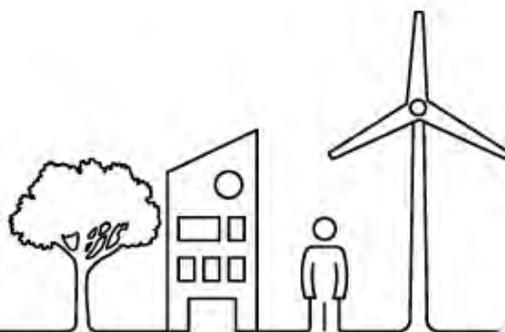
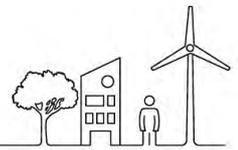


Shaping Our Communities



Guidance Document: How to make a
positive contribution



Introduction:

At Kier we are fully committed to delivering industry leading social impact that positively contributes to meeting the needs of the communities and contracts we serve. To focus and target our resources most effectively, Kier has defined this approach as “Shaping Our Communities”.

This approach will maximise our investment into areas of most benefit for the communities we serve. *Via this approach, by 2020 Kier will deliver the equivalent to 10% our revenue in additional positive social impact outcomes.*

We will target our social impact activity to where Kier can make the greatest lasting positive impact. This approach will be coordinated, captured and recorded via Kier’s unique measurement tool the “Shaping our Communities calculator” (SoCC). Kier seeks to robustly capture and measure the social impact created through its investment and activities reporting via SoCC.

Since the introduction of the social value act in 2012 our clients and partners have increasingly looked to Kier as a partner, to transparently quantify the change we bring about in local communities.

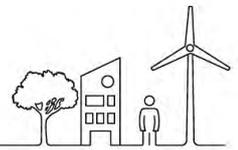
In recent years this has increasingly been reflected in the commissioning process of bids and tenders and coupled with increased interest amongst our shareholders and key stakeholders. Kier has always positively created social value and social impact within society. The SoCC will now allow for this activity to be reported effectively and uniformly across all contracts and project delivery within Kier.

Using the SoCC we will be able to share quantifiable data with current and future clients and local communities showing the positive contribution Kier makes. Via our Shaping our Communities approach we will target social impact activity in 5 key areas.

1. Communities Aim: *To provide safe and sustainable outcomes for our employees, supply chain partners, clients and communities that make a real positive difference. This will be delivered by community investment programmes, engagement and promotion of community cohesion*

2. Employment and skills Aim: *To make Kier a great place to work, where all our employees feel included, supported to perform and can develop professionally. We will support an increase in skills by providing jobs, interacting with schools, support local well-being and contributing to charities and voluntary organisations. Via our Shaping Your World initiative we will train 200 Kier ambassadors to engage with 10,000 school pupils per annum.*

3. Local partners Aim: *Working with the best qualified supply network partners, setting standards for ethical and responsible procurement and delivering lower impact products and services. Develop, select and grow our partners in a holistic way including valuing their commitment to social impact*



4. Environment Aim: Within the environment we aim to reduce our negative impacts by using the least material resources possible, influencing asset design and creating processes to deliver projects more efficiently, whilst increasing our profitability.

5. Social Enterprise Aim: Our aim is to support and encourage the use of social enterprise across Kier and our supply chain partners targeting delivery of £20 million in additional social impact outcomes by 2020

Why is it important to Kier

At Kier we aim to leave a lasting positive legacy in the communities and contracts we serve. Through activities such as the employment of apprentices, fundraising events and school engagement we can maximise our positive impact. We have a target to deliver the equivalent of 10% of our revenue in additional positive social impact outcomes. In 2018, we reported 4% of this and therefore have a lot to do to ensure we achieve our target. Delivering, capturing and communicating our social impact efforts is crucial to ensuring we deliver our commitment.

Your impact

Everyone at Kier can have a positive impact on their community and collectively we can create a lasting legacy for Kier. We can tackle issues faced by communities, such as unemployment and make a real difference for our customers, clients and stakeholders. By increasing our community engagement, we also increase employee engagement because people enjoy working for a company that cares about the community and makes a positive difference. As a by-product of this, if effectively captured, we can report our impact and in turn win more work, helping us grow and become more successful leading to increased social impact generation. Any questions or queries about what you can do, how you can make a difference or how to record your impact please email SOCEnquiries@kier.co.uk.

