



WILLMOTT DIXON

SINCE 1852

## Sustainable Development Review 2016

**GOOD BUSINESS** LEADERSHIP  
LEARNING PEOPLE EMISSIONS  
WELLBEING SAFETY RESEARCH  
DIVERSITY WATER LIFE-CYCLE  
INVESTMENT RESPONSIBILITY  
SUPPLY-CHAIN SKILLS NATURE  
OPPORTUNITY PROCUREMENT  
LOCAL CONSIDERATE WASTE  
CARBON TRAINING EMPATHY  
ENVIRONMENT APPRENTICES  
SOCIETY COMMUNITY ENERGY  
VALUES INNOVATION CULTURE

## Our business

Founded in 1852, Willmott Dixon is one of the UK's largest privately-owned construction, housing and property groups. Group Chief Executive Rick Willmott is the fifth generation of the Willmott family to lead the business.

## Our vision

We will build on our history and reputation to add value to clients and shareholders by maintaining a leadership role in the built environment, undertaking our activities in a sustainable and responsible manner and contributing to society as a whole.

## Our values

### Human touch



- Health and safety always comes first
- Recognise 'it's all about people'
- Complementary teams are the most efficient
- Promote from within where we can
- No better place to develop a career
- Challenged but contented
- Support diversity

### Relationship focused



- Like-minded customers are critical assets
- Align behaviour with business goals
- Build long-term loyalty
- Make the supply chain a reflection of the company

### Intrapreneurial and direct



- Investors in great ideas
- Promote change for the better
- Ask "is this in the company's best interest?"
- Stretching performance, robust measurement
- Incentives for all, success shared

### Preserve our environment



- Committed to on-going waste reduction
- Determined to reduce our carbon footprint
- Procuring resources on a sustainable basis
- Awareness and adoption of best practice

### Visible and accountable



- Value and promote our brand and heritage
- Community engagement matters
- Be recognised as industry leaders and market influencers
- Encourage 'localism'
- Clear vision effectively communicated
- Demonstrable professional and ethical integrity

Our 2016 Sustainable Development Review provides an overview of our 2015 sustainability performance. It is structured around the four main themes in our Sustainable Development Strategy.



**Putting people first**



**Being a responsible business**



**Tackling climate change and energy efficiency**



**Smarter use of natural resources**

If you have any views or comments on this report then we would be delighted to hear from you. Please send your feedback to:

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 Letchworth Garden City  
 Hertfordshire  
 SG6 4ET

or email [re-thinking@willmott Dixon.co.uk](mailto:re-thinking@willmott Dixon.co.uk)

**£2.5m**

The value of our **community investment** through the Willmott Dixon Foundation



**114%**

We exceeded our 2012-2015 target 'to enhance the life chances of 3,000 young people' by 14%



**38%**

reduction in construction waste relative to project value since 2012



**40.29**

Average Considerate Constructors Scheme score across all projects out of 50 – **13% higher than the industry average**



**0.23**

Accident frequency rate



**31%**

**Carbon emissions** (relative to turnover) are now **31% lower** than our 2010 baseline, putting us in a good position to achieve our 50% reduction target by 2020



**161**

management trainees



**Sustainable business of the year**

Edie Awards



**Carbon neutral**

for the fourth year running



**Regained**

The Carbon Trust Standard



**95%**

landfill diversion rate



**59**

apprentices



**£20k**

in bonuses paid out to employees choosing low emissions cars



**110g CO<sub>2</sub>/km**

Average company car emissions



**1st**

in our sector to achieve **The Carbon Trust's Supply Chain Standard** – the world's first accreditation for companies monitoring and managing supply chain carbon emissions



**£2.9m**

spent on learning and development (approximately £813 per employee)



## The power of setting targets



“We want other companies to view our commitments as a throwing down of the sustainability gauntlet, and accept the challenge of generating even bolder targets.”

Over the last year or so we have made a number of public commitments relating to sustainability. We've committed to halving carbon emissions<sup>(1)</sup>, reducing construction waste by 60%<sup>(2)</sup> and enhancing the life chances of 10,000 young people<sup>(3)</sup> – all by 2020. Where we purchase energy in our offices we've switched to renewable energy – and we have a stated ambition to extend our usage further over the coming years.

These statements have garnered interest and support and have helped to raise our profile as a sustainability leader, but that isn't the reason that we have set our stall out in this way.

For us, setting sustainability targets is logical: we have targets for all our business priorities – whether it's financial performance, client satisfaction, or the quality of work we win. And we know that it is effective for us. We're a business which thrives on challenge! Back in 2012, when we set our original target to 'enhance the life-chances of 3000 young people by 2015', we didn't have an exact route-map to success. In fact, given that the target was one of the first ever to focus on impact rather than proxy indicators (numbers of apprenticeships, for example) we genuinely didn't know if it could be done! But having a target gave us the impetus to successfully apply ourselves to finding a solution.

The coming years are going to be challenging for our industry – there is already a shortage of skilled workers, margins will remain tight as the 'more for less' public sector funding agenda continues and, as always, competition will be intense. Our public commitment to these targets is our way of saying, to prospective clients and employees – 'this is who we are and this is what we stand for' regardless of the economic environment.

We have plans and strategies in place to help us achieve our targets – but even so, there is a lot of work to do. The next few years will see us engaging with what is undoubtedly our greatest resource – the energy and ingenuity of our people – to identify new and exciting ways of helping us achieve them. We will be working even harder to foster innovation and share best practice across our business and supply chain, through awards schemes, conferences and networking opportunities, and we'll be doing more to align incentives to sustainability performance.

At Willmott Dixon we believe that businesses have a key role to play in addressing the big issues facing our planet, like climate change, resource scarcity and the lack of opportunities for young people. The scale of these issues is such that the endeavours of individual companies are unlikely to have a significant impact in isolation. We want other companies and particularly our peers to view our commitments as a throwing down of the sustainability gauntlet, and accept the challenge of generating even bolder targets.

**Rick Willmott**  
Group Chief Executive

### Footnotes

1. Relative to turnover, 2010 baseline
2. 2012 baseline
3. 2013 baseline

## Mind the gap



“Delivering buildings which perform as expected is also a matter of corporate integrity, and the best possible way to build long-term client relationships.”

Over recent months, following revelations about faked car emissions, I've been thinking and blogging about what I believe is a similar issue closer to home – namely, the gap between the predicted energy consumption of buildings at design stage, and their actual performance when in use. Incredibly, research is showing that some buildings may exhibit a gap of more than 50% between design and in-use.

Unlike the car industry, there is no evidence of deliberate falsification in the construction sector. But at a time when energy bills are rising, the focus on carbon emissions is increasing and the effect that buildings have on people's health and wellbeing is becoming better understood, the issue has the potential to impact hugely on the reputation of companies like ours.

While at Willmott Dixon we undoubtedly still have a lot to do in this area, it's fair to say that we are further down the road than a lot of our competitors. We've been exploring different types of contracts which explicitly focus on in-use performance, such as the one we developed in partnership with Bath and North East Somerset Council for the award-winning Keynsham Civic Centre. We've developed expertise in building to the Passivhaus standard, which sets clear goals for energy performance and air quality (there's more about our project to construct the UK's largest non-domestic Passivhaus in this publication – see page 9).

We've also learned a lot from post-occupancy evaluations carried out on many of our key projects, including the Sunesis standardised primary school projects, where having a standardised design has enabled us to really examine what works and what doesn't, in the interest of continuous improvement.

I think we all realise that the challenge of closing the performance gap means some changes in the way we do things. We must improve our understanding of the impact of design choices on thermal performance, and make sure that we use the right products for each job. But an analysis of post-occupancy data on our projects, across a range of sectors, has identified some areas for improvement requiring 'softer' skills.

We need to get better at ensuring that the users of the buildings we construct (these are often different to those people commissioning the building) understand how to use the kit we've installed. This means a better hand-over process, and a bit more support post-completion than we have traditionally been used to providing. It may also mean making simplicity and effectiveness for the user or facilities manager the most important criterion when selecting which controls to install.

Better partnership working with our supply-chain partners is also important. Performance gap issues can easily be the result of designs being followed incorrectly, the wrong materials being substituted for the right ones, or materials not performing in-situ as they did when tested in the factory.

And at the heart of the challenge is the way in which we ensure that we incorporate what we have learned into future projects. How well we close the performance gap will depend on how we can share knowledge across the organisation, and beyond to our supply chain, and how successfully we can embed that learning into our policies and processes.

We are clear that showing real leadership in tackling the performance gap should be a priority for us. We think that having a reputation for closing that gap will confer considerable competitive advantage. But it's not just about commercial gain. Delivering buildings which perform as expected is also a matter of corporate integrity, and the best possible way to build long-term client relationships.

**Jonathon Porritt**  
Writer, campaigner and Non-Executive Director



# Continuing to challenge the business



"2016 is about looking to create the right conditions to enable the sharing of best practice, increase knowledge and encourage innovation."

In 2015 we saw the culmination of two of our headline targets, set in 2012 – the first, to reduce waste by 15%, the second, to enhance the life-chances of 3,000 young people. I'm delighted to say that we exceeded both, by a considerable margin.

In fact, 2015 was a really good year for our sustainable development endeavours. We delivered some truly exemplar projects (more about these in this publication). We increased the amount we spent on learning and development. The work we have been doing to win hearts and minds within the business paid off – with significant improvements in people's understanding of the part they should be playing in delivering our Sustainable Development Strategy. We regained The Carbon Trust Standard, and remained a carbon neutral business for the fourth year running.

In fact carbon emissions continue to be a material issue for our business – it takes a lot of energy to build, retrofit and maintain buildings. But only a fraction of the associated emissions are under our direct control. The majority actually comes from our supply chain. This is why we were pleased to be one of seven companies taking part in a Pathfinder initiative with The Carbon Trust, to investigate how companies might work together with their suppliers and sub-contractors to address so-called Scope 3 emissions. As a result, we were the first in our sector to achieve The Carbon Trust's new Supply Chain Standard.

Community investment was another highlight. In 2015 we invested the equivalent of £2.5m in local communities, through employee time, donations and gifts-in-kind.

2015 saw us joining others in our sector and beyond to push for strong political leadership in advance of the climate change conference in Paris, and we added our voice to a number of campaigns to raise standards of energy efficiency in the built environment.

