



ESG Impact Report

1st January – 31st December 2020

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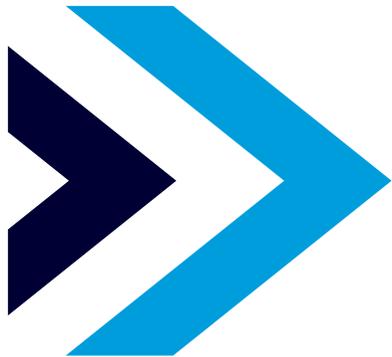
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Specialist Utility Services



About us



Ipsum provides specialist utility infrastructure services across the UK's regulated water, and energy companies and private sector businesses. We work with our customers to maintain, optimise, and develop their above and below ground assets to ensure security and resilience. With our smart systems and ways of working, we ensure we deliver on time, on budget and safely.

We develop long-term working relationships with our customers by providing essential utility services on both public and private networks. We have many long-term contracts and framework arrangements in place. These are built upon our great customer service, safe working practices and the ability to flex and deploy specialist skill sets at short notice.

The growth of Ipsum has been built upon our people and our ability to meet the demanding and ever-changing needs of our customers. The UK utility sector is evolving and expanding to meet increasing customer demand, regulatory driven outcomes, and to exploit new innovative technologies. At Ipsum we will continue to grow in this sector by being a reliable, flexible, and agile service partner that helps customers to meet these new challenges.

Utility service provision is not a 9am to 5pm business, our customers don't switch off their networks or assets at night, or at the weekends, or during the holiday periods. Instead they need them to work around the clock - and we at Ipsum are right beside them 24/7 to make sure they do. We pride ourselves in providing specialist, scheduled maintenance services, being able to respond to an individual call-out, or mobilise a major upgrade project.

Our Vision

To be widely recognised as the customer service leader in UK utility and infrastructure services. We are not complacent, and we know that great service does not happen by accident. In bringing our businesses together under the Ipsum name, we are committed to listening to our customers and working hard to ensure that our service is tailored to their individual needs.

Ipsum prides itself in making life easier for our customers, particularly when they have a problem. The specialist solutions and smart systems we offer will make life easier.

Our People

- Provide a National UK coverage
- Conduct major upgrade & project works
- Are available to meet customers' needs 24/7/365
- Are knowledge specialists within their sector
- Respond to asset failures and emergency call-outs
- Are responsible for full the life cycle of asset maintenance activities

IPSUM

OBJECTIVES

ENVIRONMENT

TRANSPORT

CARBON
FOOTPRINT

RESPONSIBLE
SOURCING

OUR PEOPLE

GOVERNANCE



More than 5,500 customers Nationwide





Our Core Values



➤ Safety

Uncompromising in our commitment to drive outstanding health, safety and environmental performance.

➤ Service

We are committed to delivering outstanding customer service every job, every day.

➤ Specialist

Constant desire to truly add value, improvement and innovation to our customers through our domain knowledge and experience.





A Note from Susan Shardlow

Chief Finance Officer and ESG Chair

I have the privilege of welcoming you to our second annual ESG Impact Report. This represents a significant milestone in Ipsum's journey as part of our commitment to the global drive towards sustainability. Despite the ongoing challenges presented by the COVID-19 pandemic, we remain committed to continuously developing our sustainability practices and demonstrating the positive impact we have on society, people and the planet. We have made huge strides in sourcing our energy from sustainable sources. As of 2020, 54% of our electricity is sourced from low carbon or renewable sources. We are working towards a target of 100% renewable electricity. Our focus remains on reducing our emissions but while we still have emissions, we have committed to offset our residual emissions, making us Carbon Negative for a second year in a row.

In 2019 we established an internal ESG Committee. This is comprised of key regional leadership across Ipsum and works together to support the achievement of our carbon footprint reduction targets, in

conjunction with our broader ESG reporting goals. This area requires constant focus. As we continue to grow as a business, we are mindful that our footprint does not grow commensurately.

At Ipsum, we are cognisant that ESG matters have become top-of-the-agenda issues, with very real financial implications. We are paying particular attention to climate change and the response to the pandemic, both from a financial and a societal perspective. COVID-19 and the socio-political environment in the UK have thrown societal issues into sharp focus and have accelerated the ESG agenda. I am particularly proud that in 2020 we placed a distinct focus on the health and wellbeing of our employees. We recognise that the pandemic is a particularly worrying time for many of our people. We're trying to do everything we can to make sure we're supporting people in the right way. Our employees have the option of seeking professional advice through our Employee Assistance Programme provided via our employee benefits platform,

Perkbox. The EAP provides a suite of online wellbeing support resources and as well as access to structured telephone counselling. Our staff and operatives are utilising the platform. Additionally, in 2020 we partnered with AIG to provide life assurance cover to our workforce and one of the key factors in selecting AIG was the provision of a Smart Health app for employees to download which gives 24/7 access to a virtual GP as well as a second medical opinion service and online health check.

Our commitment to good corporate governance is evident in our policies and practices and held to the highest standards by our Board of Directors and our stakeholders. As part of our ongoing commitment to sustainability, the ESG Committee meets twice a year. Duties and responsibilities include raising current and emerging ESG matters that may affect the business, operations, performance or public image of the business and to make recommendations on how the businesses' policies, practices and disclosures can adjust or address current trends.