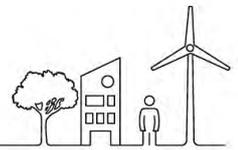
Data capture

It is critical that we are effectively capturing and recording what we do across the business in order to communicate our net social impact. This allows us to report what we do across our business and share best practice through case study material. Our new database 'Shaping our Communities Calculator' (SoCC) will allow us to do this. Upon completion of any activity that generates positive social impact, e.g. school's engagement, community garden tidy up or a careers fair, please fill out a data capture form. You will find these at the end of this document and there are office and site- specific versions. Data capture forms need to be sent to either your community shaper or your Corporate Responsibility Business Partner (a list is available on the CR MyKier page

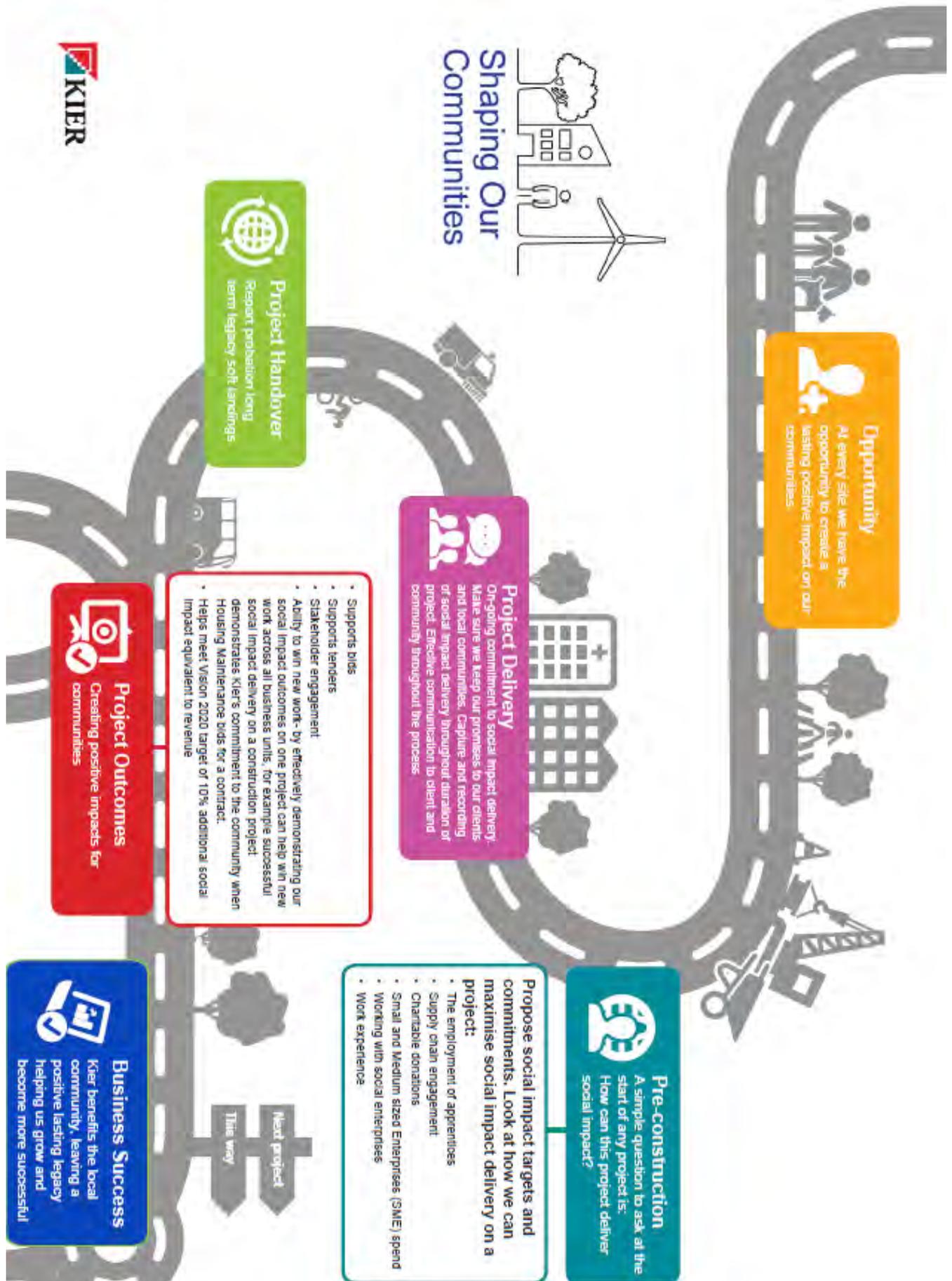
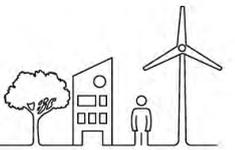
<https://mykier/teams/corporateresponsibility/Pages/Meet->