Our efforts were recognised at the end of 2015 at the Edie awards, where we beat stiff cross-sector competition to be crowned 'Sustainable Business of the Year'.

So it's been a great year. But there is still so much more to do.

Improving the energy performance of the buildings we construct and addressing the 'performance gap' will be big priorities going forward.

In 2015 we set ourselves some of the most aggressive targets in the industry: achieving them will mean changing the way we do things. So 2016 is about looking to create the right conditions to enable the sharing of best practice, increase knowledge and encourage innovation.

**Paul Smith**  
Divisional Chief Executive, Support Services,  
and Group Director with responsibility for  
sustainable development



## Constructing the largest non-residential Passivhaus building

In 2015 we completed the UK's largest non-residential project to achieve Passivhaus certification.

The £42m Centre for Medicine, built for Leicester University, is ultra-energy efficient, achieving an EPC 'A' rating. With an air-tightness test result of 1.0 m<sup>3</sup>/(hr.m<sup>2</sup>), the building exceeds the Passivhaus standard.

The project also looks set to achieve a BREEAM Excellent rating.

**"Over the long term this building will deliver massive energy savings for the university... it's generating so much interest industry-wide – particularly for universities where they're looking at this as a test-bed. I think in the future this will change how we look at energy efficiency in buildings."**

James Elliment, Operations Manager  
Willmott Dixon Construction Birmingham

## Project features include:

- Ground air heat exchanger system
- Heat recovery ventilation
- Solar PV
- Low carbon district heating connection
- Green wall and roof



University of Leicester's project manager Dave Vernan (left) and Willmott Dixon's James Elliment hold the certificate issued by the Passivhaus Institute in Germany.





# Putting people first

## Our ambitions:

- To leave a lasting legacy in communities, helping them to thrive and prosper by enabling and creating a sustainable built environment.
- To inspire young people, particularly those who are socially excluded, by providing opportunities for them to improve their lives.
- To nurture a workforce that is safe, healthy, challenged and contented.
- To add social value to the communities in which we work that is aligned to local needs.

## Our headline target:

To enhance the life-chances of 3,000 young people by 2015.

Exceeded

## Our 2015 achievements

- We exceeded our 2013-2015 target of 'enhancing the life-chances of 3,000 young people' by 14%.
- The value of our community investment was £2.5m.
- Staff raised £335k for good causes through The Willmott Dixon Foundation.
- £2.9m invested in employee development (average spend of £813 per employee).
- A world-class employee engagement score of 79/100.
- Employed 161 management trainees.
- Employed 59 apprentices.
- Provided work experience for 549 young people, including some from disadvantaged backgrounds.
- 54% of Willmott Dixon employees took part in community investment activities.



## University of Brighton Cockcroft building – the largest university retrofit of its kind

Turning a concrete 1960s block into a state-of-the-art teaching, learning and administration space involved the deconstruction of all internal walls, floors, ceilings, windows and associated fixtures and fittings – and all whilst the building was still occupied.

We designed out ceiling and floor finishes to allow easy access and maintenance of services. By simplifying the design and re-using materials we reduced embodied carbon and saved our client over £700k.

We rejuvenated the 1960s building to exemplary standards: efficient lighting design, modern-day mechanical, electrical and plumbing installations, new windows, the introduction of insulation, modern internal fixtures and fittings, photovoltaic arrays, and an aqua-thermal energy store. The building is now using less than half the energy it used before the retrofit, saving the client an estimated £82k a year.

**"...this transformative refurbishment has converted this traditional 1960s building into light, airy, inspirational, state-of-the-art learning spaces for students and a collaborative working environment for staff".**

Professor Andrew Lloyd, Dean of the College of Life, Health and Physical Sciences

**"...the glass partitions have reduced psychological barriers, increasing interactivity between students, staff and facilities... The refurbishment has definitely moved us on."**

Dr Chris Garrett, Principal Lecturer, University of Brighton



## Health on the menu

Staff from Middlesbrough Environment Charity served tasty, healthy meals to workers on our Teeside Central University accommodation site, as part of our annual AllSafe week. We donated £200 to the charity as a thank you.

## Health and safety

Safeguarding the health, safety and welfare of our employees, those who work with us, and anyone affected by our work, is always our top priority. We target zero accidents on site through our Group-wide BSI-accredited OHSAS 18001 certified health and safety management programme. We believe that all accidents can be prevented, so we actively encourage a culture of openness, where people feel confident in voicing concerns. These concerns, or observations, are logged and from these we can extract data on trends and common problems, and change our processes and procedures accordingly. This is why we count the rise in safety observations over the past three years as a particular success.

Perhaps the best measure of our strong health and safety culture is our staff survey, where, in 2015, 99% of respondents said they would actively stop colleagues working in an unsafe manner.

Particular developments in our health and safety activities included increasing the number of visits to sites by senior managers, to demonstrate visible leadership of the agenda. We also banned disposable

masks, requiring instead that our operatives wear half masks that can be fit-tested, to minimise the risk of breathing in particulates. This goes further than HSE requirements.

Like all construction and property services companies, we have regular visits from the HSE to our sites. During 2015, as in previous years, we received no improvement or prohibition notices.

The statistics below include sub-contractors as well as those directly employed by Willmott Dixon.

## Group health and safety performance

	Fatal	RIDDOR Reportable	Accident frequency rates*	Safety observations
2013	0	48	0.26	122
2014	0	46	0.22	315
2015	0	49	0.23	371

\*number of reportable accidents per 100,000 hours worked







## Customers

Partnering has been part of our culture since the 1990s, and client/customer satisfaction are key indicators.

Our Construction, Partnership Homes and Interiors customers score our performance across 17 categories, which include creativity, quality, value for money and problem resolution. While we experienced a slight drop in satisfaction compared to 2014, our score remains consistently high.

### Customer satisfaction score - Construction, Partnership Homes and Interiors

2011	2012	2013	2014	2015
86%	84%	86%	87%	85%

### Customer satisfaction score - Partnerships

2011	2012	2013	2014	2015
95%	93%	94%	89%	94%



Life cycle costing is one way in which we are helping our customers to understand the benefits of sustainable decision making.

Our project to build a £10.2m police custody suite in Bridgend is a good example. Typically, lighting makes up about a third of a custody suite's energy usage, because the building is in use around the clock. We carried out life cycle costing to compare the capital and operational costs of fluorescent and LED lighting.

The capital cost of installing the 243 LED lights was 24% higher than a standard fluorescent tube. However, once installed, we calculated that annual energy demand could be reduced by 20%, providing approximate annual financial savings of £1,721/yr and an estimated payback period of 12 years. Maintenance costs were also reduced.

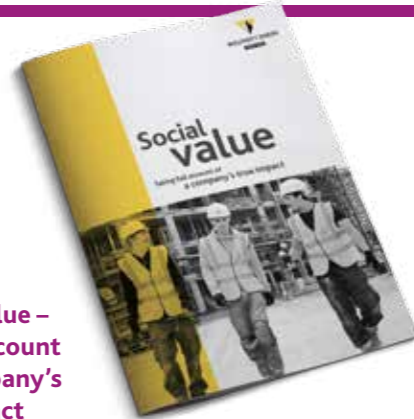


Josh is just one of the many young people for whom we provided work experience in 2015. Josh came to us through the Welsh Government's IN2 Construction work experience programme, which aims to provide training and employment opportunities for long-term unemployed people, and those for whom finding employment is particularly challenging.

### Social Value – taking account of a company's true impact

Social Value remains a key topic for public authorities and other organisations and we have contributed to a range of forums and round-tables on the subject.

In 2015 we issued a publication which captured some of our contributions. 'Social Value – taking full account of a company's true impact' suggests ways in which procurers can assess a company's commitment to social value, and how they can maximise contributions. Drawing on examples from our activities, it has the support of many experts in the field of social value and contains a foreword from MP Hazel Blears, one of the authors of the original Social Value Act and a key figure in the 2015 review.



### 2015 Trainee challenge

We held our second management trainee challenge in 2015, where trainees from across the business identified, planned and delivered a local community project on behalf of the Willmott Dixon Foundation. The Chair of the Foundation and Group Chief Executive, Rick Willmott said: 'We were amazed by the quality of entries in 2014; but this year the standard was even higher.'

Liam Tracy from Construction Hitchin led a team to build a new agricultural teaching facility and horticultural garden at a special-needs school which gave young people facing significant challenges the opportunity to learn a new subject. Six of the eight young people who gained work experience on the project have now found full-time work.

## Communities

### Community investment through The Willmott Dixon Foundation

The Willmott Dixon Foundation guides and reports on all our community activities. Since it was founded in 2011, our business has become regarded nationally as an industry leader in community investment. We contributed to Lord Young's review of the Social Value Act and were featured as an example of best practice in his 2015 report.

The Willmott Dixon Foundation has identified three main themes around which we focus our community investment activities:

- tackling youth unemployment and inspiring young people
- social exclusion
- community transformation

These are areas where we believe we can make the most difference.

Financial donations make up part of our contribution, but the largest proportion comes from the investment of the skills, knowledge and enthusiasm of our people, given through community hall makeovers amongst other things, but most often in the form of mentoring, and working with schools and colleges on a range of activities designed to improve skills, confidence and aspiration.

The value of our activities in 2015 came to an amazing £2.5m. However, we don't believe that it is possible to express the difference we have made to people's lives simply in pounds and pence.

This is why, in 2013, when we set our first community investment target, we did not focus on financial values, but on impact. Our target was to 'enhance the life chances of 3,000 young people by 2015', but in setting that we acknowledged that different interventions impact people to different degrees. It is always difficult to judge the impact of some interventions compared to others, though in broad terms, we know that some – such as providing apprenticeships to unemployed people – are likely to transform lives, while others – for example, delivering mock interviews or providing work experience for university students – help to improve life chances. The infographic below may help shed some light on our thinking. There are some interventions we don't count (such as site visits and careers talks) as we don't class these as transformational, though we do know that sometimes they may lead to changes in attitude or ambition. There are, of course, grey areas, and these are the subject of continuing, and healthy, debate within our community team.

Our methodology, therefore, counts interventions which improve life chances or contribute towards a change as having a value of one-third compared to an intervention which transforms someone's life. So we have 'improved' the lives of 6113 young people since 2013 (which using our methodology counts as 2038 towards our target) and 'transformed' the lives of 1388. In total therefore we have made a difference to the lives of 7,501 young people – and more than achieved our target!

