring mutual advantages, and promoting excellence. From initial engagement with suppliers on a project's social responsibility needs, to acknowledging and rewarding innovative partners who design and deliver low carbon solutions, our commitment is to champion and integrate sustainable procurement practices.

Alignment

We align our practices with the [ISO 20400:2017 standard for Sustainable Procurement](#). An independent assessment in 2023 ranked our approach as 'Mature'. Opportunities for improvement have been identified and will continue to be implemented, such as our revised balanced scorecard.

Industry partnerships have proven a valuable way of driving collective action. For example, we are founding members of [ConcreteZero](#), a cross-industry initiative focused on implementing a pathway to net zero concrete.

Our Partnership with the Supply Chain Sustainability School



At Laing O'Rourke, we maintain a close partnership with the Supply Chain Sustainability School (SCSS). The School is an award-winning, industry-wide collaboration that provides free educational resources and sustainability upskilling for those working within, or aspiring to work in the built environment. The School greatly contributes to advancing our collective efforts towards achieving positive and sustainable outcomes. Membership is free and signing up is easy. Once you are a member, you have access to thousands of learning resources, CPD-accredited content and networking activities.

Expectation:

- Supply chain partners to engage with the Supply Chain Sustainability School and its resources by:
 - Becoming a member of the [SCSS](#)
 - Following the required steps to achieve (& maintain) a minimum of [Bronze level membership](#)



Our clients are relying on our expertise to help reduce carbon emissions associated with their assets and, in turn, our collaboration with supply chain partners is a vital step in progressing towards our ambitious targets



For our clients

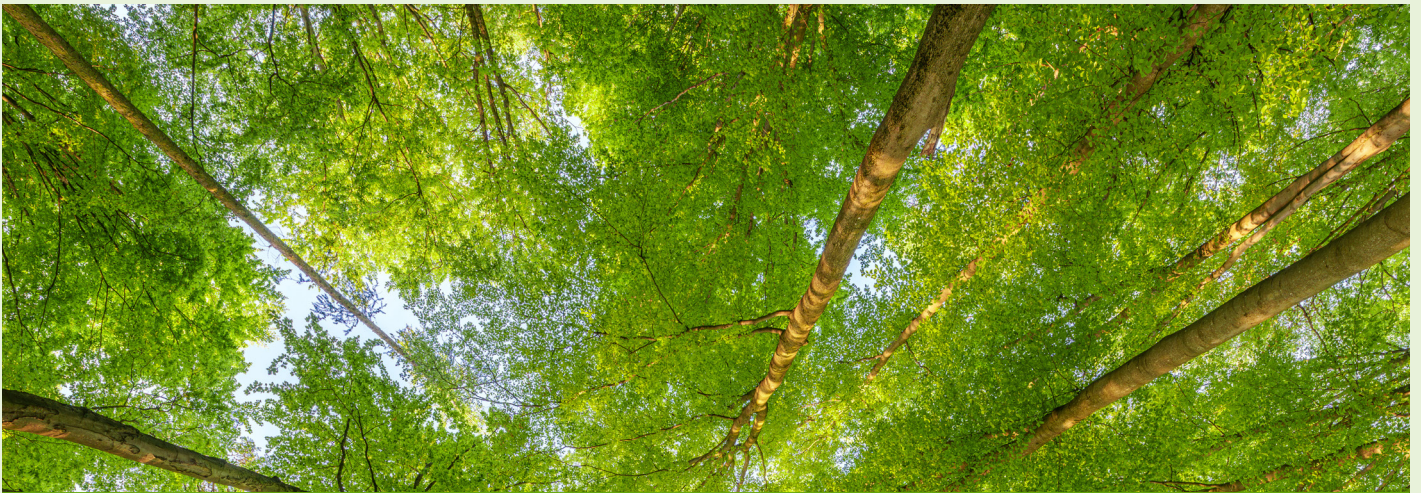
Our Partnership with Constructionline



Our suppliers play a vital role in supporting our business activities, and our reputation is supported by the quality of the services they deliver. Our supply chain management tool, Constructionline helps us to deliver quality and compliance to the Common Assessment Standard (CAS) and facilitates access to sustainability data.