Shaping Our Communities Calculator





[the-team.aspx](#)). If you would like to receive SoCC training or would like to nominate a colleague to receive training please email SOCEnquiries@kier.co.uk



Opportunity

At every site we have the opportunity to create a lasting positive impact on our communities

Project Delivery

On-going commitment to social impact delivery. Make sure we keep our promises to our clients and local communities. Capture and recording of social impact delivery throughout duration of project. Effective communication to client and community throughout the process

- Supports bids
- Supports tenders
- Stakeholder engagement
- Ability to win new work - by effectively demonstrating our social impact outcomes on one project can help win new work across all business units, for example successful social impact delivery on a construction project demonstrates Kier's commitment to the community when Housing Maintenance bids for a contract.
- Helps meet Vision 2020 target of 10% additional social impact equivalent to revenue

Project Outcomes

Creating positive impacts for communities

Pre-construction

A simple question to ask at the start of any project is: How can this project deliver social impact?

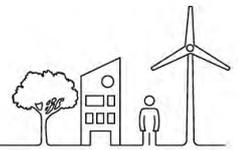
Propose social impact targets and commitments. Look at how we can maximise social impact delivery on a project:

- The employment of apprentices
- Supply chain engagement
- Charitable donations
- Small and Medium sized Enterprises (SME) spend
- Working with social enterprises
- Work experience

Business Success

Kier benefits the local community, leaving a positive lasting legacy helping us grow and become more successful





Supply chain apprentice

Employment of apprentices through our supply chain also creates social impact for Kier. By helping create an opportunity, or providing the contacts for an opportunity to arise, creates the associated benefits of apprenticeship employment, making a difference.

Work experience

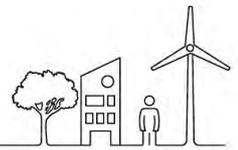
By providing work experience opportunities we can help tackle the workforce shortage our industry faces. Allowing young people to shadow job roles gives them an insight into potential career paths, and may encourage them to choose a career in construction and services. It also provides that individual with some basic skills of the workplace, making them more employable in the future. At Kier, we offer two different work experience schemes, one for those under the age of 19 and one for those who are aged 19 plus. If you provide a work experience opportunity, ensure you record what the student did whilst here and how long they were at Kier. When recording activity, we record 'Kier hours' which refers to the time spent during the working day delivering social impact activity. For a week's work experience, 12 Kier hours are provided (time spent with them where otherwise you would be working) and any subsequent days after equates to two hours a day. For example, two week's work experience would equate to 22 Kier hours.

For more information about work experience or to set up work experience please email: shapingyourworld@kier.co.uk or follow this link <http://www.kier.co.uk/earlycareers/work-experience.aspx#/mapview> to see work experience contacts by region.

NVQ Level 2 and Level 3 completion

The completion of NVQs provides us with a higher skilled workforce, particularly in terms of trade roles. It ensures that our employees are qualified to do their job, and helps our workforce develop professionally. For more information about NVQs please contact your local Learning and Development contact

(<https://mykier/teams/hr/learninganddevelopment/Pages/Meet-the-team.aspx>).



School engagement

With the launch of our 'Shaping your World' initiative, pledging to engage with 10,000 students each year, we will create lots of positive social impact by organising:

- Site visits for school children
- Assemblies- Health and Safety;
- Early careers days/presentations
- Activity days

We can change the image of the construction industry and tackle the skills shortage through engagement with generation-Z by promoting careers within construction. When participating in a schools engagement event make sure you record how long the event was, how many Kier staff delivered the activity (including their full names) and whether you spent any time planning/preparing for the event. Remember to take photos as these make great evidence and can be used as case study material.