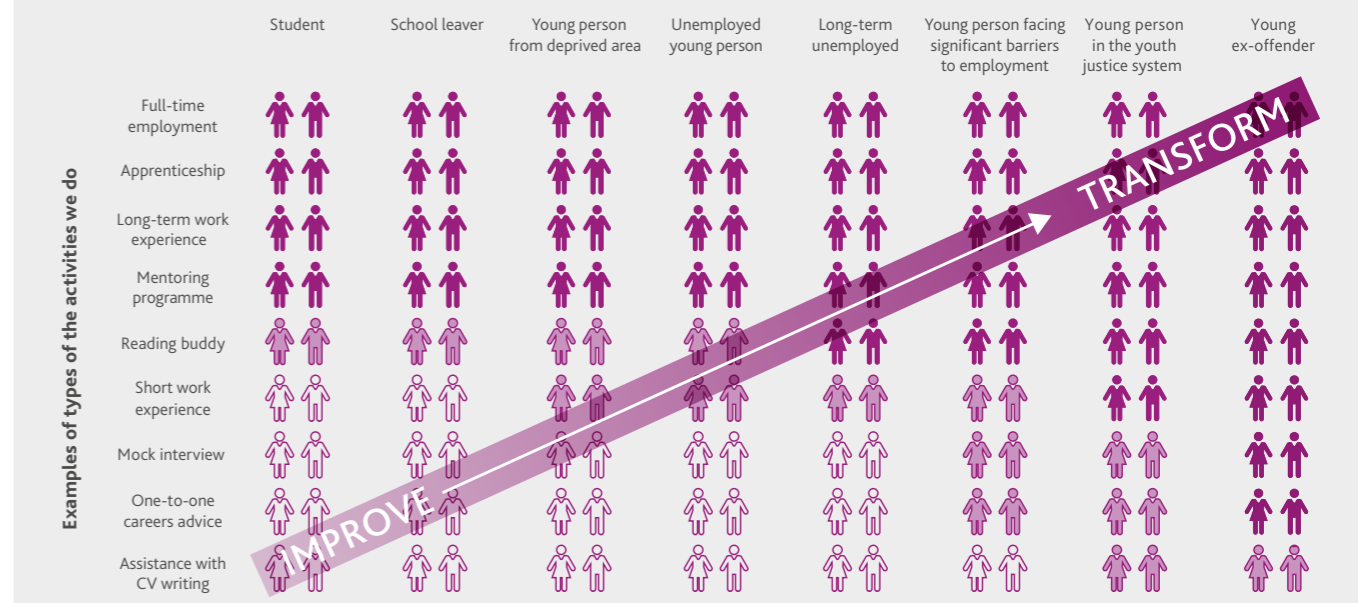


When DIY SOS Big Build came to East Manchester to create a community, our Manchester construction team were only too happy to get involved. Working with a range of charities, other contractors and our supply chain partners, we helped to create a community for military veterans by bringing empty homes back into use and improving the local streetscape.

**"We couldn't have done this without the amazing support of all these trades. The enormous amount of help – in time, materials, labour and much more – is a tribute to our nation's building industry."**

Nick Knowles  
BBC DIY SOS Presenter  
(pictured above with Paul Gallagher, Assistant Building Manager).

### "Improving" or "Transforming" life chances?



This graphic demonstrates the many factors we take into account when deciding if an intervention has enhanced or transformed lives.





### Robin Hood Chase brings community benefits

We completed the final part of an extensive makeover of Robin Hood Chase in Nottingham in April 2015. The project involved the demolition of a former health centre, two blocks of shops and flats to create self-contained independent living apartments for the over 55s and people with disabilities.

The project was situated at the heart of the St Ann's community, so it was important to make sure that local people were involved. We worked with a range of partners, including Nottingham City Council Employment Hub, New College Nottingham and Nottingham City and Central College. We also offered employment opportunities to ex-offenders in conjunction with Nottingham Boxing Club (Switchup). In total, we provided 72 local people with work opportunities.

The project also brought economic benefits, as 98% of the project spend was allocated to sub-contractors within a 60 mile radius of the site.

**"I am hugely proud of this project and what we have achieved in the community."**

Professor Andrew Lloyd, Dean of the College of Life, Health and Physical Sciences.

**"In my opinion this project has been one of the best examples of a main contractor that has used their influence positively on a development to create jobs and training for local disadvantaged people."**

Nathan Wilkins, coordinator for the Nottingham City Council Employment Hub.



### Supporting young people

Willmott Dixon Partnerships is enhancing the lives of young people

*(Top)* Taylor Robbins was Willmott Dixon's 2015 Apprentice of the Year. The award was presented at a special ceremony in Birmingham by legendary athletics star Kriss Akabusi, MBE. Taylor had joined Willmott Dixon Partnerships less than a year previously from Back on Track, a scheme which enables disadvantaged people to make lasting changes in their lives. Since joining, Taylor had helped on numerous community projects and represented Willmott Dixon at the Youth Parliament in Westminster.

*(Right)* Apprentice Ellie King is just one example of how we are transforming job prospects for young people across the country. In 2014 she was highly recommended at the UKCC national apprentices awards, and by 2015 was well on the way to becoming a plumber after achieving NVQ levels 2 and 3 in electrical installation.

*(Bottom)* Work placements for young people is just one way in which Partnerships is providing tangible benefits. One of the young people for whom we provided a placement said afterwards:

**"I learned new skills in different trades and feel more confident. It gave me a real insight, including how we work in a safe environment."**







**"For as long as I've worked with Willmott Dixon, there's been a stated aim not only to pay contractors on time but to improve the financial environment where we can."**

John Waterman,  
Chief Operating Officer,  
Willmott Dixon Construction  
(interview in Construction  
News, 10 April 2015)

## Supply chain

### Supply Chain Sustainability School



We are a founding member of this school, which provides free sustainability training and resources for construction industry suppliers and sub-contractors. We continue to encourage our supply chain to sign up. By the end of 2015, 1,116 of our suppliers had registered with the school.

### Payment

Our EarlyPay portal, launched in 2014, allows our suppliers to receive early payment. EarlyPay is voluntary and suppliers pay a nominal amount of interest to take advantage of the cashflow boost.

By the end of 2015, 150 preferred suppliers were actively using the system and £175m of spend went through EarlyPay.

### New pre-enrolment procedures

We launched online pre-enrolment procedures in 2015 to enable our sub-contractors to upload details of their CSCS card and training before starting work on site. This ensures that they undergo all the necessary induction training, giving them more time on site to devote to location-specific safety training. We estimate that pre-enrolment has saved us roughly 40,000 hours. Operatives prefer it, because it means that they can get started on site immediately rather than having to do lots of paperwork. In 2016 we will be extending pre-enrolment to allow cross-referencing with the CITB database, enabling us to double check on eligibility to work and qualifications.

### Thanks to our generous supply chain partners

Our supply-chain partners' donations of time, money and goodwill have made a significant contribution to our community investment work. Those mentioned below are just a few of the hundreds of valued suppliers who have played such a big part in our community activities.



Groundworks company St Lewis Design has donated time and materials to many of our projects. The company was also awarded 'best sub-contractor 2015' in our regional supply chain awards. Picture shows two large planters they supplied and built at Derry Avenue, Thurrock, for less able residents to use.



Jewsons, Derry Building Services, Plaza, Caxtons Builders, Rilmac, Midland Building Products, J Wright Roofing and AR Signs were just a few of the suppliers who donated time, money and goodwill to our East Midlands community project, 'Field of Dreams'. The cricket clubhouse we built will help improve the lives of young people through sport, and by creating associated new apprenticeships.



Afan, Keyline, Atlantic, IWC and SGB all provided a huge amount of help in renovating Butetown Community Centre in Cardiff.



A host of suppliers donated over £32k in money, supplies and services to rejuvenate the Calthorpe Community Centre and gardens in the centre of London.



### Getting Oldham working

We completed Oldham and Royton Leisure Centres in autumn 2015. During construction our team signed up to the Get Oldham Working Construction Charter. Companies that adopted the charter undertook a voluntary commitment to produce work-related opportunities for the people of Oldham.

Consequently, we attended employability events, visited schools, sponsored local awards and undertook a community project to refurbish local shops. We held a 'meet the buyer' event, which was attended by nearly 50 local companies, and ran an Open Doors weekend for people to visit the construction site and find out more about careers in construction. We organised several fundraising events for local good causes.

By the end of the project we created and facilitated 26 apprenticeships, both directly and through our supply chain partners, delivered 1,576 hours of work experience to local people, created 31 new jobs, and spent 40% of project budget in the borough of Oldham.

**"Willmott Dixon are genuinely committed to local economic benefit and were prepared to sign up to voluntary targets for local employment and local companies within their supply chain. They manage the balance between use of local companies and the pursuit of value very well."**

Cath Inchbold, Project Director, Oldham Council.

Below Anthony Dillon, managing director of our Northern Construction office, with Jim McMahon, then Leader of Oldham Council, and now MP for Oldham West and Royton.







**"The skills gap remains a ticking time bomb, with not enough new people replacing those we lose from the industry each year."**

Rick Willmott, Group Chief Executive, (article on Agenda 15 in Building Magazine)

### £2.9m

In 2015 we spent £2.9m on learning and development – around £813 per employee.

### Our people

In 2015 we continued to focus on attracting, retaining, developing and promoting the best people.

#### Supporting young people into the industry

Our management trainee programme is a key way in which we are supporting young people into the industry. Young people can enter the programme with or without a degree.

2011	2012	2013	2014	2015
108	97	98	110	161

#### Degree apprenticeship

In March we became part of a consortium of contractors to offer a route to new 'degree apprenticeships'. These will give around 80 school leavers, or recent entrants to the industry, the opportunity to complete a two-part, six year trailblazer apprenticeship leading to an honours degree and professional status, without the student debt.

#### The 5% Club

2015 also saw us sign up to the 5% club. As members of the club, we have pledged that by 2020 at least 5% of our workforce will be in formalised apprentice, sponsored student or graduate development schemes. At the end of 2015, 5.83% of our employees fulfilled these criteria.

#### New validated construction courses

Anglia Ruskin University continues to support the creation of our learning programmes. In 2015 we worked with Anglia Ruskin to provide a new online 12 week Construction Planning and Programming course for our employees. The course is a bespoke online course to ensure our employees have the right skills to support our work delivering complex construction projects. The university already validates our staged management development programmes for future leaders.