Expectation:

- Laing O'Rourke's favoured vendor prequalification accreditation provider is Constructionline
- Constructionline Gold membership is our preferred accreditation, which includes verification for skills and employment, carbon, equality, diversity and inclusion



Sally Grewcock
Supply Chain
Sustainability Leader



We recognise that partnering with suppliers collaboratively helps us all to make a difference when it comes to achieving our mutual goals, whether that's reducing our impact on climate change or helping to leave a legacy for the communities in which we all work.

We're interested in developing relationships with supply chain partners for the long-term. The introduction of balanced scorecards that reward sustainable commitments, innovations and practices mean we're aligned from the start. We work with industry peers and initiatives to help standardise requests to suppliers, reducing the admin burden and ensuring we can collectively focus on delivering value.

Supply chain partners are critical to our sustainability journey, and we believe in rewarding their commitment with our own.





2. For our people

Engender an inclusive healthy working environment

- Achieve 50/50 gender balance across global staff by 2033
- Maintain industry-leading parenthood policy



At Laing O'Rourke, we are committed to driving real change in our industry, building a diverse and inclusive workforce with rewarding and challenging careers.

We are working towards gender equality as part of our commitment to make the construction industry more diverse and inclusive.



For our people

2.1 Fairness, Inclusion & Respect (FIR)



The FIR initiative, spearheaded by the Supply Chain Sustainability School (SCSS), is a complimentary industry-wide effort that tackles workplace culture issues through the promotion of equity, inclusivity, and respect. It is imperative for our sector to adopt FIR to effectively attract, engage, train, and retain a highly skilled workforce.

Expectation:

- All supply chain partners to foster an inclusive healthy working environment by:
 - Completing the Supply Chain Sustainability School FIR Growth Assessment. This short self-reflection exercise highlights areas for improvement, allowing for the development of an action plan to better your FIR profile as a business



2.2 Doing the Right Thing: Our Global Code of Conduct

Our commitment to safety and responsible practices is pivotal to our success as a growing business, delivering value to all stakeholders. Every day we are trusted by customers, business partners and the communities we work with to do the right thing, make a difference and behave responsibly.

To achieve our 2025 mission of becoming a recognised leader in innovation and excellence within the construction industry, we must preserve and enhance our reputation. At Laing O'Rourke, we pledge to conduct business ethically.

Our Global Code of Conduct clearly sets out the rules and expectations around conduct for our employees and those acting on our behalf, providing a clear framework for workplace behaviour and helping us all do the right thing, no matter what situation we're in.

Expectation:

- All supply chain partners to adhere to and uphold the principles outlined in our [Global Code of Conduct](#)

2.3 Modern Slavery

Modern slavery is a violation of fundamental human rights through the severe exploitation of other people for personal or commercial advantage and includes securing services from children and persons vulnerable to modern slavery, servitude, forced or compulsory labour, human trafficking, debt bondage and deceptive recruiting for labour or services.

Laing O'Rourke is committed to upholding the human rights of all those who work with us and for us, ensuring that they are able to work freely and receive fair pay in return. We expect compliance with [this policy](#) across all of our operations.

Expectation:

- All supply chain partners to have a grasp of potential modern slavery risk within their own downstream supply chains and to carry out due diligence to minimise this risk by:
 - Completing the 'Modern Slavery: An Introduction' [Learning Pathway](#) on the Supply Chain Sustainability School to demonstrate engagement and upskilling on the topic





3. For society

Make a positive lasting impact for society

- **Inspire the next generation:**
Promote STEM & construction careers in schools, colleges & universities
- **Enrich the lives of 2 million people**
whilst delivering £2bn social impact by 2030

At Laing O'Rourke, we define social value as the beneficial impact we have on people within our organisations and the communities we interact with through our projects.

