Version 1.0



Social Impact Report













"We are working collaboratively with our people, our communities, our customers and supply chain to improve our industry, lead the way with positive change and help our journey to Net Zero Carbon by 2040."

- LIAM LYNCH



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INTRODUCTION

In the current age, as a global community, we are facing incredible challenges: a climate crisis, the repercussions of Covid-19, and a growing humanitarian crisis due to war, systematic poverty, and racism. As an industry leader, we are committed to tackling these challenges. We acknowledge that we have a significant role in taking responsibility for our own social impact and providing the leadership to encourage other organisations to also take ownership. It has become vital that we all join hands and operate in a way that actively confronts growing economic, environmental, and social challenges to lay the groundwork for positive change for our future generations.

At Lynch, we have set an ambitious goal of achieving **Net Zero Carbon** by 2040, with an interim target of a 30% reduction by 2025. We have organised a series of departmental and supply chain focused carbon action plans to deliver on this. Some of our stand-out achievements from the past year include; becoming the very first plant hire company in the UK to earn a Gold CSR Accreditation from CSR-A Ltd. We have invested in a digital People System to help attract, develop and retain a diverse workforce. We have made several improvements to our depots. including the installation of solar panels that have helped us to save over 186 tonnes of CO₂. We have introduced award-winning training programmes - our latest Eco-driver training has enabled a customer to experience reduced fuel consumption, equating to cost savings of over £10,000, whilst reducing daily CO₂ consumption by 46%. We are continually researching and investing in the latest technology, growing our hybrid and electric fleet. These are just some of the ways in which we are implementing positive change within the industry.

Going forwards, we aspire to become a leading example in implementing positive change within the industry – championing industry best practices, accelerating our carbon commitments, and embarking on more social impact programs, strategies and initiatives. As one team, we firmly believe we can implement meaningful change within the industry to build a sustainable future for the many generations to come!

Paul Lynch Head of HSQE & Sustainability

WHAT SOCIAL RESPONSIBILITY MEANS TO LYNCH

Taking Action to Deliver a Better Future

At Lynch, we are passionate about our sustainability journey and reaching Net Zero Carbon by 2040. We recognise the need to change the way we engage with our people, consume resources and work within local communities to be sustainable for the future. We are proud members of the Supply Chain Sustainability School - sharing our best practices, learning from others, and supporting those who need help. All our employees have individualised Sustainability Education Plans, with an aim to increase education on sustainability matters across the business while embedding responsibility into all job roles.

We are determined that using innovative technologies and cleaner fuel, supported by investing in driving behavioural change, will help us to achieve our sustainability goals whilst encouraging others to do the same.

As a socially responsible Plant Hire company, we understand the importance of embedding environmental, social and governance (ESG) factors into our business approach. Therefore, as part of our sustainability strategy, we are committed to creating positive change by focusing on the following:

ENVIRONMENT: Reducing our carbon emissions by innovating and embracing digital working and new technologies

SOCIAL: Leaving a positive legacy for people in our teams, our stakeholders and the wider community

GOVERNANCE: Creating a fair and transparent workplace and championing our behaviours throughout the entire company



These pillars cover a holistic view of sustainability, capturing what is important to Lynch, our communities, and our planet.

Our sustainability strategy supports the UN Sustainable Development Goals, a global agenda with an aim to achieve peace and prosperity for people and the planet. These include:

- Goal 9: Building resilient infrastructure, promoting sustainable industrialization and fostering innovation
- Goal 17: Revitalizing the global partnership for sustainable development



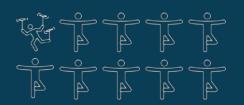


"Our People are our Greatest Asset" - Liam Lynch

We aim to create a stimulating, supportive and fair work environment where our employees are empowered to use their voices, collaborate and experiment to maximise their full potential. We respect individual differences and believe in supporting our employees to succeed by providing the right resources and environment to enable them to flourish within their professional careers.