#### The right skills for the job

In 2015 we launched a new online matrix which sets out the skills required in each job role, and identifies the right training modules to help employees get up to speed.

#### Learning and development

We continue to lead the industry in the amount we invest in our employees' learning and development. The £2.9m represents an average per employee of 3.6 training days and £813 of spend.

2011	2012	2013	2014	2015
£2.3m	£2.3m	£2.25m	£2.4m	£2.9m

### Engaged employees

We want our employees to feel challenged but contented. We measure their engagement with the company. In 2015 our staff engagement score was 79%, and whilst this is exceptionally high for any organisation we continue to strive to do better. All feedback provided is analysed and comments suggesting possible improvements are incorporated into forward plans.

#### Employee feedback survey

overall engagement (score out of 100)

	2011	2012	2013	2014	2015
Staff only	74	74	75	77	79

### Embedding sustainability skills and culture

We use our 'Your Say' survey to measure how engaged our people are with our sustainability ambitions. The improvement in question 1 and high score in question 4 below, suggest strong and authentic leadership at a local level. The slight drop in community participation rates may be attributable a change in this question's format in 2015. Nevertheless, a 54% participation rate remains an extremely high score, especially when compared to the BITC member average of 20%.

		2014	2015
1	Sustainability is taken seriously in my branch/local office.	74*	78*
2	I know how I can play my part in making my branch/local office more sustainable.	65*	77*
3	Over the past year I have taken part in activities supporting our local community.	57%	54%
4	My branch/local office is serious about making a difference in local communities.	-	81*
5	My manager and I have identified the sustainability skills I need to do my job	-	63*

\* Weighted score /100



### Helping everybody to play their part

Our 2014 online sustainability programme 'Everybody Plays a Part' won the 2015 BusinessGreen's Employee Engagement Campaign of the Year. The programme was completed by 98% of Willmott Dixon employees – and all participants made personal sustainability commitments. In the 2015 staff survey, the number of people saying they understood how to deliver sustainability increased by 12 points.

### Environmental and sustainability training

In 2015, IEMA described our Group-wide approach to environmental training, where we target our sustainability training to different disciplines, as 'innovative and unique'. Every year since 2013 we have put at least 25% of our management workforce through our CITB-recognised site environmental audit training. We deliver one and two day training on environmental sustainability to our senior managers in our Partnerships division. In 2015 the one day training was accredited by IEMA and the two day training was accredited by City & Guilds.

Our environment team has been trained to deliver CITB-accredited Site Environmental Awareness Training (SEATS), and we have set a target to deliver SEATS training to 100% of our site-based workforce by 2018.

### Diversity and inclusion

We work hard to ensure that our company is one where people are given the opportunity to succeed – whoever they are and regardless of their background.

	2013	2014	2015	2015 industry average*
% female employees	18.5%	18.9%	19.0%	11%
% workforce from minority ethnic backgrounds	6.3%	6.4%	6.7%	5%

\* Source: Office of National Statistics



### Tour de force

Group Chief Executive Rick Willmott led a team of divisional chief executives and MDs on the 180km Cyclotour du Lemman around Lake Geneva to raise money for an employee who was paralysed the previous year in an road traffic accident. They raised £37,000 and this, together with the gift-aid money was donated to Stoke Mandeville Trust's spinal unit. The company matched the amount raised and gave it to former colleague Steve, enabling him to buy specialist equipment.



### Encouraging life-long learning

All employees with over five years' service qualify for a personal fund of up to £750. Some examples of courses taken by our people include jewellery making, drum tuition and sky-diving. This is just one of the ways in which we reward employee loyalty.





2015 saw be:here launch its first homes for private rent in East India near Canary Wharf.

As a result of extensive research with young professionals, each of our homes for private rent includes equal sized bedrooms with en-suites (for sharers), lots of storage and good sound insulation. Plain English contracts, clear and transparent rents and charges, and an on-site team to take care of any problems come as standard.



### Raising the bar on homes for private rent

As a sustainable business, we continue to seek solutions to meet society's challenges.

We know that for many people, finding decent rented property and a responsible landlord – particularly in London and the South East – is a big challenge. Our response is an industry-leading build-to-rent business, **be:here**, which develops and manages homes, facilities and services to the ever-growing private rental sector.

**be:here's** offer also provides an attractive investment opportunity for institutional investors looking to invest their funds (particularly pension funds) in a market that provides reliable returns and the potential for growth.

In 2015 **be:here** launched its first directly-managed homes for private rent at East India Dock, close to Canary Wharf. It also acquired more sites to deliver around 1,200 new build-to-rent homes across greater London and the home-counties. These will enable us to provide an affordable and value-for-money offer to the growing number of people looking to rent, and create strong, cohesive communities. With sustainable design, facilities such as residents' lounges and roof gardens, together with services delivered through an on-site team, **be:here's** offer provides what today's renters demand from the place they live and their landlord.

**"As well as looking after the physical aspects of the building, we look at how we build and maintain a sense of community. We can do this as we have a long-term stewardship role in all of our developments."**

Simon Chatfield, Director, Research and Operations, **be:here**



### Prime Place in Kew

As a major developer of homes for sale through our brand Prime Place, we have the opportunity to create not just sustainable buildings, but sustainable communities.

One such project is the new development we are planning in Kew. 2015 saw us obtain detailed planning consent to build 648 new homes there, alongside a new 20,000 seater football stadium, in a joint venture with Brentford Football Club. As well as delivering much-needed new housing in the area, the project will provide new community and retail facilities, which include a cinema, gym and gardens. Extensive landscaping and greenery around the site, and new pedestrian and cycle routes will ensure that our Kew development becomes somewhere that people will love to live.

In September 2015 our people demonstrated their commitment to improving the local area by swapping computers for canoes to clear rubbish from the local canal. We worked with the waterway charity Thames 21, who provided the equipment for the day. This stretch of water is used by Brentford FC's Community Sports Trust to teach water sports to hundreds of local children each year.

**"We live and populate river banks – but so does the wildlife and the level of pollution affects the amounts of plants and the diversity, therefore having an effect on birds and other mammals."**

**I think this event is brilliant as it is team building and a commitment to an area where they are coming to develop some homes. They are coming at this from the right angle."**

Francesca Campagnoli, Brent Catchment Partnership Facilitator, Thames 21

**"Events such as this are a great reminder to all involved in the regeneration of Brentford that it's not just about bricks and mortar but about providing a positive legacy within the community."**

Brian Brady, Managing Director, Prime Place

**"It was really good fun. It was nice for the team to get together as well as doing something to help out... We look forward to doing more in Brentford."**

Sue Gresswell, Sales and Marketing Director, Prime Place







# Being a responsible business



## Willmott Dixon is Sustainable Business of the Year 2015

The Edie Awards' judges singled us out for our exceptional progress on carbon reduction, and the scale of our sustainability ambitions.

### Our ambitions:

- To leave a sustainable legacy across the built environment by collaborating across the sector to improve environmental standards, design and building quality, and influence government.
- To drive continuous improvement and deliver innovative solutions in collaboration with our clients and supply chain.
- To champion whole life assessment as our overarching approach to projects, so that the true cost of a building's use is visible to clients and end-users.

### Our 2015 achievements

- Being named 'Sustainable Business of the Year at the 2015 Edie Awards.
- An average 40.29 'Considerate Constructor' score across all our projects - 13% higher than the industry average.
- Continuing to raise awareness of the benefits of a more sustainable built environment - both within the industry and beyond.

### Data

We have robust systems in place to capture and report our performance. Data on all our key indicators is reported monthly and can be interrogated from Group level down to individual projects. Its quality and reliability enables us to address issues quickly and identify best practice, and is a key factor in our continuing strong performance.

### Governance

Strong governance and leadership drives the delivery of our Sustainable Development Strategy.

The Willmott Dixon Group's Holdings Board retains overall responsibility for sustainable development, and considers the Strategic Sustainable Development Risk and Opportunity Matrix (on page 38 of this publication) annually.

Paul Smith, Group director with responsibility for sustainable development, takes ultimate responsibility. He chairs the Re-Thinking Board which is responsible for reviewing and approving Group-wide programmes and initiatives, with escalation to the Holdings Board where necessary.

The Re-Thinking team coordinates initiatives. It monitors and reports Group performance and communicates best practice.

Divisional boards and the Support Services Sustainable Development Steering Group coordinate the development and delivery of local initiatives.

Managing directors, through their nominated sustainable development directors, are responsible for reviewing, approving and ensuring delivery of local initiatives. Sustainable development directors and branch general managers monitor and report performance against targets through monthly local board reports.



Prime Minister David Cameron provided some positive publicity for Grown in Britain when he visited BSW Timber Group, the latest company of many to achieve a Grown in Britain licence.

### Industry leadership

#### Creating the right conditions for our industry

In January 2015 Group Chief Executive Rick Willmott voiced his support for Building's Agenda 15 manifesto. Agenda 15's eight key recommendations included increasing investment in housing, retrofit and education, a requirement for relevant training and apprenticeships to be undertaken in all larger government construction projects.

#### Pushing to make the UK's buildings more energy efficient

We continued to campaign for policy changes to improve the energy efficiency of the UK's built environment. We supported the Energy Bill Revolution's 'Cold Homes Week' campaign, and, in the run-up to the general election, signed a letter to party leaders urging them to commit infrastructure funds to improve home energy efficiency. After the election, we were one of the signatories of a letter to Chancellor of the Exchequer, George Osborne, urging him to make energy efficiency a priority, which it was when the National Infrastructure Delivery plan 2016-2020 was published in early 2016. We also signed an open letter, organised by WWF and published in The Financial Times, setting out the reasons why energy efficiency policy changes were in the national interest.

We continue to play a part in The Big Energy Vision, a group which helps householders become more positive and confident when it comes to controlling their energy usage.

### Grown in Britain

We remain a driving force behind this campaign. In 2015 Grown in Britain successfully campaigned to get the preference for British timber into a growing number of contractors' procurement policy statements. Pre-qualification questionnaires such as ConstructionLine and Best Practice Hubs such as those curated by the Considerate Constructors Scheme are also asking for contractors to show how they are supporting Grown in Britain as part of their assessments.