Using the power of experience, we have developed an innovative approach to social value, placing people and communities at the heart of what we do. Our aim is to optimise the socio-economic benefits of our projects and give our people and communities the support they need to thrive.

We expect and encourage our supply chain partners to work in collaboration with Laing O'Rourke to deliver social value against our core themes and align with project-specific priorities, through the initiatives outlined in the expectations below. This also includes the provision of high-quality data to enable social value calculations.



For society



3.1 Inclusive Employment

We believe in providing equal opportunities for all. This is reflected in the diversity of our workforce and in the programmes we deliver to support skills and employability.

We work with communities local to our projects, giving them access to the new employment opportunities that present themselves with Laing O'Rourke and our supply chain to maximise the impact on the local community.

Expectation:

Supply chain partners to:

- Have a positive impact in the project locality, providing new job opportunities to local people, and working with us to align with local recruitment procedures on specific projects
- Recruit inclusively, providing opportunities and support for those facing barriers to employment, such as ex-offenders, prisoners and veterans, through jobs, work placements and employability programmes
- Provide data on the above to our Social Value team where required

3.2 Thriving Local Economies

We're committed to spending locally and with smaller businesses, sourcing as much as possible from the regions we're working in. The nature of our business means that we work within communities for years rather than months and it's important to us that we invest and improve the regions we come to know so well.

Expectation:

Supply chain partners to invest in the local economy and smaller businesses by:

- Maximising spend with Small-Medium Enterprises (SMEs) and Voluntary Community Social Enterprises (VCSEs), utilising tools such as the [Social Enterprise UK Directory](#)
- Prioritising spend with local suppliers, respective to project specified localities
- Providing data on the above to the Social Value team where required

At Laing O'Rourke, we are accredited to the Real Living Wage and it is important to us that we work with businesses that acknowledge and subscribe to the importance of paying a fair wage to their employees.



For society

3.3 Healthy Communities

Wellbeing is of the utmost importance to us, whether it's providing environments that support community health and wellbeing or caring for our own Laing O'Rourke community.

Through our projects, we find ways to support local community groups and local charities in a way that genuinely helps. Whether that's volunteering in the community, leading projects that promote social integration and inclusion or helping to reinforce local culture and heritage, we are passionate about delivering a positive contribution.

Expectation:

All supply chain partners should support the wellbeing of staff, workforce and communities by:

- Running health and wellbeing initiatives in the workplace
- Supporting local communities in accordance with relevant project initiatives in pursuit of respective social value objectives

3.4 Inspiring Future Generations

Apprenticeships bring a multitude of benefits to the workplace such as workforce diversification, youth engagement and upskilling a pipeline of future talent.

At Laing O'Rourke, we deliver our early talent apprenticeship programmes and are committed to upskilling the future generations of our industry. As members of the [5% Club](#), we are recognised as having 5% of our workforce as apprentices, and we want to work with our supply chain to encourage and support them in creating new apprenticeship opportunities on our projects.

Expectation:

All supply chain partners must engage with our Social Value Team and support apprenticeships by:

- Creating new apprenticeship opportunities for local people (respective to projects)
- Developing apprenticeship offer on projects and connecting and working with local people and colleges

We work across the UK to inspire and attract future talent and embed STEM within the national curriculum. We're active in schools and colleges across all age groups to show how varied, challenging and rewarding careers in construction and engineering can be, as well as providing work experience placements in schools and colleges.

For younger learners, our Primary Engineer Programme provides CPD training to teachers so they can deliver high quality, whole class engineering projects mapped to the curriculum. Challenges are designed to be practical and fun to engage young minds.