For more information/resources please email: shapingyourworld@kier.co.uk

College/university engagement

College and university engagement allows us to promote our industry to those who are currently making significant career decisions. We can promote opportunities we offer including apprenticeships, a Kier sponsored degree, placements/internships and graduate programmes. It gives us an opportunity to attract and retain talent in our sector.

Examples of college/university engagement:

- Careers presentations
- Careers fairs

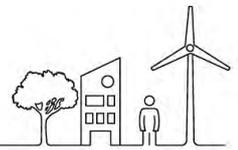
For more information about career opportunities we offer or how to arrange a college/university engagement please contact the Group early careers team.

Compliance based training

Compliance based training refers to the training which is compulsory for certain roles within our business. Health and safety training, which includes SMSTS, SSSTS and ACS qualifications are vital for some roles. To access this training please contact your local SHE representative or refer to the Group standard SHEMS-GR-009. Even though this is mandatory training, it should still be recorded on SoCC as there is an associated social impact generated during training.

Professional development training





Professional development training refers to the ‘softer’ aspects of training, which is offered to all Kier employees through HR and courses that run throughout our offices. It is compulsory that every new starter completes the ‘Code of Conduct’ and ‘Anti-bribery and Corruption’ training modules.

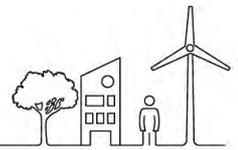
Industry days

Industry days refer to events that provide help to people struggling to get back into employment. For example, job centre careers events and army career transition days. To arrange an event or for more information on industry days please contact your HR team or Group early careers.

Built Environment Social Enterprise Event:

An example of an industry day is a pilot collaborative industry event held in Birmingham. The event saw Kier colleagues along with many other built environment businesses (including Wates, Wilmott Dixon and Morgan Sindall) engage in a ‘meet the buyer’ speed dating event with around 30 different Social Enterprises. It was a successful event and raised awareness of the small changes we can make within our supply chain to create a lasting positive impact.





Communities

There are endless ways to generate social impact through community engagement. From fundraising events, to site visits, volunteer work, building regeneration or environmental engagement e.g. bee hotels involving a local school. Whenever carrying out an event it is important to ensure you record the Kier hours (time you and colleagues have spent during the Kier working day preparing and attending an event), any donations from a 3rd party or the Kier Foundation (both cash and materials).

Kier Construction Eastern, Garden Project:

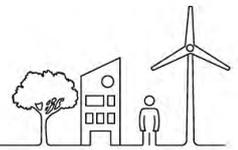
A great example of an environmental community engagement event was carried out on the Build UK Eastern, University of Northampton site. Prior to this event, the biodiversity of the area was extremely limited. In order to increase the local biodiversity and community engagement, six pupils from Delapre Primary School gardening school were invited to the project to assist with the planting potted plants into recycled wooden pallets.



Oxfordshire Youth Arts Partnership's (OYAP) Bicester Eco Centre Refurbishment:

OYAP works with young people, particularly those who are isolated, vulnerable and at risk, providing them with the opportunity to learn and develop confidence and skills through creative learning projects. OYAP moved into new, rundown premises, with very little funds and resources. 17 volunteers from Kier's Gloucester Scape hub team and Cherwell District Council redecorated 1500sqm of walls, ceilings and floors with 100 gallons of paint.

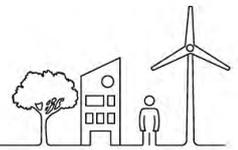




Bournemouth University project, Hampers for the Homeless:

A Build UK Southern and Bournemouth University project team delivered Christmas hampers to St Paul's Lane Direct Access Night Shelter in Bournemouth. The hampers included food and warm winter accessories and were very well received at the shelter.





Charitable fundraising

Every two years Kier chooses a charity partner. Fundraising events are held throughout the year in order to support our partner. Since June 2015 Kier’s charity partner was the ‘Alzheimer’s Society’ and over the two-year partnership we raised £426,000 for the Society. From July 2018 – June 2020, Kier will be partnered up with a new chosen charity partner – The British Heart Foundation – whereby our key aim is to create a community of Kier life saved by raising £250,000 for research into cardiac arrests and also training 1500 of our workforce up in CPR. In addition, the Kier Foundation provides match funding for employees. Any employee carrying out an event for a charity can apply for match funding, so if you do a cake sale on site to raise money for Cancer Research and raise £100, the Foundation will match this to make your donation £200. If you would like to apply for match funding, or would like to know more about the Kier Foundation, please email info@thekierfoundation.org

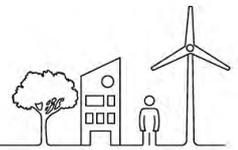
Any charitable fundraising event can be recorded on the Shaping our Communities Calculator. Ensure you record any time spent during Kier time preparing or carrying out an event (Kier hours), any donations made (both cash and materials) as well as the number of staff involved, the total amount raised at the event and any photos.