8/10

Employees reported how happy

they are to work at Lynch

8.22/10

Staff report that they are happier at work

8.63/10

Have a better work-life balance



92%

78%

See our company as a fun place to work

Happy with their career path, seeing future development at Lynch

OUR ACTIVITY:

Here are just some of the ways that we have fostered an inclusive and supportive work environment:

Attracting Top Talent: Our approach to the hiring, development and advancement of our employees is critical to our journey to advance equality, diversity and inclusion at Lynch. Therefore, we have invested in a digital People System to help attract, develop and retain a diverse workforce.

Employee Engagement: We deliver annual 'Reality Check' engagement surveys to give employees a venue to provide open feedback whilst enabling employees to become actively involved in the development and future direction of the organisation. The feedback and collaboration from our latest engagement survey saw the creation of our brand new company values.

Employee Voice: We deliver annual 'One Team' sessions, a program designed to bring together a diversity of thought across all our teams. The program allows employees to gain direct access to the family Directors, to challenge openly and impact our successes.

Training and Awareness: We deliver People Leadership, Inclusive Coaching and EDI training for employees at all levels of the organisation. All our employees have individualised Sustainability Education Plans through the Supply Chain Sustainability School, of which we have Gold membership.

OUR ACTIVITY CONTINUED:

Health and Wellbeing: We have invested in a new People Experience System, allowing us to make data-driven and informed decisions around people and culture to ensure we remain an agile, inclusive and high-performing business.

We are proud to be signatories of the Building Mental Health Charter, an industry-wide framework which aims to tackle mental health issues, encouraging all our colleagues to engage with and embrace the mental health agenda.

Building Equality: We are proud members of Building Equality, an alliance of construction workers and institutions passionate about collaboration and harnessing their collective power to drive LGBTQ+ inclusion in construction, engineering, and built environment industry.

Employee Recognition: We deliver weekly 'Wow Awards' in recognition of employees who go above and beyond for our customers and colleagues. Last year saw the launch of our first ever 'Lynch Awards' to recognise and reward our employees' contributions and performances throughout the year.







OUR COMMUNITY

Making an Impact That Matters

At Lynch, we have fostered a culture of giving, building close relationships within the communities that we work in to make a positive and lasting contribution to social and economic progress. We actively seek opportunities to use our skills and resources to support local communities: donating money, supporting local businesses and institutions, and assisting groups driving positive change.

OUR ACTIVITY:

Throughout 2021-22, our employees contributed to several community-focused projects and initiatives. Some of our stand-out accomplishments include:

ENVIRONMENTAL

Extending a Community Allotment: Providing support to extend a community allotment in Coleshill for agricultural and farming use.

Restoring Wetlands: Providing an operated 9M Long Reach Excavator to assist Castle Bromwich Parkland on their Environmental Project for restoring wetlands.

Supporting Local Projects: Supporting The Iver Environment Centre (Groundwork South) in the next phase of their Regeneration Project, following the success of last years' works.

Supporting Local Schools: Assisting Laureate Academy, a local secondary school, with their Sustainable Garden Project.

ECONOMIC

Building the Future of Plant Hire: Participating in school/ college career events, talking to students about the possibilities and opportunities available in our industry.

Helping the Homeless: Supporting London's homeless community by donating to and volunteering at an event organised by Skanska Costain STRABAG (Joint Venture).

Supporting Local SMEs: Purchasing a life-saving defibrillator for Molly's Community Cafe in Steeple Claydon, alongside the Buckingham Group.

Protecting Cyclists: Supporting the Met Police and City of London Police in creating a safer environment on congested roads by taking part in live demonstrations in Exchanging Places Events.

Supporting Project Edward: Collaborating with Skanska Costain STRABAG (Joint Venture) for the opening of the Willesden Euro Terminal, the brand new Logistics Hub for the HS2 Area South.

10

Hosting Events: Collaborating with Skanska Costain STRABAG (Joint Venture) to host Day 2 of the SCS Railways Supply Chain Enterprise Academy.