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ESG Objectives

Key Objectives for the next two years



Procure 100% renewable or low carbon electricity



Reduce energy consumption by 10%



Be Carbon Negative within our operational boundary



Increase recycling to >80%



Waste to landfill diversion 100%



Increase material supplier engagement to >50%

Environment

Ipsium have a duty to put the environment at the forefront of our business strategy and take action to reduce our carbon emissions. 54% of our electricity is currently sourced from low carbon and renewable sources.

We are committed to procuring 100% low carbon or renewable energy upon termination of existing contracts. From 2021 we will be using our specialist waste broker to implement effective procedures that track and monitor waste streams, and to ensure we maximise recycling and limit the amount of waste that goes to landfill. We will use this transparency to drive our waste targets, whilst following the guiding principles of the waste hierarchy. In 2021 we will also look to develop and maintain an environmental strategy including our Green Plan.

Social

2020 has brought many challenges and uncertainty to people, business and the wider community due to Covid-19. We took this as an opportunity to engage differently with our people and create a positive “new way of working”. Our employee benefits platform, Perkbox, was rolled out to all employees in April 2020. Since then, we have had 3,164 redemptions to date, with a current logged in rate of 78%, this means over three quarters of our employees are utilising the platform. We are committed to supporting and developing our people to achieve their full potential. We offer structured learning in the form of apprenticeship programmes and sponsorship of relevant professional qualifications. We encourage our employees to become members of the relevant professional body for their specialist field, paying the annual membership fee to enhance the reputation and expertise of our people. Investing in our people and developing their capability and broadening their skills enables us to deliver the highest standard of service to our customers.

Governance

Governance is one of the three central factors in measuring the sustainability and societal impact of a business. The coronavirus pandemic has underlined the importance of governance in boosting corporate resilience. We believe that by striving to meet and surpass the requirements of relevant legislation and standards, we can create an environment where work improves health and wellbeing of our people and avoids them getting hurt. We report, and learn from, incidents and encourage consultation and participation to innovate and continually improve. We have an integrated approach to health, safety, environment and quality. This complies with the internationally recognised standards, ISO 9001, ISO 14001 and ISO 45001.

IPSUM

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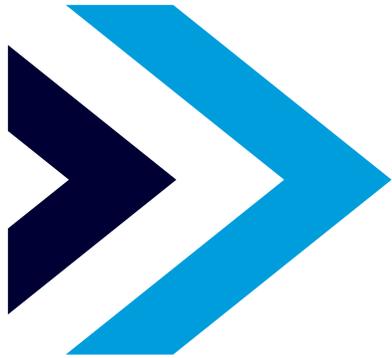
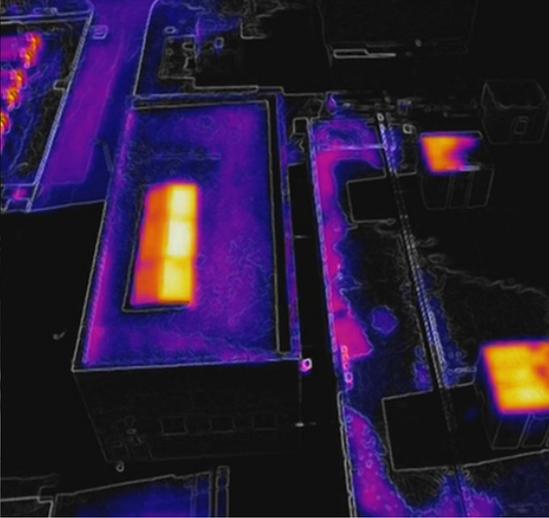
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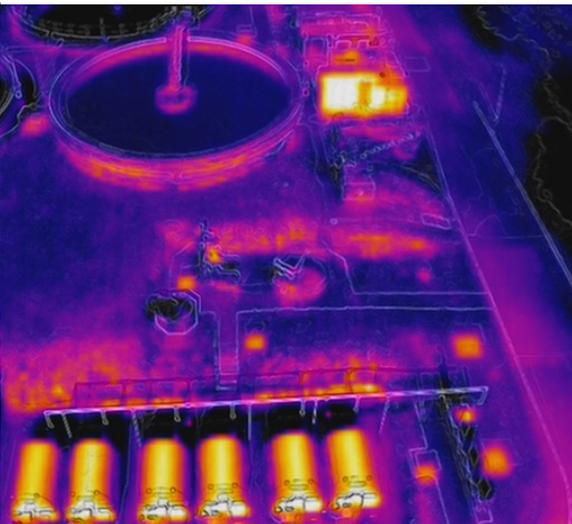
RESPONSIBLE
SOURCING

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GOVERNANCE



A Leader in New and Emerging Technologies



Environment – Protecting our Planet

Our Targets

- Procure 100% renewable or Low Carbon Electricity
- Reduce energy consumption by 10%
- Be carbon negative within our operational boundary
- Increase recycling to >80 %
- 100% waste to landfill diversion

Energy 01/01/20 - 31/12/20*

Electricity (kWh)	271,742
Electricity (tCO ₂ e)	63.4
Renewable electricity (%)	54.5%
Gas (kWh)	212,838
Gas (tCO ₂ e)	39.1

In 2020, Ipsum appointed an external specialist energy broker to align contract expiry dates and to ensure all future electricity contracts are from 100% renewable sources. This business decision has resulted in an increase in renewable electricity from 0% in 2019 to 54.5% in 2020. By making this shift, we are doing our part to help drive the UK towards its Net Zero 2050 goal. Whilst procuring our energy is a key step in our Net Zero journey, we are equally focussed on reducing our energy consumption to further drive down our emissions. In 2019 we were required to comply with the ESOS Phase 2 regulations. As part of this process we undertook a survey to review the efficiency of the mechanical and electrical equipment in our offices. We identified several energy saving opportunities and ranked these in terms of materiality, ease of implementation and payback periods.