Expectation:

All supply chain partners to support our STEM programmes or create your own by:

- [Becoming STEM Ambassadors](#)
- Promoting careers in the construction industry through school engagement and supporting the delivery of STEM activities with young people as organised by our Social Value team



4. For the environment

Preserve the planet

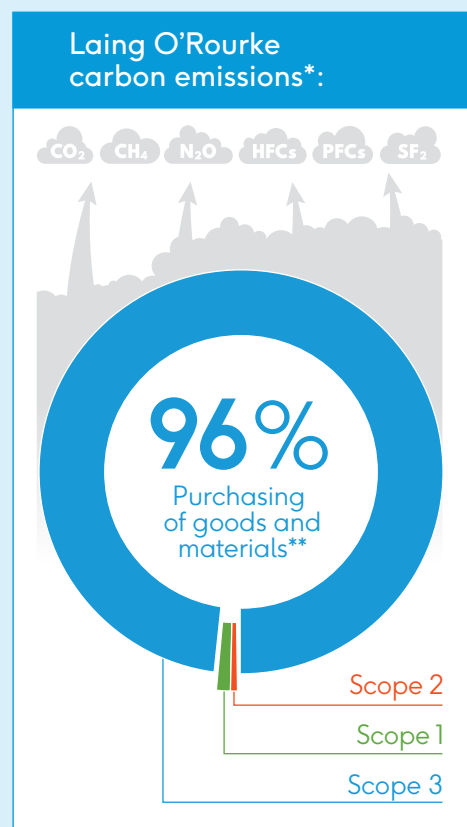
- Achieve carbon reduction aligned with approved science based targets: 42% reduction in Scope 1 & 2 and 25% reduction in Scope 3 by 2030; fully net zero by 2050.
- Understand the impact of our sites, projects and depots on nature and use to inform responsible action

As an organisation we have a substantial opportunity to positively impact our environment. We seek partners who align with our values in minimising our environmental impact and maximising opportunities to reduce whole life carbon and make nature conscious decisions.

Carbon

Low carbon innovation is crucial for our journey to achieve net zero status before 2050. Our purchasing of goods and materials contribute to over 90% of our carbon emissions, underscoring the importance of collaboration with our supply chain partners to drive decarbonisation efforts across the value chain.

Through sector-wide collaboration, we are tackling complex climate challenges and fostering a healthier environment. We invest in low carbon solutions and prioritize emissions reductions over offsetting, integrating climate resilience from design stage throughout the entire product lifecycle.



* Based on FY23 data

** From our supply chain partners



For the environment

Protect the Environment

There is a significant opportunity for the construction sector to leave the environment in a measurably better condition than prior to development. We aspire to maximise this opportunity.

4.1 Disclosure and Transparency

To predict the decarbonisation pathway of our products and services we need to understand the carbon reduction ambitions of our suppliers. We are adopting Science Based Targets (SBTs) ourselves and actively promote their adoption where possible to our supply chain.

Expectation:

Supply chain partners to demonstrate a commitment to reduce their carbon footprint by:

- Having Science Based Targets (SBTs), or an alternative carbon reduction plan in place
- Actively committing to SBTs where supplying carbon intensive materials such as concrete, steel and glazing

4.2 Emission-Free Operations

We understand the importance of reducing our reliance on fossil fuels. We have significantly reduced our greenhouse gas emissions generated from fuel and electricity use in recent years. We are using more sustainable fuels like Hydrotreated Vegetable Oil (HVO), and are utilising electric and hydrogen plant wherever possible. We have also committed to purchasing Renewable Energy Guarantee of Origin (REGO) certificates for all electricity purchased by the business.

Expectation:

Supply chain partners to support the delivery of emission-free operations by:

- Demonstrating that they are taking a similar approach, looking into the relevant alternative technology

4.3 Low Carbon Products and Materials

We want to design out carbon during the earliest stages of a project because this is the point at which we can make the biggest impact. To that end we have developed a design partner framework which looks to foster closer relationships with designers that share our values.

Laing O'Rourke UK are proud to be one of the founding signatories to the Climate Group's ConcreteZero commitment aiming to spearhead the industry's shift towards achieving net zero emissions. Effective from 1st April 2023, a mandate for low-carbon concrete has been implemented across all Laing O'Rourke UK projects. This advancement will expedite our journey towards achieving our net zero commitments.

Expectation:

Supply chain partners are;

- To adhere to our mandate for 100% use of low carbon concrete.
- Encouraged to propose alternative low carbon solutions here.