### Sustainable Development Strategy and headline targets

We continued to make good progress against our Strategy in 2015, exceeding all our headline targets (we exceeded our carbon target in 2014, and our waste and community targets in 2015). As part of our ambition to drive continuous improvement, 2015 saw us set industry-leading new targets in all three areas, and commit to these publicly.



Partnerships won the 'Excellence in Contractor Engagement category' at the 2015 TPAS Central awards. The award recognises companies improving the communities in which they work. Judges hailed Partnerships' community investment programme as an exemplar for the industry.

## Awards



### Archbishop Beck:

NW Project of the year, North West Regional Construction Awards.



### Ashmount zero carbon school

won a RIBA National award, in addition to a RIBA London award and a commendation under their sustainability award category.



### Considerate Constructors Gold awards went to:

- Loughborough College HUB & VPA Building.
- University of Leicester Centre for Medicine.
- Maywood Extra Care.
- University of Brighton - Cockcroft.



Partnerships branch Galatia won **Excellence in Contractor Engagement** at the TPAS central awards.



**Moseley Rugby Club:**  
'Leisure' category, West Midlands Celebrating Construction awards.



**Best Employee Engagement Business Green Awards**  
for our sustainable development induction and refresher module 'Everybody plays a part'.



**WWF: 'Innovation' Winner,** British Council for Offices.



**North West Contractor of the Year,** Insider Property Awards.



**Keynsham Civic Centre: 'Best workplace of 2015'**  
British Council for Offices, overall RIBA South West Awards winner and Sustainability Award winner.



**Education Constructor of the Year,** Education Investor Awards.



**Walsall Arboretum:**  
'Built in Quality' Community award, West Midlands Celebrating Construction awards.



**Redcar and Cleveland Community Heart:**  
Joint winner, SPACES Civic Building of the Year, RICS North East Regeneration Project of the Year and Constructing Excellence North East awards 'Project of the Year'.







We continue to research and develop our Sunesis range of standardised buildings, to make them more sustainable and cost-effective. In 2015, with our Scape partners, we established Sunesis as a stand-alone company to make standardised schools more widely available.

### Our 10 Point Plan for project sustainability

We measure and drive sustainability on all our construction and retrofit projects through our 10 point sustainability plan. In 2015 we extended the 10 Point Plan to Energy Services' projects (performance will be reported once these projects complete).

#### Average 10 Point Plan score out of 10, across all projects completing in 2015

	2013	2014	2015
Group	4.8	4.7	5.9
Construction	5.1	5.0	6.3
Partnership Homes	5.2	4.3	5.3
Interiors	2.3	3.4	4.9

The table below shows our 10 Point Plan criteria. Each project has targets which get more challenging year on year – this is how we will reach our Group targets.

Criteria	Division	2015	2016
1 Sustainability action plan	Construction, Partnership Homes, Interiors and Energy Services	Yes	Yes
2 Customer focus	Construction, Partnership Homes, Interiors and Energy Services	Yes	Yes
3 Life cycle costing (LCC)	Construction, Partnership Homes, Interiors and Energy Services	Yes	Yes
4 Responsible sourcing (project procurement plan)	Construction, Partnership Homes, Interiors and Energy Services	45%	50%
5 Community investment	Construction, Partnership Homes, Interiors and Energy Services	£250-£500 per £m turnover	Achievement of community investment plan and LCO Young People target
6 Considerate Constructors Scheme	Construction & Partnership Homes	40	41
	Interiors	37	39
	Energy Services	38	39
7 Carbon emissions during construction	Construction, Interiors and Energy Services	1060kg CO <sub>2</sub> e/£100k	1028kg CO <sub>2</sub> e/£100k
	Partnership Homes	1472kg CO <sub>2</sub> e/£100k	1429kg CO <sub>2</sub> e/£100k
8 Waste (volume)	Construction	8.5m <sup>3</sup> /£100k	7.82m <sup>3</sup> /£100k
	Partnership Homes	11.8m <sup>3</sup> /£100k	9.61m <sup>3</sup> /£100k
	Interiors	8.5m <sup>3</sup> /£100k	6.54m <sup>3</sup> /£100k
	Energy Services	9.5m <sup>3</sup> /£100k	9.0m <sup>3</sup> /£100k
9 Waste % landfill diversion	Construction, Partnership Homes & Energy Services	95%	95%
	Interiors	93%	95%
10 Water use during construction	Construction & Interiors	8.7m <sup>3</sup> /£100k	8.7m <sup>3</sup> /£100k
	Partnership Homes	9.5m <sup>3</sup> /£100k	9.5m <sup>3</sup> /£100k
	Energy Services	6m <sup>3</sup> /£100k	5.7m <sup>3</sup> /£100k

### Considerate Constructors Scheme

We are associate members of the Considerate Constructors Scheme (CCS), and all our sites are registered. Contractors which sign up to the scheme agree to abide by its voluntary Code of Considerate Practice. This covers site appearance, community engagement, safety, care for the environment and care for the workforce. We set stretching year-on-year CCS targets for all contracting divisions in our 10 Point Plan.

#### Considerate Constructors' score

Our average score across all projects during 2015 was

Considerate Constructors Score	2013	2014	2015
Willmott Dixon average score	38.71	39.87	40.29
Industry average score	35.16	35.51	35.59

#### Considerate Constructors score by division (marks out of 50)

Construction	40.60
Partnership Homes	40.16
Interiors	39.71
Energy Services	37.89

### Research and development

We have strong links with academia and continue to invest in many projects, supported by Innovate UK and KTN, driving new product and system solutions.

In 2015 we spent in the region of £1.2m on research and development. Areas of focus included adapting the Energiesprong low-carbon retrofit model for the UK market, developing our Sunesis standardised buildings, and learning lessons from the post-occupancy evaluations we carry out on all our construction projects, following completion.



Keynsham Civic Centre was 'best of the best' at the 2015 British Council for Offices' commercial property's Oscars. The judges said: "The team worked to a clear brief in a unified fashion and their unwavering desire to deliver an exemplar scheme is apparent in every aspect."



### The Curzon Building, Birmingham City University

The £46m building for Birmingham City University has helped to regenerate Birmingham's eastside. It's the latest in a number of state-of-the-art of projects that we have delivered in the area, including the University's Parkside Building (completed 2013) and Millennium Point. The project involved not only the delivery of an impressive new building, but the careful restoration of a Grade 2 public house into a new student union building. The project team used BIM (a digital 3D model based process) to secure £250k in savings, through improved clash detection and work programming.

The building's high thermal performance biomass boiler and adiabatic cooling have helped it achieve BREEAM Excellent. The building won 'Project of the Year' at Midlands Business Insider.

**"Thousands of our students are now benefiting from even better facilities as well as a building which was built sustainably and it is great that this has been recognised."**

Dr Paul Hartley, Interim Pro-Vice Chancellor, Birmingham City University

**"The Curzon Building really set the bar high. Willmott Dixon's innovative six-storey teaching block for Birmingham City University stood out because of its quality and as one of the first projects to fully embrace BIM 360 in its development."**

Midlands Business Insider awards judge







# Tackling climate change and energy efficiency

## Our ambition:

To reduce our carbon footprint, maintain carbon neutrality and work towards de-coupling carbon emissions from business growth.

## Our headline target:

To reduce carbon intensity by 50% by 2020 (compared with 2010).

## Our 2015 achievements

- Improving on 2014's impressive 30% carbon reduction.
- Pioneering and achieving The Carbon Trust's Supply Chain Standard, the world's first accreditation for companies managing their supply chain emissions.
- Regaining The Carbon Trust Standard.
- Being carbon neutral for the fourth year running.

## Carbon performance

In 2014 we reported a 30% reduction in carbon emissions relative to turnover since 2010. We reduced our emissions by a small amount more in 2015. Further analysis, taking the effect of the weather conditions (heating degree days) into account suggested that we achieved a 3.8% improvement in operational terms. Our new

Energy and Carbon Management Strategy sets out how we will reduce our emissions further, and help save us around £3m a year by 2020.

In 2015 we set a new, industry leading target which will see us halve carbon emissions intensity by 2020 (compared with 2010).

### Absolute emissions (tCO<sub>2</sub>e)

Scope	Notes	2010	2011	2012	2013	2014	2015
Scope 1	1	10,998	11,351	12,067	11,557	10,730	10,205
Scope 2	2	4,622	5,327	6,032	4,861	3,339	3,546
<b>Total Scope 1 &amp; 2</b>		<b>15,620</b>	<b>16,678</b>	<b>18,100</b>	<b>16,419</b>	<b>14,069</b>	<b>13,751</b>
Scope 3	3	2,530	2,515	2,341	2,585	2,819	3,038
<b>Total Willmott Dixon emissions</b>		<b>18,150</b>	<b>19,193</b>	<b>20,442</b>	<b>19,004</b>	<b>16,888</b>	<b>16,789</b>

### Emissions relative to turnover (tCO<sub>2</sub>e/£m)

	Notes	2010	2011	2012	2013	2014	2015	% reduction 2010-2015
Turnover (£'000s)		989.5	1,059.0	1,044.9	1,038.5	1,258.7	1,326.3	
Total Scope 1 & 2 emissions intensity	1&2	15.8	17.5	15.9	15.8	10.6	<b>10.3</b>	<b>34.81</b>
Total Group intensity	1,2&3	18.3	18.2	19.8	18.6	12.7	<b>12.6</b>	<b>31.15</b>