9



SOCIAL

Transportation: Assisting Skanska Costain STRABAG (Joint Venture) by transporting 20 benches that were donated to the Llanelli & Mynydd Mawr Railway Company.

Food Distribution: Supporting the McCarthy-Dixon Foundation by donating a much-needed van to transport food for distribution to the most vulnerable, including local schools and community mental health centres.

Supporting Local Clubs: Sponsoring local sports teams and tournaments, including Basketball England, NBL Division 1 clubs and the L Lynch Trophy Tournament 2022.

Supporting Local Charities: Collaborating with Costain-Skanska (Joint Venture) to convert a 2003 Volvo Plaxton bus for charity organisation Bubble and Squeak. Providing an operatedlant to build a much-needed temporary access road for the Step-by-step Special School's Big Build Proiect.

Volunteering: Facilitating one paid working day per employee to support or volunteer towards a social impact initiative.

DONATED OVER £250,000 SINCE 2020

TO CHARITY

"Thank you Lynch for donating plant and labour to help improve and restore" our wetland at the Castle Bromwich Parkland. This has made a fantastic difference to our site."

- Tara Higgs, Manager at Castle Bromwich Parkland

"We have been successfully working with Lynch on community engagement projects across the HS2 Project for a number of years now. They are always keen to get involved and have made a valuable contribution to improving lives in the communities along the HS2 route on a number of schemes."

- Timothy Burr, Consents & Engagement Lead at SCS JV

"This is a great example of how we can all work together to drive inclusion in the construction industry. The bowser will be on its way to site next week, and we hope it will brighten up the site and bring some colour to our workers' days!"

- Niall Fraser, Director for Blackwells

OUR ENVIRONMENT

Our Journey to Net Zero Carbon by 2040

As a plant hire company with purchasing power, we recognise our role to drive sustainable solutions within our industry. As well as reducing waste, water and increasing our renewable energy generation, our key objective is to reduce carbon. This is in line with our aim to achieve Net Zero Carbon by 2040, with an interim target of 30% reduction by 2025. Using innovative technologies, supported by investing in driver behaviour change, helps us to achieve our goal while increasing onsite productivity and customer satisfaction to our clients.

"Reducing carbon emissions and improving air quality are central to SCS sustainability targets. Lynch's innovative telematics reporting systems and behavioural training are helping SCS achieve these targets"

- SIMON TAYLOR, SENIOR ENVIRONMENTAL MANAGER AT SCS HS2

DELIVERING IMPACT THROUGH RESEARCH AND DIGITALISATION

The construction industry is currently facing its biggest challenge yet, with an urgent call to decarbonize the industry. We recognize that there is a lot of efficiency and carbon reduction to unlock in our current fleet as we wait for the technology, infrastructure, and demand to increase for our electric and hybrid machinery. Consequently, we are evidentially still some years away from operating in a carbon-free industry and so we acknowledge that we must find a solution in the meantime to solve the problem at hand. Therefore, we decided to use two major resources we do have – our **PEOPLE** and our **DATA**, in a three-month trial.

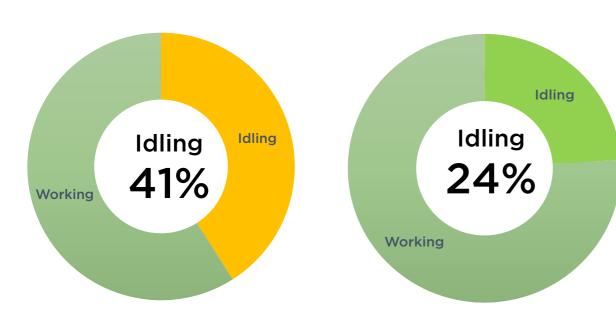
We invested in an Eco-driver training programme for all plant operators with the aim to:

- Reduce idling, fuel consumption and CO₂ emissions on-site and costs to the customer
- Educate drivers on their carbon footprint and environmental impact
- Promote data transparency by providing data to clients to help them reduce costs and meet their net-zero targets quicker