4.4 Resource Management

We are committed to improving resource efficiency by applying the principles of a circular economy and reducing waste. Effective resource management has multiple benefits - reduced costs, reduced emissions and eliminating risks associated with non-compliance. We are committed to 99.96% diversion of non-hazardous waste from landfill; to meet this target we need support from our supply chain partners.

Expectation:

Supply chain partners will support waste minimisation and circular economy initiatives, including:

- Adhering to the waste hierarchy and prioritising waste reduction
- Identifying and delivering circular economy initiatives such as designing for deconstruction, avoidance of single use plastics and reduction in packaging
- Eliminating the specification and use of materials and products that generate hazardous waste
- Maximising the recovery of waste materials through re-use and recycling





For the environment

4.5 Responsible Sourcing

We are committed to the responsible and ethical sourcing of products, materials and services to minimise the social and environmental impact of our activities. The following expectations are irrespective of any additional project requirements.

Expectation:

Supply chain partners to support our approach to supplying all materials with an appropriate and recognised responsible sourcing certification, including:

- Supply of timber that is responsibly sourced with full chain of custody information.
- Supplying the following materials with a recognised responsible sourcing certification (e.g. BES 6001);
 - Concrete, metal, stone & aggregate, glass and gypsum

4.6 Biodiversity

Many of the raw materials that the construction industry relies upon cause impacts to terrestrial, marine and freshwater ecosystems and the biodiversity that relies on them. At every step of the supply chain, there are likely to be a range of biodiversity impacts caused by the need to extract and transport materials, and to process them into the products we need. Laing O'Rourke is committed to understanding and reducing the nature related impacts of our operations and thus make nature-conscious decisions.

Expectation:

Supply chain partners to support our approach to biodiversity by:

- Minimising biodiversity impacts and developing nature-based solutions through design
- Contributing to the delivery of biodiversity net gain
- Understanding the impact of your own value chain on nature, working with us to take action to reduce this



You may enjoy this [Introduction to Biodiversity Supply Chain Sustainability School e-learning module](#)



Summary Table including all Expectations

 For our clients	• Provide EPDs when requested, or the provision of alternative data where this is not yet available • Provide market insight on relevant product and materials innovation • Offer lower carbon alternatives where possible • Become a member of the Supply Chain Sustainability School & follow the required steps to achieve & maintain a minimum of Bronze level membership • Attain Constructionline Gold accreditation
 For our people	• Complete the Supply Chain Sustainability School FIR Growth Assessment • Adhere to and uphold the principles outlined in our Global Code of Conduct • Understand the modern slavery risk within your own downstream supply chain • Complete the learning pathway: 'Modern Slavery: An Introduction' on the Supply Chain Sustainability School
 For society	• Provide new opportunities to local people and those facing barriers to employment through jobs, work placements and employability programmes • Recruit inclusively & maximise spend with small businesses and local suppliers, respective to project specified localities • Support the wellbeing of staff, workforce and communities • Support the STEM agenda by getting involved with our initiatives or by becoming a STEM Ambassador • Promote careers in the construction industry by liaising with our Social Value team on upcoming school engagement initiatives & supporting the delivery of STEM activities with young people • Provide relevant data on the above to our Social Value team, as and when required
 For the environment	• Demonstrate a commitment to reduce your carbon footprint by having Science Based Targets (SBTs), or an alternative carbon reduction plan in place & actively commit to SBTs where supplying carbon intensive materials such as concrete, steel and glazing • Support the delivery of emission-free operations • Support waste minimisation and circular economy initiatives • Adhere to the waste hierarchy, prioritising waste reduction and reuse where possible • Supply all materials with an appropriate and recognised responsible sourcing certification, particularly when supplying key materials (concrete, metal, stone & aggregate, glass and gypsum) • Support our approach to biodiversity by minimising biodiversity impacts, developing nature-based solutions and contributing to the delivery of biodiversity net gain • Understand the impact of your own value chain on nature, taking action to reduce this