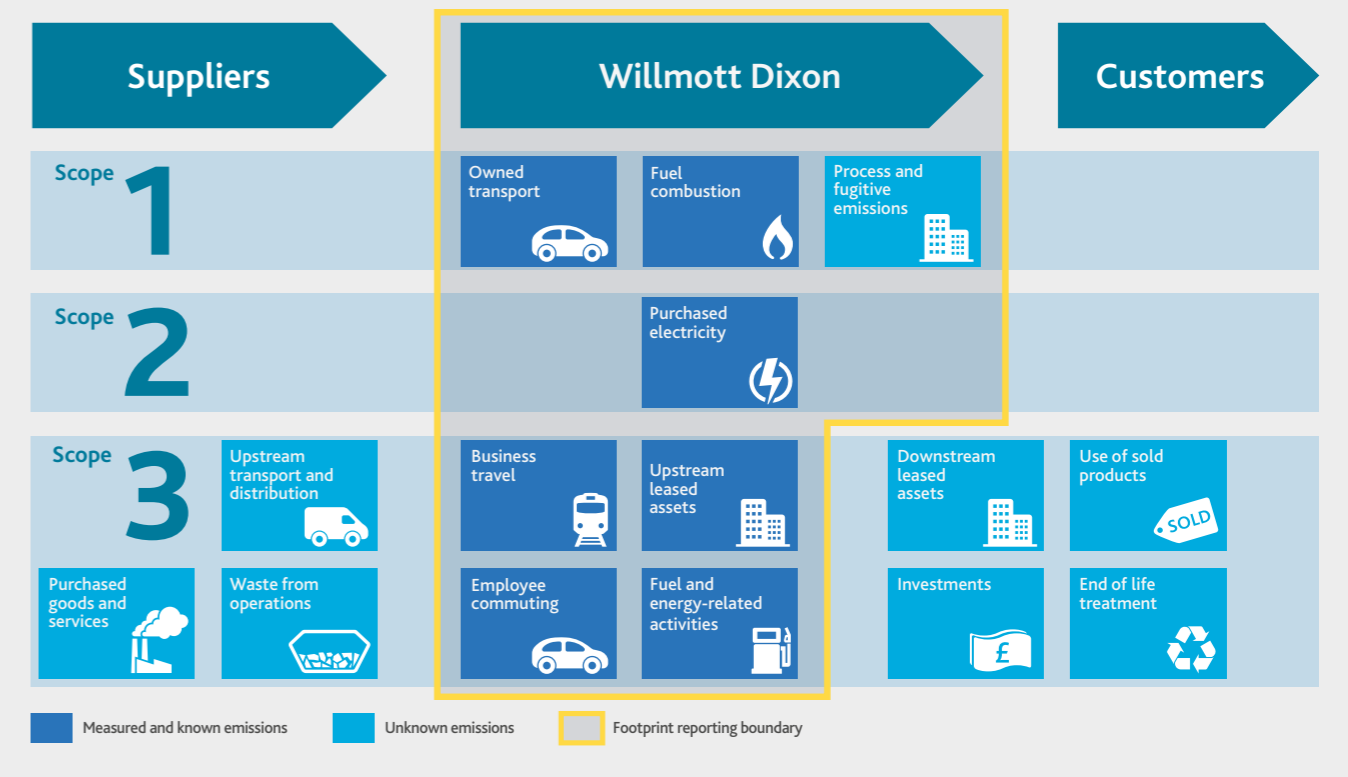
### Our 2015 carbon performance by division (tCO<sub>2</sub>e/£m)

	Group	Construction	Partnership Homes	Interiors	Partnerships	Energy Services
Total	12.7	7.8	22.0	3.6	42.2	8.1

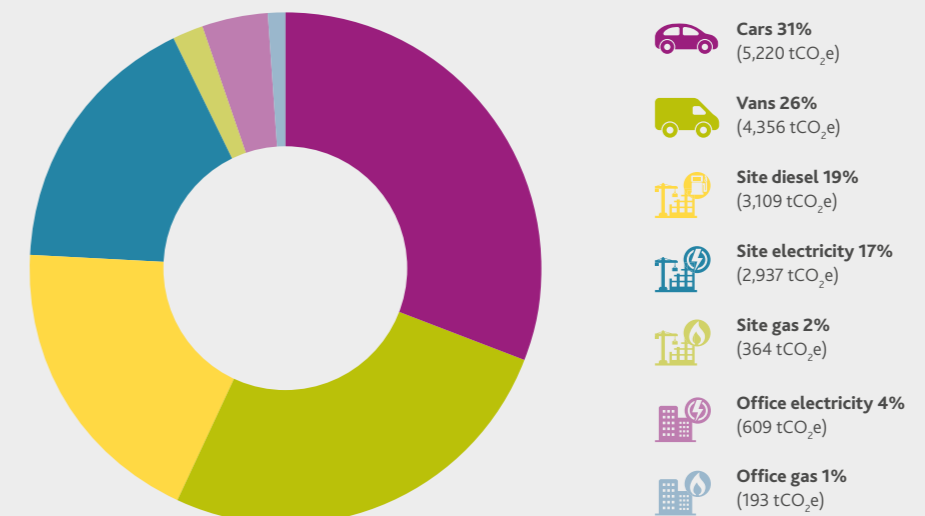
#### Notes:

- Emissions from:
  - company vehicles where fuel is purchased by Willmott Dixon.
  - direct fuel combustion by Willmott Dixon, for example, gas in offices and diesel in generators.
- Emissions associated with consumption of purchased electricity.
- Primarily emissions from business travel and commuting in private vehicles – see 'The scope of our reporting' diagram opposite.

## The scope of our reporting



## Carbon emissions by activity







### Building the biggest education project in Cardiff – for a generation

Cardiff and Vale College's new £45m city centre campus, built to accommodate 20,000 students, is larger than the nearby Millennium Stadium. It features 1,875 square metres of solar photovoltaics – one of the largest building-mounted arrays in Europe. Combined with natural ventilation to half of the building and a CHP plant in a separate energy centre, it's no wonder that the building has achieved a BREEM Excellent rating.

The project's environmental achievements were matched by the associated community benefits we delivered as part of the package. These included creating:

- 317 weeks of shared apprenticeships;
- 27 weeks of Construction Youth Trust placements;
- 235 weeks of work experience achieved with 125 students;
- 175 weeks of work experience for people who were long-term unemployed;
- 85% of project spend spent locally.



### Carbon achievements

#### Energy Savings Opportunity Scheme

We were among the first companies to be compliant with the Government's Energy Savings Opportunity Scheme.

#### We pioneered the Carbon Trust's new Supply Chain Standard

As a responsible business we are committed to reducing our carbon emissions. However, our scope 1 and 2 emissions make up only around 1% of the emissions associated with the work we do. The largest proportion (scope 3) comes from our supply chain – transport and distribution and purchased goods and services. In 2015 we started to look at how we could work in partnership with our suppliers to bring emissions down.



To do this we piloted the Carbon Trust's newly developed Supply Chain Standard. We are one of only seven pathfinder companies, and the only one in our sector to achieve certification. Sixteen suppliers account for around 20% of our scope 3 footprint. Consequently we are now engaging with these suppliers to develop a baseline and identify ways in which to reduce associated emissions.

#### We regained the Carbon Trust Standard

Companies that achieve the Carbon Trust Standard must show continuous improvement over a three year period, and in 2014 we were unable to demonstrate this due to some historical data issues. We were delighted to regain the Standard in 2015.



### Carbon reducing initiatives

#### Transport

Our commercial van fleet accounts for just over a quarter of our emissions. Miles per gallon league tables continue to help us target those drivers needing to improve, and engender friendly inter-branch competition to drive up improvement.

Approximately 31% of our emissions come from business and commuting by car. Initiatives to address these in 2015 included spending £20k rewarding employees choosing low emissions company or private cars. We have retained the 120g CO<sub>2</sub>/km maximum emissions for cars on our company car list, and our average company car emissions in 2015 was 110g CO<sub>2</sub>/km. We put electric cars on the company car list for the first time and offered higher green bonuses for people choosing these. Since our scheme began in 2008, we have paid out over £420k in green bonuses.

We also offer a range of incentives to encourage more sustainable travel. Staff bought 64 bicycles through our company-wide cycle scheme. We reimbursed approximately 30,000 cycle miles and nearly 250,000 car share miles.

#### On site

Nearly 40% of our emissions come from our sites.

Construction site electricity accounts for approximately 17% of our emissions. In 2015 we continued to make electrical zoning in temporary site accommodation and out-of-hours master switches a priority.

Reducing the amount of site diesel we use remains a key area for action because diesel emits approximately 50% more carbon per kWh than grid electricity. In 2015 site diesel accounted for 19% of Group emissions – a slight increase on 2014, due to the number of projects in locations where connection to the electricity grid was not practical.

Our partnership with the Energy Cost Advice Group has helped streamline our energy billing processes, and achieve the best prices for electricity, saving us nearly £250k between September 2014 and September 2015.

### Pioneered

We pioneered The Carbon Trust's new Supply Chain Standard.

### £250k

We have saved nearly £250k by streamlining our energy billing processes.





## 4 years

Carbon neutral for the fourth year running.

### Carbon neutral

We offset our unavoidable carbon emissions by investing in international carbon-reducing projects which reduce carbon by an equivalent amount. In 2015 we worked with Natural Capital Partners to identify carbon offset projects which bring significant social benefits as well as reduce emissions. This is in line with the Willmott Dixon Foundation's focus on 'community transformation' and 'tackling social exclusion'.

All the projects we invest in undergo rigorous investigation to certify that they achieve measurable and permanent reductions in emissions. We self-declare our carbon neutrality in line with PAS 2060 guidelines.

**In 2015 we invested in the following projects to offset our 2014 carbon emissions:**



#### Bandeira e Capelli, Brazil

This project is replacing unsustainable wood-fired kilns in brick and roof-tile factories with ones which use renewable biomass waste.



#### Meru and Nanyuki Community Reforestation

This project enables Kenyan small-holding farmers to plant and grow trees, reducing global carbon emissions and improving the wellbeing of local communities.



#### Improved Ugandan cookstoves project

Nearly all Ugandans rely on solid fuels such as charcoal or wood for cooking. These emit high levels of CO<sub>2</sub> and air pollution. This project subsidises the sale of cleaner, more efficient cookstoves, and provides finance for those who cannot afford upfront costs.

### Reducing carbon emissions from the UK's housing stock

In 2015 our Energy Services business continued to help reduce UK carbon emissions and tackle fuel poverty by fitting energy saving measures to homes in London, North Wales, Leeds, Hull and Bristol. Despite difficult market conditions, the business continues to expand, winning significant new contracts across the country.



Year	No. of properties	Total annual tonnes CO <sub>2</sub> saved	Average kWh saved	Average lifetime tonnes CO <sub>2</sub> saved over standard lifetime performance of measures installed	Average kWh saved over lifetime of scheme
2014	1,198	1,835	8,270,984	56,351	248,643,292
2015	1,993	3,343	25,353,946	102,786	878,183,754



#### Taking a whole-house approach to low-carbon retrofit

When making the UK's housing stock more energy efficient, there is no 'one-size-fits-all' approach. The UK's housing stock is diverse, and measures used to bring a post-war semi up to modern standards of performance and comfort may not be suitable for a heritage property in a conservation area.