Kier Living Eastern, Charity Golf Day:

An example of a charity fundraiser was the golf day event held by Kier Living Eastern. The day, held at Wyboston Lakes, raised money for the Alzheimer’s Society (the Kier Foundation charity partner at the time). There were 26 teams participating in the event which involved an 18 hole golf game, evening meal, trophies, a raffle, an auction and a chipping / putting competition. The day managed to raise £15,192. This is a great example of a larger scale charitable fundraising event.

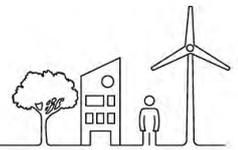


Smaller scale fundraising events are also a great way of raising money for a chosen charity, increasing team spirit on site or within the office, and as a result generating social impact. Examples include:



- Cake sales
- Coffee mornings
- Raffles
- Dress down days
- Sponsored fun runs or cycling events.





Social enterprise

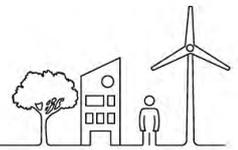
Social enterprises are organisations that apply commercial strategies to maximise improvements in financial, social and environment well-being – this may include maximising social impact alongside profits for external shareholders. Therefore, spend with social enterprises is a great opportunity to create social value on a project with little extra effort or impact on business activity. Kier works with several social enterprises including Nordis Signs, WeDoPrint and National Community Wood Recycling. For more information on social enterprises, please contact Group Procurement for the social enterprise directory.

Nordis Signs

Nordis signs was established in 1972 in order to provide meaningful employment for disabled people in the local area. They currently employ 15 people, 14 of whom have a disability and 11 are supported on the DWP's Work Choice Programme. This helps disabled people with more complex issues find, and stay in employment. Nordis has 30 years' experience and are specialists in road signs, public sector signs and commercial signs. When purchasing signage from Nordis, not only do you receive a product to the same standard as any other supplier, certified to ISO 9001:2008, but you contribute to making a real positive difference. To place an order with Nordis, following the standard Kier order process, you must contact them for the pricing of your order, raise a purchase order (PO) and fill out a requisition form on Oracle. Once approved send your PO number and order to Nordis. Remember to send your final invoice to the Manchester office in order to be processed. For more information about Nordis signs, please visit <http://www.nordis-signs.co.uk/>.



WeDoPrint



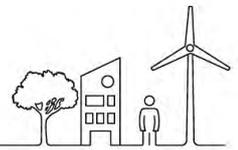
WeDoPrint are a printing business that gives disadvantaged young people the chance to become work-ready and resilient through experience in the print industry. By working with WeDoPrint a significant positive impact can be made on the lives of young people, whilst still receiving a good quality product and service. For more information about WeDoPrint please contact Group procurement.

When looking to work with a social enterprise who isn't already a preferred supplier please contact Group Procurement.



Local partners

By working alongside our local partners, we can make a difference to the communities in which we work. SME spend refers to the spend with small and medium sized enterprises (a business which has under 250 staff and under £50m turnover). Spending with local SMEs has huge benefits for the local economy, both in terms of increased employment and economic growth of the SME. To find out whether a sub-contractor or partner is a SME and to check the geographical distance of spend please contact your procurement lead or visit <https://mykier/teams/procurement/Pages/Contact-Procurement-Shared-Services.aspx> for more contact details.



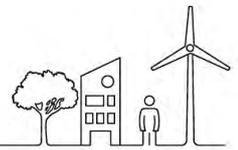
Environment

All environmental data should be recorded on SMARTwaste, and is mirrored onto SoCC. Data which should be recorded includes:

- Construction waste generated m³ per £100k
- Waste diverted from landfill
- Energy use / carbon emissions

Maximum efforts should be made on site to reduce waste, energy use and carbon emissions where possible. For more information on how to reduce environmental impact on site, please contact your environmental manager. We recently launched our new energy strategy, 30 by 30. For more information please follow the link <http://www.kier.co.uk/corporate-responsibility/environment/carbon.aspx>.