Science Based Targets

Ipsum are committed to delivering green efficiencies and driving value through innovation. We seek new ways of working with our customers to develop green solutions and joint reduction goals. We aim to improve overall contract efficiency and performance so we can deliver 100% Waste to Landfill diversion and 100% renewable energy usage. In addition to 100% of our electricity coming from renewable sources we

also commit to procuring a portion of our gas from renewable sources.

During 2020 and 2021, we continue to save energy by installing LED lighting. We will look to evaluate the financial feasibility of installing Building Management Systems (BMS) to control our heating and lighting. Several properties have the space available and optimal aspects to consider solar arrays. To increase the understanding of energy consumption on our sites we have investigated implementing an Online utility platform. This would enable sites to compare their usage with others.

We drive for continual improvement in relation to our ESG approach and this is supported by our core values and Ipsum’s Integrated Management Systems. These combined enable us to enhance our environmental and quality performance, maintain a clear focus on meeting the needs of our customers and the environment and to work effectively in partnership with our key stakeholders. This is at the heart of our approach.

*NB - This report is based on the energy consumption of 12 of Ipsum’s sites. These sites were chosen as electricity and gas are the only utilities used on site.

Environment - Protecting our Planet

- Environmental Aspects and Impacts Register
- Location (i.e. site, depot, office etc)
- Positive & Negative Aspects
- Positive & Negative Impacts
- Measurements (i.e. Qty, kWh, % etc)
- Source (i.e. Equipment, materials, fuel etc.)
- Legal Requirements
- Cost Impacts / Benefits
- People / Customer Impacts
- Resource Impacts
- Air, Water, Land & EA Impacts
- Stakeholder Impacts
- Organisational Influence Controls
- Need for Controls & Measures
- Operational Control Measures

Ipsium operates across a number of sectors and geographies where environmental risks and impacts are becoming increasingly more important as climate and society changes shape. Protecting our planet against new demands is a significant agenda item as well as a cultural challenge, and as a responsible business we apply the latest and most effective methods in supporting the world's green agenda.

As an example, Ipsum apply an Environmental Aspects and Impacts Register (EA&I) on several contract sites. This register is designed to further develop our approach to risk identity and risk mitigation. The register lists and ranks all aspects, their impacts and mitigations for any sustainability and environmental risks associated with our works.

It is our responsibility to draw attention to the largest down to the smallest risks in everything we do. Therefore our EA&I register applies to direct, indirect, client and end-user risks and is designed to capture key item criteria which is scored and ranked in order of importance ahead of any work proceeding, including feasibility, design, installation, and maintenance activities.

The register provides Ipsum a consistent focus on core criteria required to identify environmental and sustainability risks associated with our activities.



Our environmental and sustainability business objectives reflect the EA&I Register and focus on any negative impacts that can be mitigated through improvement opportunities. The objectives also reflect how we can maximise positive impact to drive sustainable efficiencies.

The consultation and participation of our entire workforce is used to adopt best practice in the mitigation of risks. This is so we can deliver a responsible contract to our client. Environmental and sustainability factors are considered throughout our project delivery.



Waste

Waste 01/01/20 - 31/12/20

Total (kg)	189,124
Recycled (kg)	101,164
Waste to Energy (kg)	87,960
Landfill (kg)	0.00

Ipsum strive to deliver a tangible reduction in our environmental impact. Across all levels of the business we aim to reduce and recycle as much waste as possible to reduce the amount of waste going to landfill. To further support our waste reduction and recycling targets we have developed a waste hierarchy. Our priority is to work on the largest area of impact, although no opportunity is excluded. In line with our current procedures, all waste produced throughout the duration of our contracts is recorded, categorised and disposed of in the appropriate manner. Ipsum seeks to divert as much waste as we can away from landfill to incineration plants, where the residual waste will be converted into energy and used to power the UK. Most of the waste we dispose of comes from our client sites and we provide disposal solutions that minimise their environmental impact. For example, we send old tyres to be shredded into a product suitable for flooring in a children’s play centre.

All our UK waste is recycled through a waste specialist. They reduce the amount of waste that is sent to landfill and support our Zero Waste Plan. This allows us to further reduce our carbon emissions by diverting waste from landfill through our focused partnering. In 2019 Ipsum eliminated single-use plastics from all our sites. To accelerate the reduction in the number of plastics being recycled we provided our teams with aluminum water bottles.

>80% reduced recycling rate

- In order to maximise efficient recycling, Ipsum have developed Green Waste Guides that provide guidance on how we reduce our dependency on current and future recycling needs and trends.
- We promote the ‘optimum use of materials’ to reduce the need to recycle any waste from the outset.
- We promote a ‘right first time’ co-ordinated approach to eliminating waste
- We promote a ‘no waste = no cost’ approach that reduces the additional time and costs associated with waste removal and recycling.