<u>14</u>

November 2021

January 2022



Using a blend of telematic data and enhanced driver training, we were able to:

- Reduce idling from 41% to 24%
- Reduce average CO2 consumption per day by 46%
- Reduce fuel consumption from **17,124L** in November to just **7,944L** in January equating to a cost-saving of over **£10,000**

Throughout the trial, our Data Analytics team further designed individualized carbon reduction plans for each operator on-site. This provided them with a better direction of where they are and where they are going to reach our collective goal of Net Zero Carbon by **2040.**

The trial had allowed us and our customers to identify that operator behaviour and driving techniques have a direct influence on CO2 emissions. The blend of telematics data and training has empowered behavioural change amongst Lynch Operators, resulting in tangible commercial benefits, cleaner air, and a more sustainable construction site. This pioneering scheme has the potential to help even our clients reach their own Net Carbon Zero goals!

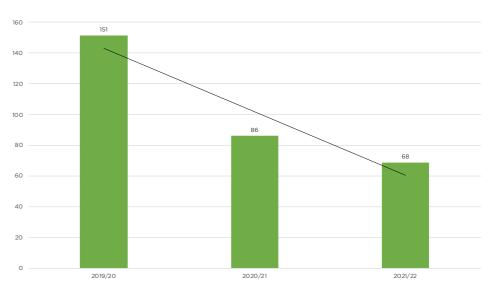




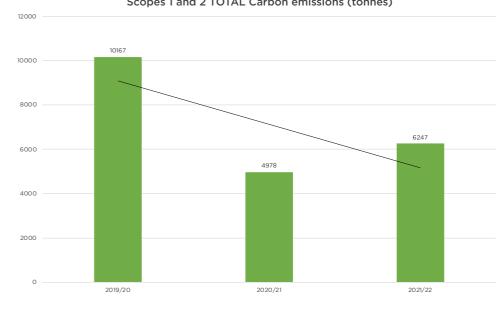
BUILDING A CARBON NEUTRAL FUTURE

In adherence to the Green House Gas Protocol, we have been proactively measuring our Scope 1 and 2 carbon emissions since 2019 and are currently working towards the measurement of Scope 3. Past data shows evidence that our carbon footprint per £1million turnover has significantly reduced, however, our absolute carbon footprint has increased. Several new carbon reduction initiatives are on-going and this includes the installation of solar panels in our offices, with a capacity to reduce approximately 5.2 tonnes of carbon saving per month.





L Lynch Plant Hire and Haulage Ltd Scopes 1 and 2 TOTAL Carbon emissions (tonnes)



OUR ACCOMPLISHMENTS:

Here are some of our stand-out achievements in our sustainability journey so far:

Environmentally Friendly Workspaces: We have introduced several improvements to our offices to minimise our impact on the planet:

- √The installation of 406 Solar panels at our Southern Depot these generate enough energy to power the entire buildings lighting output and supply power back to the main grid
- A ban on single-use plastic bottles providing re-usable metal bottles for all staff
- √The use of recycled water for cleaning plant
- We promote paperless working including electronic invoicing and handheld devices for all drivers. All paper we do use is recycled
- √We've planted over 150 pine trees on site and introduced live plants to our indoor workspace
- We've installed 350 LED Units and 76 sensor units above working areas, ensuring it's switched off when not in use

Growing our Electric and Hybrid Fleet: We are committed to continually upgrading our plant machinery, with a goal to make our fleet more environmentally friendly, fuel-efficient and encompass the very latest technology.

We have introduced electric and plug-in Hybrid vehicles to our fleet, including telehandlers, excavators and sweepers.





OUR AWARDS & ACCREDITATIONS:

WINNER SUSTAINABILITY **AWARD**









Environmental Partner of the Year





WINNER

NET ZERO

AWARD







WINNER

CARE FOR LIFE

AWARD

Care for Life





Diversity & Inclusion

OUR PEOPLE:



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