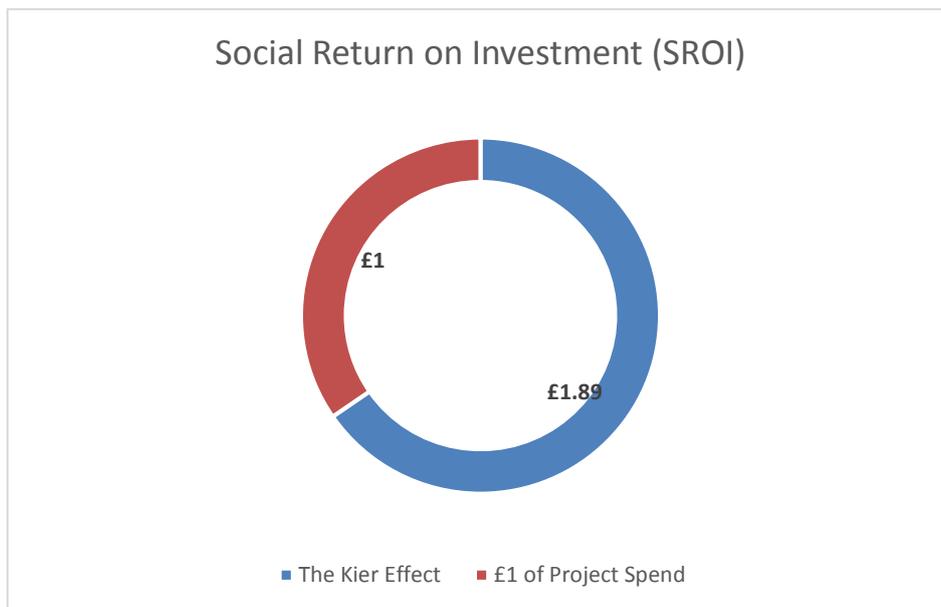


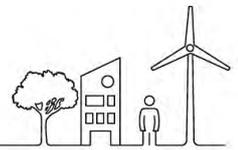


Social Return on Investment (SROI):

SROI is used to calculate the additional value created through spend. Every project we deliver has a direct £1 for £1 return on investment. If we are delivering a £50 million project, the community will directly benefit from that project so £50 million of value is generated in that community. But we can go above and beyond this direct return on investment and deliver additional value to our communities. By investing time and resources into a community, through school’s engagement, SME Spend, employment creation, work experience, apprenticeships etc. we can generate significant amounts of additional value. With effective recording of social impact delivery on a project, we can articulate this additional value to calculate SROI. For example, for every £1 we are investing in the project, we generate £1.90 SROI (£0.90 of additional benefit for every £1). To put it into perspective, a £1 million project would generate £900,000 social impact. SROI also considers the negative impacts on a project to give the net SROI. For example, it takes into consideration that you have created 15 new jobs but have also made 20 people in a different role redundant hence it provides an accurate method to calculate the value of our operations.

Through SoCC we can generate a graph to show SROI:





Methodology:

When creating SoCC we worked with a company called Simetrica to develop the Kier Social Impact model, containing the metrics used to calculate our social impact. Simetrica had a role in creating the Social Value Act which reinforces the validity of this metric. The data is also used by the Government when undertaking impact assessments of new legislation. The Social Value Act, which came into force in 2013, requires those who commission public services to think about how wider social, economic and environmental benefits can be secured.

These metrics use a cost-benefit analysis (which measures improvements in people's welfare or wellbeing) to calculate a monetary value which includes both financial benefit to the individual as well as 'non-market' outcomes such as health, education and freedom from crime. This also takes into account primary benefits - relating to a direct benefit to the individual - and secondary benefits - which refers to the wider resulting societal benefit. The calculation used can be applied to several Employment and Skills areas, to establish an annual per person benefit:

- Full-time employment- £27,165
- Part-time employment- £3,241
- Securing a job with a 3rd party- £25,898
- Directly employed apprentice- £8,903
- Supply chain apprentice- £9,015
- Work Experience U19- £1,004.53
- NVQ Level 2- £1,008
- NVQ Level 3- £1,566

This data is For any general queries or questions about Shaping our Communities please email SOcenquiries@kier.co.uk .