So those working in the energy services sector need to have a good understanding of what measures work best in different housing types. Our work for the Association of Greater Manchester Authorities (AGMA) framework is a good example of this.

The measures we applied ranged from simple loft or cavity wall insulation to boiler replacements and more complicated solid wall insulation projects. Our approach, which we believe sets us apart from the other framework contractors, involves undertaking a whole house assessment to determine suitable measures for the property. The recommendations are then priced up and discounted by any funding that's available at the time.

**"These houses used to 'rattle like a tin' when the wind got going ...not anymore. They are much warmer, more soundproof and look fantastic. Our road was looking tired, run down and neglected. They look like new houses now."**

Wythenshawe resident

**"I have lived here for a number of years and prior to having work carried out, my gas bills were so high and within half an hour of the central heating going off, the house was cold again. The difference is amazing."**

Trafford resident







# Smarter use of natural resources

**Our ambition:** To reduce the intensity of construction waste and achieve zero waste to landfill.

**Our headline target:** To reduce construction waste intensity by 15% by 2015 compared with 2012.

Exceeded ✓

## Our 2015 achievements

- A 38% reduction in waste (relative to project value) between 2012 and 2015, exceeding our headline target by over 100%.
- Achieving WWF's top score of 3 trees for sustainably sourced timber.
- A 19% reduction in water usage on our construction projects.

**38%**

We have reduced waste intensity by 38% since 2012.

**60%**

Our new target is to reduce waste intensity by 60% by 2020 compared with 2012.

## Waste

In 2012 we set ourselves a 2015 target of reducing construction waste (per £100k of project value) by 15%. By the end of 2015 we had smashed our target, achieving a 38% reduction.

We achieved this reduction through a range of interventions. We have encouraged more off-site fabrication and worked with manufacturers and suppliers to design out waste. We have also been looking at ways of incentivising sub-contractors on site to make the best use of materials. Our innovative, award-winning approach to waste management, which, through supply chain incentives, can reduce construction waste and the associated costs by up to 50% and is now being used on other sites. Our improved data collection is also playing a part, because it enables us to undertake monthly analysis of waste performance on individual projects, and address any issues which arise early.

Capturing waste streams and volumes from our Partnerships business has always been challenging: our tradespeople carry out maintenance on around 170,000 homes across the country. However, in 2015 we set up new processes and procedures to record Partnerships' waste as a baseline for their future performance.

Plans for 2016 include identifying project benchmarks for waste for specific building types, so we can better predict waste volumes and set more informed targets.

In 2015, in collaboration with the business, we set a new target to reduce the intensity of our construction by 60% by 2020 (compared with 2012).



## Diverting waste from landfill – and supporting a good cause

Our project to refurbish two student hall blocks for Teeside University involved stripping out and disposing of existing furniture and fittings, including beds, sofas, fridge-freezers and microwaves. Many of these were in a nearly new condition. We contacted the British Heart Foundation, who were delighted to collect the items from the site, and sell them to raise money for their life-saving research. They raised an amazing £13,820. We saved an estimated £7,000 in skip and associated labour costs – and we diverted a huge amount of waste from landfill.

## Waste – 2015 performance



## Biodiversity



We have worked with The Wildlife Trusts since 2014. Central to the partnership is a framework agreement under which we procure ecology consultancy from The Wildlife Trusts' network of professional consultancies. This enables us to access local expertise in the natural environment.

The network of 24 Wildlife Trust consultancies are all owned by local Wildlife Trusts. This means that they gift aid all profit back to their parent Trust. It is estimated that approx £40,000 profit from our contracts has been gifted back in 2015. This is money which will support the Trusts' vital work to protect over 2,000 special places for people and wildlife in communities. It will help to promote the mental and physical wellbeing of half a million children by engaging them in wildlife.



A team of 10 from our Leeds and Oldham office took part in a community day today at Carr Lodge Academy's habitat area. They spent the day digging and planting a variety of trees to create a home for wildlife on the site.



We installed bat boxes and swift shelters as part of our work to install external wall insulation in Llanarth. We are now working with Ceredigion County Council to develop a biodiversity toolkit for future building projects.





### Living roofs provide wildlife and community benefits

In 2015 we neared completion of phase 3 of Crest Nicholson's £20m regeneration of Centenary Quay in Southampton.

The development, which includes a supermarket and two six storey apartment blocks, is on the site of a former shipyard. Disused for many years, the site had become home to a range of wildlife such as bats, songbirds, butterflies, and uncommon types of solitary bee. Therefore a key planning condition was the inclusion of "extensive bio-diverse living roofs", not only to

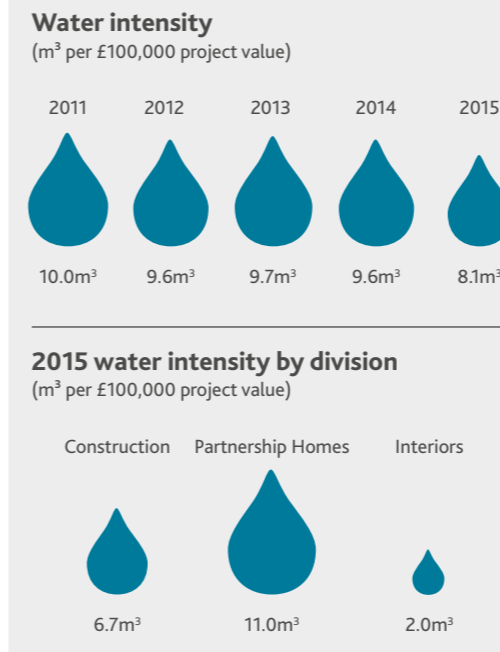
compensate for the loss of habitat but to create an even better space for nature.

The living roofs, designed by consultants Biodiversity by Design, mimic the habitat and plant communities of coastal grassland and vegetated shingle ridges. These roofs provide many benefits – habitat for both common and unusual species of plant and animals, year-round interesting and attractive views for the residents, local cooling in hot weather and trapping of pollutants from the air.



### Water

Water targets are now an integral part of our 10 Point Plan – the method by which we drive sustainability on our projects. Better data is helping us identify and address high water usage on our projects and we are pleased to see a continually improving trend in our efficiency.



### Using harvested rainwater to fill dive tank

In 2015 we constructed one of the largest diving inspection training tanks in Europe. When rain was forecast at a critical time in the project's construction – after a flat roof had been installed, but before the siphon drainage system had been connected – our project team made the most of it. They captured direct rainfall and water from the roof of the adjoining building, using four puddle pumps to move it into the tank. The total capacity of the tank was 720,000 litres, of which the rainwater harvesting system contributed 167,000 litres. This saved £330 of water costs, but had the project not been connected to mains water they would have had to transport the water to site, which could have cost over £13,000. The total amount of water saved was equal to a year's worth of water for a family of four.

### Sustainable procurement

In 2015 we updated our Sustainable Procurement Policy, drawing on the expertise of our supply chain, to incorporate lessons learned, and ensure that it reflects developments in the market.

### Timber

We were accredited the maximum 'three trees' by WWF in their 2015 Timber Scorecard, for our commitment to sustainable timber procurement. Our Sustainable Procurement Policy stipulates that all suppliers of timber and timber products must show evidence of full compliance with obligations of the EU Timber Regulation (EUTR). They must also show a public commitment to minimise the risk of illegal timber from entering its supply chain and projects by only accepting timber certified to either FSC or PEFC.

We continue to wholeheartedly support the campaign 'Grown in Britain', and procure with a preference for timber grown in the UK.

**"By procuring timber and timber products from well-managed sources we can be confident that our business operations are not contributing to deforestation or unsustainable harvesting. Since our sector is one of the largest consumers of timber and timber products, we have an important role in demonstrating leadership and influencing the market."**

Rick Willmott, Group Chief Executive, Willmott Dixon

### Paint 360

Our Partnerships' division has worked with the social enterprise, Paint 360, to trial a range of paints which are 90% recycled. As well as offering carbon savings (Paint 360's paints are the lowest carbon available on the market) it is also saving us time and money, because it offers great coverage and dries quickly.

We are keen to work with Paint 360, because they are committed to employing local young people and the long-term unemployed. Paint 360 is a keen supporter of our own community investment work and has provided paint free of charge paint many of our charitable projects in 2015.

### Environmental systems

Since the new ISO 14001 standards were published in September 2015, we have been working to update our procedures.

We aim for 100% compliance with our environmental management systems, so any breaches of our record are taken very seriously. We regret that, in 2015, there were two instances where noise nuisance incurred s60 notices; and waste from work on two properties in Birmingham was not managed according to our own high standards. We have reviewed our systems and amended our processes so that these problems should not happen again in future.

**"Willmott Dixon is taking the sustainability agenda 'by the horns' and sharing clear information on their purchasing performance for timber is excellent practice. We really encourage their peer companies to do likewise."**

Julia Young, WWF-UK Global Forest and Trade Network



**"Grown in Britain's success in increasing the supply of homegrown timber has been down to the support, action and leadership of many but none more so than that of Willmott Dixon who have been at the heart and start of the Grown in Britain campaign."**

**In supporting Grown in Britain, Willmott Dixon have shown exceptional leadership across the construction 'family', using their position and knowledge to facilitate research, analysis and collaboration in order to get our nation's woods and forests thriving."**

Dougal Driver, CEO of Grown in Britain





### Bicester Eco-town

In 2014 we started work on the £27m contract to build the first 94 of the planned 393 zero carbon in-use homes that will make up the Exemplar Stage of the North West Bicester Eco-town. The Exemplar is just one of nine developments in the world to achieve BioRegional's One Planet Living status.

The development is aiming for Code for Sustainable Homes Level 5.

**"NW Bicester provides a unique opportunity to set new environmental standards that will become the benchmark for other projects."**

Charlie Scherer, Chief Operating Officer  
Willmott Partnership Homes

### Project features include:

- Heat and hot water will come from a combined heat and power plant.
- PV solar panels on every roof.
- Triple glazing.
- 40% of the land set aside for green space.
- Specially designed cycle and pedestrian routes.
- Rainwater harvesting and recycling.
- Locally sourced materials selected for embodied carbon content.

### Building one of the biggest sports facilities in the south east

This £25m new sports facility for Wycombe District Council features an impressive range of facilities, including a 50 metre pool, 12 badminton courts, a climbing wall, and a state-of-the-art gym.