Whilst recycling will always have its place in society, we need to look at ways we collectively operate and

how we can reduce our recycling times and costs. If we continue to do this year on year we can become self-sufficient ‘Guardians of Green’.

Management of Equipment and Materials

Ipsum and our supply partners abide by Section 34(1) of the Environmental Protection Act 1990 imposes a duty of care on any person who imports, produces, carries, keeps, treats, or disposes of controlled waste and as such Ipsum and our supply partners abide by this act. Our duty is to uphold this act in everything we do, Ipsum have systems in place that support and demonstrate our approach in being responsible citizens.

Waste and Pollution Management

- We provide and share monthly waste reports demonstrating:
 - Volume & type of waste per waste area
 - Monthly Recycling %
 - Monthly disposal methods/levels of recycling, incineration & landfill
 - Pollution incidents & alert reports
 - Material storage, transfer and delivery restrictions, including impacts and mitigations.

Waste

We provide, share and report our compliance through:

- ▶ Ipsum ESG Impact Plan
- ▶ Site waste management plans
- ▶ Annual Duty of Care handbook
- ▶ Waste transfer notes for ad-hoc collections
- ▶ Supplier insurances incl. waste carrier licenses

Minimising Waste

Ipsum approach each job, project or framework on a basis where optimum levels of the appropriate sized plant, equipment levels and material quantities are delivered to site to minimise unnecessary consumption, costs and wastage.

Materials are selected based upon their need and functionality as well as their environmental and customer impact. Our pre-contract planning phase draws upon the specific requirements, whilst exploring cost effective and sustainable alternatives. During planning phases we take into account the reduction of waste management requirements and how vehicle and fuel usage can be kept to a minimum without compromising delivery.

Waste Disposal

Diverting waste from landfill is our main objective, we utilise a specialist oil collection company who collects any waste oil, which is then treated and recycled. This eliminates our own requirement to transport oils and therefore is a carbon saving. All our non-oil UK waste is recycled. All waste storage is held in appropriately designated bays and bins, this avoids cross-contamination and ensures safe-handling. Wherever possible, no waste is left on-site overnight.

We work with our supply chain to improve their waste reduction and landfill diversion awareness. Monthly waste reports show our collective recycling percentage including waste to landfill diversion statistics. Our supply chain follows our pre-planning phase to deliver waste efficiencies ahead of work commencement.

Mobile Plant and Pollution Management

Pollutant emissions from non-road mobile machinery (NRMM) significantly contribute to air pollution by emitting carbon monoxide (CO), hydrocarbons (HC), nitrogen oxides (NOx), and particulate matter. Mobile generators and dewatering pumps fall within NRMM Ipsum look at new ways to reduce and limit 'hours run usage'. We deploy units that are fitted with Stage 5 engines and smart remote 'stop/starts' via 4G connectivity.



Waste Management and Hazard Planning

Waste management plans are generated for each project, which address the collection, transfer and disposal of waste generated as a result of our work. All waste, including hazardous waste, is stored in compliant containers and locations pending its disposal. Waste is labelled, detailing what it is and the origination address; where applicable, a waste transfer note is attached. All hazardous waste is treated as hazardous until it has been categorised by a qualified operative or the Environmental Agency.



Transport

Transport 01/01/20 - 31/12/20

	kWh	tCO ₂ e
Company Vehicles (Diesel)	4,264,622	1,025.9
Company Vehicles (Petrol)	97,016	22.2
Company Vehicles (Electric)	15,084	3.5
Grey Fleet	219,000	54.5

Greenhouse gas emissions from road transport make up around a fifth of UK greenhouse gas emissions. Reducing emissions from road transport remains a significant challenge for the UK's target to reach net zero emissions by 2050. The UK government's Road to Zero transport strategy includes the target for every car and van to be zero emission by 2050. Ipsum support this strategy by identifying ways we can support our people with their transportation.

Ipsum work with a leading vehicle tracking provider to help visualise and report on our fleet in relation to improve driver safety, reduce driver risks and save lives. This also has a benefit where we can locate 'the nearest vehicle to the job' thus reducing travel time, fuel usage and CO₂ emissions whilst improving customer service response times.

Driver behaviour is the key to fleet safety and efficiency:

- ▶ Poor driving habits lead to collisions, wasted fuel, increased vehicle maintenance expenses, and higher insurance costs. However, good driving, based on correct driver decision making day-in and day-out, prevents accidents, improves fuel efficiency, reduces vehicle wear and tear, and risk.
- ▶ We use the industry's best system for improving driver behaviour: a system based on real-time coaching and support, personalised self-training tools, fleet safety management and data collection tools.

Safe driver behaviour creates a ripple effect of business benefits:

- ▶ Reduced collisions save life and limb, eliminate repair costs and keep service schedules on-track.
- ▶ Over time, reduced accident rates and predictive data decrease insurance costs and help protect the company's reputation.
- ▶ Smoother driving habits create reductions in fuel consumption and emissions whilst extending the life of the vehicle.

We offer our employees the opportunity to take advantage of the governments Cycle to Work Scheme via Perkbox The scheme is set up to encourage employees to travel to and from work by bike and take

a greener and healthier approach to their commute. The scheme enables our employees to save up to 40% on the cost of a new bike and accessories whilst spreading the cost through monthly repayments.

We actively engage with fleet businesses that provide insight and trends towards the latest innovative technology that helps Ipsum evaluate the benefits, cost savings and challenges facing evolving transitions to PHEV & EV fleets. We are looking into how we can replace owned vehicles with hybrid or electric vehicles. We are investigating ways to encourage our staff to move towards using electric vehicles. Some ideas include cash incentives and preferential parking. We currently have a range of new PHEVs & EVs operating throughout the business and have 22kW charging facilities in Ely, with the additional scope to install 16Amp charge points at other office locations.

We are looking at the benefits of offering employees the option of a salary sacrifice scheme to incentivise them to switch to an electric or hybrid vehicle. Much like our systems used for pension contributions, Cycle to Work schemes, and childcare vouchers, employees would be able to effectively pay for an electric car from untaxed income, through the salary sacrifice scheme.



Carbon Footprint – Our journey to Net Zero

Our carbon footprint is a key performance indicator of our ESG journey. In order to calculate our carbon footprint we include all emissions for which we are financially responsible, which comprises of scope 1, 2 and partial scope 3 emissions. Through this calculation our gross carbon emissions for the year resulted in 1,208.6 of carbon emissions:

- **Scope 1** – Carbon emitted from building gas usage and owned or leased vehicles.
- **Scope 1** – Carbon emitted from building electricity usage.
- **Scope 3** – Carbon emitted.

Ipsium is focusing efforts towards carbon emissions across two different scopes: the carbon emissions that come from our gas usage and vehicle fleet, and carbon that is emitted from electricity usage in the buildings. Our planned objectives and targets for 2021 onwards are;

- 10% reduction in GHG emissions across our national operations, by the end of 2021.
- A further 10% reduction in GHG emissions across our national operations from 2021 to 2030.
- Transitioning company cars at renewal periods to PHEV's & EV's where economically & logistically viable.

These reduction initiatives will have a positive impact on all our current operations. 1,200 tCO₂e of verified carbon credits were purchased for the year 2020 making us -25.9 tCO₂e and 2.1% net Carbon Negative.



Breakdown of carbon emissions by scope, as well as carbon offsets, for the period 1st January 2020 to 31st December 2020

	tCO ₂ e	tCO ₂ e % of Total
Scope 1	1,090.8	90.3%
Natural Gas	39.1	3.2%
Company Vehicles (Diesel)	1,025.9	84.9%
Company Vehicles (Petrol)	22.2	1.8%
Company Vehicles (Electric)	3.5	0.3%
Scope 2	63.4	5.2%
Electricity	63.4	5.2%
Scope 3	54.5	4.5%
Grey Fleet Mileage	54.5	4.5%
Gross Total	1,208.6	100%
Less Low Carbon Electricity	34.5	2.9%
Less Carbon Offsets	1,200.0	99.3%
Net Carbon Footprint	-25.9	-2.1%

➤ Carbon offsetting: Renewable Hydropower Project

Musi River Hydro, Sumatra, Indonesia

Ipsium worked with Sustainable Advantage and South Pole to guide us in the pursuit of our carbon-offsetting initiative. We have partnered with South Pole to assist us in offsetting the carbon emissions we produce as a company. With more than 700 directly owned projects, South Pole delivers measurable, certifiable benefits aligned with the aims of the Paris Agreement and the UN Sustainable Development Goals.

Ipsium have chosen to invest in the Musi River Hydro Project in Indonesia. This project is certified by Gold Standard and Verified Carbon Standard (VCS). Located in rural Sumatra, Indonesia, the Musi River hydroelectricity project harnesses the flow to generate clean electricity for the grid. The project supports local jobs, new income streams and has funded infrastructure improvements for the local community - as well as a reforestation programme.



Gold Standard



765,677 MWh generated on average annually by the hydro plant, displacing fossil fuel-generated electricity and boosting Indonesia's renewables sector.



50 permanent jobs created in power plant operations, with part-time employment opportunities offered during the construction phase.



Two drawbridges repaired, as well as new roads, trash basins and financial support building a public transport terminal, mosque and a traditional marketplace.



Free training for locals on composting and making organic fertiliser from invasive aquatic plants - providing free fertilisers to farmers to maintain healthy ecosystems.



568,000 tonnes of CO₂ reduced on average annually, contributing to climate change mitigation.



37,000 people have access to safe drinking water, thanks to 147 boreholes being repaired.

➤ Responsible Sourcing – Creating Social Value in our Supply Chains

Ipsum will strive to use suppliers that operate a re-usable packaging policy, increasing the percentage of packaging which can be recycled; or encourage suppliers to remove it from plant and materials before arrival on site to reduce additional recycling time and associated costs. It is worth noting that Ipsum conduct our business relationships in line with our business principles and we expect excellence in return. Our overriding aim is to build long-term sustainable relationships with our supply partners, providing support for small, local and specialist suppliers. To this end we have been trading with the majority of our suppliers for a number of years; growing organically with our culture

100% Supplier Engagement

Our supply chain is strategically important to us as their performance on our projects is key to our success and our clients' reputation. Ipsum recognise there will be indirect emissions that have an impact

on the environment as a direct result of our day-to-day operations on the contract. We will request that each supply chain partner, regardless of size, complies with and adheres to our carbon objectives and targets and that of our customers, to ensure consistency of approach and the guarantee the same outcomes.