Its construction was an exemplar of sustainability on site, particularly in its approach to waste. Through use of the CL:AIRE Code of Practice we reused 37,000m<sup>3</sup> of excavated chalk, and 4,000 m<sup>3</sup> of crushed concrete using WRAP's Quality Protocols. The National Community Wood Recycling Project removed 85 tonnes of waste timber from site. This social enterprise re-uses the timber to create goods which they can sell, and at the same time provides work opportunities for people who have found it difficult to find employment. The project scored an impressive 8 points on our 10 Point Sustainability Plan.

**"This is a new era for sport in Wycombe and opens up a realm of leisure opportunities for residents. Working with Willmott Dixon and our operator Places for People Leisure, we have delivered a stunning leisure centre that will inspire a new generation to take up sport."**

Wycombe District Council Chairman, Cllr Ian McEnnis





**Sustainable development risks and opportunities 2016**  
 Our aim: to become a sector leader in sustainable development by mitigating risks and maximising opportunities.

As a responsible business we identify potential risks to our business so that we can put in place mitigating actions. Addressing potential risks early creates opportunities for us to improve what we do and helps us stand out from the crowd.

RISK	POTENTIAL CONSEQUENCES	MITIGATION IN PLACE	POTENTIAL OPPORTUNITIES AND BENEFITS
<b>PUTTING PEOPLE FIRST</b>			
Failure to attract, retain, develop and promote high calibre employees, which are representative of the communities in which we work.	A workforce with insufficient skills, knowledge and experience to meet the needs of an evolving market. Lower quality work and higher turnover.	Our People strategies will ensure that: <ul style="list-style-type: none"> <li>• Our employee offer remains attractive and competitive.</li> <li>• We offer industry-leading, accredited training and development to employees at all stages of their careers.</li> <li>• We look 5 years ahead when implementing our people strategies and plans.</li> <li>• We promote the construction sector to young people as an excellent career choice.</li> <li>• We improve the gender balance across our business.</li> </ul>	To remain competitive and successful by: <ul style="list-style-type: none"> <li>• Attracting the next generation of workers.</li> <li>• Being an employer of choice, attracting and retaining high calibre people.</li> <li>• Realising efficiencies by working in complementary teams.</li> </ul>
Failure to protect the health, safety and wellbeing of our employees and those with whom we work.	Increased insurance premiums and costs associated with legal action. Increased levels of sickness absence.	We have comprehensive health and safety programmes in place. Our health and safety performance is reported regularly to our Group Holdings Board. We have a range of benefits and initiatives in place to support employee wellbeing, and are constantly seeking to improve these.	To increase our reputation as a responsible contractor. To improve the health and wellbeing of our employees and supply chain partners.
Failure to meet clients' expectations.	Loss of repeat business. Loss of reputation with partners and stakeholders.	We agree project goals early through client launch workshops. We gather feedback through surveys, questionnaires and post-occupancy evaluations, and apply learning in future work. We report regularly on agreed contract and sustainability frameworks' performance indicators.	To delight our clients and make us a contractor of choice. To increase our competitiveness in bids and tenders. To leave a legacy of sustainable buildings.
Failure to meet the expectations of our suppliers/subcontractors and of the communities within which we work.	Loss of loyal suppliers, lowering standards on our projects. Loss of market differentiation as a contractor offering exceptional social value.	We pay the majority of our supply chain within 30 days of valuation date. We have an early payment facility for top-tier contractors. We recognise excellence in our supply chain through local awards schemes. We are delivering our Group headline target of "enhance the life chances of 10,000 young people by 2020". We have an industry-leading apprenticeship scheme and spend and employ locally where we can.	To have a supply chain that is prepared to go the extra mile and deliver outstanding work for our clients. To improve the well-being of local communities. To raise our reputation as a responsible business. To leave a positive economic legacy in local communities.
<b>TACKLING CLIMATE CHANGE AND ENERGY EFFICIENCY</b>			
Failure to reduce carbon emissions and adapt our operations to the effects of climate change.	Increased energy costs and carbon emissions. Extreme weather leads to increased costs due to programme extensions and inability to carry out work.	We are reducing our impacts through delivery of our Sustainable Development Strategy headline targets, our Energy and Carbon Management Strategy and our local office and project KPIs. We are committed to remaining carbon neutral and maintaining the Carbon Trust Standard. We continue to research and adopt new products, techniques and technologies, including renewables. We have project environmental plans in place which ensure contingencies are in place in case of extreme weather.	Increased margins and cost certainty. Increased shareholder value through cost management. Innovation will raise Group and industry standards. Increased credibility through our low-carbon track record.
Failure to ensure that our projects deliver as promised, and are resilient to the effects of climate change.	Buildings fail in extreme weather-related events, leading to loss of reputation and market share. We fall behind on legislation, technological advancements and design methods.	We consider life cycle costing, heating, cooling, water stress, flooding and resource scarcity on our projects. We continue to invest in R&D. We carry out post-occupancy evaluations and customer satisfaction surveys to help us continuously improve the performance of our buildings.	Increased awareness of whole life costing, life cycle analysis and as-built performance, leading to more sustainable investment decisions and resilient built environment. Increased collective understanding and capability to respond through R&D. Improving the quality of the UK's built environment and increased market share.
<b>SMARTER USE OF NATURAL RESOURCES</b>			
Unacceptable impact on the natural environment from our operations and our suppliers.	Increased waste disposal, water resource and materials' costs. High costs associated with legal action and increased insurance premiums. Reputational and regulatory risks relating to adverse environmental impact.	We are reducing our environmental impacts and our use of natural resources through compliance with our 10 Point Plan and by delivering our Sustainable Development Strategy and Headline Targets. We report waste performance monthly to Holdings Board. We collaborate with our supply chain partners so that they can meet the evolving needs of the sector – for example, through our support of the Supply Chain Sustainability School.	Reduced operating costs and reduced environmental impact of our operations, our products and their performance in-use. Enhanced reputation as a leader in sustainable construction operations and increased shareholder value through cost management. A supply chain which continuously improves and collaborate in delivering innovative solutions and highly performing buildings.
<b>BEING A RESPONSIBLE BUSINESS</b>			
Failure to procure goods and services responsibly.	Reputational damage as a result of sourcing harmful, illegal or unethical goods and services.	We procure in line with our Sustainable Procurement Policy. We preferentially procure products which demonstrate compliance with a recognised responsible sourcing scheme. We collaborate with our competitors to drive out unsustainable products and raise standards.	Improved product differentiation and added value enabling us to become a supplier of choice. Peace of mind for us and our clients. Opportunity to work more closely with our supply chain.
Lack of transparency of reporting performance against compliance obligations and involuntary commitments.	Reputational damage, disengagement of employees and supply chain.	All performance data is published in the annual SD Review and Annual Report and Accounts. All published data is independently verified.	EDS/Mi Project system will enable real-time data to be used to inform decision-making processes, thereby responding most effectively to current circumstances.
Lack of participation with campaigns striving to tackle climate change, resource efficiency and social injustice.	Loss of profile and reputation as a leader. Loss of opportunity to influence market conditions.	Re-Thinking team to continue engagement with Aldersgate Group, UK-GBC, Forum for the Future and BITC.	Increased profile whilst other organisations may withdraw from addressing agenda due to diluted UK policy position. Employees, clients and suppliers recognise that WD do not treat this as a "fad" and thereby enhances credibility.

# Independent verification statement



## Introduction

Bureau Veritas UK was commissioned by Willmott Dixon to verify performance against selected sustainability Key Performance Indicators (KPIs), thereby providing assurance to stakeholders on the accuracy and reliability of this data.

## Scope and methodology

The KPI period assessed is from 1st January 2015 to 31st December 2015, covering all Willmott Dixon businesses.

Verification of performance data was carried out through a process of document review, data sampling, interrogation.

## Assessment of achievement

The table below reflects Willmott Dixon Key Performance Indicators as verified by Bureau Veritas:

KPI	Verified Performance									
Carbon footprint	16,789 tCO <sub>2</sub> e									
Total waste diverted from landfill <sup>a</sup>	95.19%									
Construction waste generated <sup>a&amp;b</sup>	8.62m <sup>3</sup> /£100k									
Average Considerate Constructor Scheme (CCS) score	40.29									
Value of community investment (company contribution)	£2,506,315									
Health and safety	<table border="0"> <tr> <td></td> <td>AFR</td> <td>AIR</td> </tr> <tr> <td>Contracting Divisions<sup>c</sup>:</td> <td>0.19</td> <td>208</td> </tr> <tr> <td>Support Services:</td> <td>0.39</td> <td>371.1</td> </tr> </table>		AFR	AIR	Contracting Divisions <sup>c</sup> :	0.19	208	Support Services:	0.39	371.1
	AFR	AIR								
Contracting Divisions <sup>c</sup> :	0.19	208								
Support Services:	0.39	371.1								
Average training days per employee <sup>d</sup>	3.62									

## Bureau Veritas opinion

Based on our investigations, it is our opinion that the above table is a reliable reflection of progress against these KPIs.

Bureau Veritas is confident that no material information has been withheld which could affect stakeholders' ability to make informed judgments on Willmott Dixon's 2015 performance.

## Limitation and exclusions

Excluded from the scope of our work was:

- Any information not directly linked to the selected KPIs;
- Company strategy and position statements (including any expression of opinion, belief, aspiration, expectation or aim)

A limited sample of site specific source data and records were reviewed as part of this assessment.

This statement should not be relied upon to detect all errors or omissions that may exist within the data sets reviewed.

## Statement of Independence

*Bureau Veritas is an independent professional services company that specialises in quality, health, safety, social and environmental management advice and compliance with over 180 years history in providing independent verification and assurance services. Bureau Veritas has implemented a code of ethics across its business which ensures that all our staff maintain high standards of integrity and independence. We believe our verification assignment did not raise any conflicts of interest. Our team completing the work has extensive knowledge and experience of conducting verification over sustainability information and systems.*

## Bureau Veritas

March 2016

<sup>a</sup>Refers to Construction, Partnership Homes, Interiors and Energy Services Divisions

<sup>b</sup>Based on m<sup>3</sup> per £100k of project value

<sup>c</sup>Contracting Divisions refers to Construction, Partnership Homes and Interiors Divisions

<sup>d</sup>Based on average number of employees throughout 2015





**WILLMOTT DIXON**

**SINCE 1852**



Working with...



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