To ensure performance standards are maintained across our supply chain, Ipsum has implemented multiple improvements to our supply partner management procedures. We are fully committed to selecting suppliers who can evidence that their environmental procedures are aligned and effective. We will also look to give preference to local suppliers in order to reduce travel and transportation impacts.

To continually improve sustainability performance, Ipsum engage with our supply chain continuously to:

- Procure materials from renewable sources.
- Procure materials where waste can be minimised or eliminated at source.
- Ensure suppliers are subjected to the importance of our accreditation process.
- Develop supplier processes to address high priority sustainability risk concerns and issues.
- Assess quality, health & safety and environmental systems of our suppliers and monitor their understanding and compliance.
- Encourage and influence suppliers to investigate their own environmental impacts and develop methods for improvement or innovation.

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➤ Responsible Sourcing – Creating Social Value in our Supply Chains



Modern slavery

During 2021 we will develop key performance indicators (KPIs) relevant to our business activities and relationships with our supply chains to assess the effectiveness of our due diligence processes and enhance these where necessary. This policy statement is communicated to new employees upon the commencement of their employment. To enhance the level of understanding of the risks of modern slavery and human trafficking in our business and our supply chains, over the next twelve months we will be implementing further training activities and requiring the same of our suppliers and sub-contractors.

The prevention, detection and reporting of modern slavery in any part of our business or supply chains is the responsibility of all those working for us or on our behalf. All parties

are required to avoid engaging in any activity that might lead to, or suggest, a breach of this policy statement. Anyone who has any concerns about any issue or suspicion of modern slavery in any parts of our business or supply chains are expected to notify their line manager or a director as soon as possible. A breach of this policy statement is taken extremely seriously and any potential breach by an employee will be fully investigated and dealt with under the Company Disciplinary Procedure which may result in disciplinary action up to and including dismissal. If we find that individuals or companies working with us or on our behalf have breached this policy statement we will ensure we take appropriate action which may include the termination of our relationship.

Modern Slavery and Human Trafficking

Ipsium are a specialist provider of utility services operating on both public and private networks. Our supply chain includes the supply of goods and materials as well as the use of subcontracted services and agency labour for the effective delivery of services in the water, power and infrastructure sectors. The risks relating to modern slavery and human trafficking can occur anywhere in our operations, whether through direct employment, sub-contracting or the supply of goods, materials or services. The area of greatest risk is the importation of goods and materials from outside the UK and EU and the level of management control required for these sources will be kept under review.

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. We will not support or deal with any business knowingly involved in modern slavery or human trafficking.

We are committed to acting ethically and with integrity and to maintaining systems and controls within our business to prevent modern slavery and human trafficking from taking place either in our business or supply chains.

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➤ Accelerating our Green Culture into our Customer Contracts

Ipsium's 'Green Champions' fully understand the need to embrace sustainability awareness throughout all aspects of our business. From waste reduction, industry responsible sourcing of materials, energy efficiency and carbon neutrality, our focus is on the future and those around us is paramount. We align and constructively challenge industry practices to ensure we are meeting or exceeding our objectives and targets, including the following:



- Carbon Footprint Reporting
- Zero to Landfill
- ESOS Scheme (wider Ipsium Group)
- Office Improvements (LED Lighting with energy saving Sensors and Switch-Off Policies)
- Office & Workshop recycling
- Recycling paper, cartridges, batteries, plastic, glass
- Energy/Water efficient white goods
- Energy Usage Monitoring
- Use of Electric and Hybrid fleet cars
- Use of electric tools and equipment
- Solar panels to charge equipment
- All stationary vehicles shutdown when not in use (idle time Co₂ reduction)
- Reduced and alternative business travel
- Encourage use of car sharing
- Cycle to Work Scheme and promotion of Car Share
- Supporting our supply partners to use vehicles, tools & materials which offer 'greener' solutions
- Recycle electrical equipment, white goods and all old PPE such as hard hats and high visibility clothing.



Safety-minded Employees

Our People

Without our people, Ipsum wouldn't be able to deliver the fantastic customer service that is at the heart of what we do. Great service doesn't happen by accident; our people take pride in delivering essential services to our customers 24/7/365. We understand the importance of looking after our people and as a growing and ambitious business, we look to develop and promote from within.

Attract, Recruit, Develop, Retain

Ipsum is an equal opportunities employer and we take the necessary steps to ensure that we do not discriminate against any candidate on the grounds of sex, race, disability, age, sexual orientation, transgender status, religion or belief, marital status, or pregnancy and maternity. Our job advertisements use gender-neutral language, avoiding stereotypes or expressions that may inadvertently discourage any applicant from applying. To reach as many potential candidates as possible, we recognise the importance of using multiple channels including digital routes to attract candidates and so we utilise online job boards, social media as well as our Company website. We encourage referrals from current employees to attract new talent recommended to our business.

Particularly in a post-pandemic world, we believe the work we can offer can give a generation of job seekers a compelling sense of purpose delivering essential services that maintain the UK's critical infrastructure in our communities. It is important to us that we recruit people who share our values;

in return we provide stimulating work, leveraging technology and increasing operational efficiency whilst removing non-value and monotonous work. Internal mobility within Ipsum is key to retaining our best talent and we are committed to internal progression of our people.

Whilst investing in our people via apprenticeships and sponsoring professional qualifications, we also utilise the recognised 70:20:10 principle for identifying training and development solutions placing the emphasis on identifying real life, on-the-job training and development solutions. We have a culture of learning and continual improvement and encourage drawing on the expertise of colleagues around us; for example shadowing, coaching and mentoring.



Our performance and career conversations process gives managers and employees the framework to have quality conversations in relation to career aspirations and performance achievement/ areas for development. Formal conversations take place annually with regular informal dialogue throughout the year focused on the timely measuring of achievement of objectives and reflecting on progress and identifying improvements and development needs.

Training and Development

Personal Development

A key driver for employee retention and providing excellent service to our customers is the relationships we have within our business. We provide our new employees with the autonomy and safety to express their thoughts on how we deliver our work. The ability of our managers and teams to engender trust is crucial in understanding the performance of our teams. Our relationships with our teams revolves around three central themes:

Physical health

Ipsium encourage all employees to prioritise their self-care outside of working hours. There is a strong link between exercise and reduced stress levels. Physical health is multi-faceted and includes exercise, nutrition, sleep, hobbies / interests and relationships. Our Employee Assistance Programme and Smart Health app both offer advice and tools to maintain and improve physical health.

Emotional balance

We know it is important that our employees feel able to bring their 'whole self' to work and feel comfortable and productive in an inclusive and supportive working environment.

Our policy in connection with respecting other and Dignity at Work underpin our culture of ensuring all

our employees feel listened to and have a voice in the workplace. In turn this ensures they feel empowered to produce their best work every day, delivering outstanding service to our customers.

Intellectual growth

All employees have the opportunity to discuss their career aspirations and personal development needs. For all employees bespoke training is identified so we can ensure we have high performing teams and succession plans in place when needed.

Professional Development

Ipsium invest between 3% and 5% of our revenue in the development of our employees to ensure we can deliver the competencies we need. We conduct regular reviews and set goals and objectives aligned to our vision and values. We empower our employees to look for specialist training to increase their knowledge base. We provide our employees with targeted professional development based on their individual needs.

As part of our Quality Assurance approach we manage, maintain and develop the skillset of our workforce. We ensure our people are skilled and competent to carry out their roles in line with industry standards and contract-specific requirements. We take the training and development of our people seriously and use our in-house ICP compliance system to monitor and manage

our training matrix. This removes the chance of human error allowing a training certificate to expire or any of our internal workforce or suppliers to attend a site with expired training certificates.

The ICP system sends out notifications and alerts to our operations compliance managers to notify them when training certificates are due to expire. This gives the managers time to organise the new training or a refresher course.

2020 has brought many challenges and uncertainty to people, business and the wider community due to COVID-19. We took this as an opportunity to engage with our people and create a positive "new way of working" by understanding how our employees have been coping through consecutive lockdowns. Our Perkbox employee benefit package has lots of hints and tips to help our people improve their wellbeing through mental wellness support, living fit and healthy lifestyles, and saving money. In addition, our employees have access to the Health Assured Employee Assistance Programme via Perkbox. Due to the pandemic, Ipsium was unable to deliver any training in 2020. However, employees were signposted to our EAP system and received emails with 'top tips on coping'.

➤ Health and Wellbeing

There are multiple resources our employees can call upon for advice and assistance. At Ipsum, we recognise that the pandemic was a particularly worrying time for many of our people. If employees are struggling in any way, big or small, they can access professional advice through our Employee Assistance Programme via Perkbox.

Perkbox is an employee benefit platform which offers the following benefits:

- Employee Assistance Programme by Health Assured. These wellbeing services are provided free and have unlimited access for 24/7/365 support. They include a confidential helpline, counselling sessions, critical incident and trauma support; and wellbeing information, mini health checks and health programmes for employees to follow.
- Discounts and cashback on a wide range of retailers from restaurants, cinemas, supermarkets and technology retailers like Apple and Samsung.
- Access to discounted e-learning courses through providers such as 42Courses, Jolt and Skill Share.

- Free access to online workout classes from Boxx and Gymondo, and discounted gym memberships.
- Free eye tests through Vision Express.

In April 2020, we rolled Perkbox out to all the businesses in the Ipsum. Since then, we have had 3,164 redemptions to date, with a current logged in rate of 78%. This means over three quarters of our employees are using the platform.

Eligible employees have access to Bupa private healthcare and life assurance through our provider, AIG. Employees covered by our life assurance scheme have access to Smart Health which is a virtual GP app.

Our wellbeing agenda includes supporting our people in difficult times, employee assistance programmes, and mental health champions. In a recent survey, 61% of our people rated their wellbeing as positive before the lockdown restrictions were put in place, but only 35% said it was still positive since the lockdown. We engaged with our workforce to understand their individual needs and support them during this difficult time.

Unlimited Access to six Smart Health Devices

- 24/7 GP
- A second medical opinion service
- Mental health support
- A health check
- Nutrition consultations
- An online fitness programme



➤ Transforming Workplace Mental Health

Most adults spend at least a third of their time at work. Poor mental health costs UK employers up to £45 billion each year. But for every £1 spent by employers on mental health interventions, they get back £5 in reduced absence, presenteeism, and staff turnover (Deloitte, 2020). Therefore we strive to keep our employees mentally healthy, both now and in the future.

Ipsium begin by training all managers in Mental Health Awareness. This helps managers to understand the different types of mental health issues, how to identify them, and if a friend or colleague were to approach them with an issue, they would be able to effectively signpost them. Similar training will then be rolled out to all office and site operatives within Ipsium Water and Ipsium Power over the coming year. Furthermore we have committed to sending 10 delegates on a course run by Mental Health First Aid (MHFA) England. Each businesses' culture is unique and creating change around mental health is a complex task that requires a multi-tiered approach.

This online course qualifies employees as Mental Health First Aiders, giving them:

- An in-depth understanding of mental health and the factors that can affect wellbeing
- Practical skills to spot the triggers and signs of a range of mental health issues
- Confidence to step in, reassure and support a person in distress using the Mental Health First Aid action plan
- Enhanced interpersonal skills such as non-judgemental listening
- Knowledge to help someone recover their health by guiding them to further support - whether through self-help resources, internal support such as EAP, or external sources such as their GP
- An understanding of how to keep themselves safe while performing their duties

During 2021 we will be launching Wellbeing Champions across the business to work alongside our already existing Green Champions and Health & Safety Champions. These groups will meet every quarter to share and discuss ideas that will help create improvements and betterment across the business.



Within Ipsium we are committed to removing the stigma associated with mental health, encouraging open conversation among colleagues.

We will be implementing mental health workshops to raise awareness and increase understanding of mental health and how to equip employees with the skills and knowledge to look after their own mental health, as well as allow them to have supportive conversations with colleagues who are living with ongoing mental health conditions.

We are trying to do everything we can to make sure we are supporting people in the right way.

➤ Health, Safety and the Environment

At Ipsum, there is nothing more important than the health and safety of our people, contractors, and third parties affected by our work. Effective health and safety actively contributes to our success and we look to communicate this message at every opportunity.

By everyone participating, contributing, recognising and controlling risk, we will ensure everyone returns home safe at the end of each working day. We believe that by striving to meet and surpass the requirements of relevant legislation and standards, we can avoid people getting hurt and create an environment where work improves health and wellbeing.

Ipsum are determined that our workforce has the courage to challenge and the respect to listen. We report, and learn from incidents and encourage consultation and participation to innovate and continually improve. We have an integrated approach to health, safety, environment and quality. This complies with the internationally recognised standards, ISO 9001, ISO 14001 and ISO45001.

Our ISO45001 certified safety management system ensures we have policies, guidance and support available to everyone working on our behalf. We are audited under the Achilles UVDB Verify system, so our clients can benchmark our performance. To ensure we can compete as an accredited Independent Connection Provider (ICP), we are assessed under the Lloyd's Register National Electricity Registration Scheme (NERS).

Ipsum complete work under the Construction (Design and Management) Regulations 2015 (CDM), at both Principal Designer and Principal Contractor level. All health and safety policies and procedures are available, upon request, to relevant parties.



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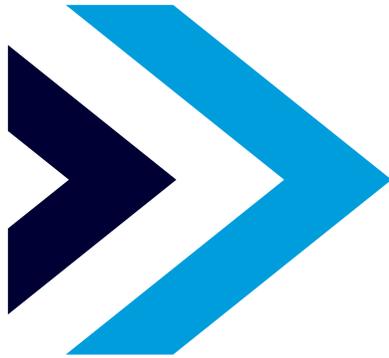
GOVERNANCE

COVID-19 Statement

Ipsum delivers essential services in the water and electricity sectors. These are categorised by the government as critical to maintaining the UK's utilities and infrastructure throughout the COVID-19 pandemic. To enable us to continue to operate effectively, we have established a Pandemic Response Team that continues to develop and implement the appropriate measures to ensure we maintain the highest standards of health, safety and wellbeing for our people, our customers and the communities in which we work.

Ipsum have developed a Pandemic Resilience Plan and undertaken a Risk Assessment for our office, vehicles and on-site workplace settings, implementing COVID-19 secure working practices and environments. We inform and advise our people of any updates to government guidance and legislation in responding to the pandemic and review and update our Risk Assessment and working practices accordingly. The risk ratings have been determined on a basis of Likelihood x Severity to calculate the overall risk ratings.


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Unique Sector Experience and Specialist Domain Knowledge



Our Governance

ESG Committee

We have formed an ESG Committee which has committed to meeting quarterly. This committee will be formed of employees from across the business, representing several departments to ensure widespread engagement. We will be joined by our specialist sustainability partner, Sustainable Advantage, bi-annually, to guide our progress.

Having all the required accreditations to satisfy our clients we take quality and workplace safety seriously.

We have detailed policies relating to:

- ESG
- Quality Management
- Health and safety
- Modern Slavery
- Business Continuity
- GDPR and information security
- Anti bribery and corruption
- Diversity, Equality and Inclusion



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Looking Forward to 2021

We look forward to the future with optimism. The world is realising that we must all take control of the future and that we cannot act as if we have limitless resources, exploit people, or keep our suppliers at arm's length. We need to work collaboratively with our clients and in Ipsum you will find a partner as passionate about ESG as you are.





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