



Social Value Report 2022

Introduction

Welcome to CBES Ltd's Social Value Report for 2022, which provides an overview of our continuing commitment to create a sustainable, fair and considerate business.

Our 2022 report reinforces our dedication and ambition to effect long term sustainable growth whilst enhancing our social value to our people, customers and in communities we operate in.

At CBES Ltd we are aware of the critical contributions our colleagues offer and the importance they hold for the continued success of our business. Our Social Value Framework underlines the commitment to all our people and demonstrating our dedication and obligations to ensuring they have a fair, inclusive and beneficial experience at CBES.

The success and progression of our people is central to this framework, whereby we continue to create and make available opportunities for apprenticeships, training and support to ensure our colleagues are best placed to deliver their roles and develop as appropriate into further and technical and management functions.

At CBES we value sustainability and are fully committed to achieving our net zero ambition by 2040, having already established our baseline carbon footprint we continue to take steps to reduce carbon emissions across our business operations. We also understand the value we bring to our customers in delivering their own challenging targets in areas such as decarbonisation, waste management and reducing energy use with our engineering and energy teams providing constructive innovation to deliver value in this area.

Our carbon reduction plan recognises our opportunities to reduce carbon, fleet decarbonisation being a significant aspect of our plans which are already underway with arrangements in place for hybrid and electric migration as availability allows.

Throughout 2022, we have begun CBES Ltd's Social Value Framework, setting testing and ambitious targets across the key pillars of Sustainability, H&E, People, Procurement and Communities and Giving, reporting annually on progress and milestones demonstrating our commitment for a more sustainable, economically fair and socially inclusive business for everyone.

Fraser Allan, Managing Director

CBES Ltd.

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CBES Ltd’s Approach to Social value

How we embrace social value has a huge potential to help us change the way we understand the environments we work in and allow us to make informed decisions on where and how we invest resources. We believe that by focusing on the way we work, enhancing the quality of life for our colleagues, our customers and the communities we serve will have a positive impact on society.

CBES is an ambitious and growing business and we recognise our wide range of services impact a variety of stakeholders from our commitments to serving our customers, developing our people, protecting the environment through the reduction of our Carbon emissions to supporting our local communities, we are continuously focused on the wider horizon.

Our commitments to International Standards

As a responsible business, CBES is committed to the UN Sustainability Development Goals agreed and created by 193 Countries in 2015 and underlining the values of the international community to create a better society. These recognise that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection.

We view these as the benchmark in promoting prosperity and protecting the environments which we live, work and serve. We believe this commitment serves our ambition to create a more prosperous and efficient future for all.

At CBES we believe that our values embrace these goals and align with who we are.



Our Social Value Pillars

CBES are part of City Facilities Management Holdings Group, who are a growing major global employer, employing over 8500 colleagues and working with our customers over a range of sectors, delivering services in a responsible and sustainable manner. The group has long history of delivering social value through our delivery and have identified 5 key pillars which form our social value framework and epitomise our commitment to corporate social responsibility. By aligning with the UN Sustainable Development Goals, CBES are fully committed to supporting, pursuing and realising our objectives in this area and contributing in these facets.



Sustainability: We are committed to minimising our environmental impact and launched our net carbon zero roadmap in 2021 with our commitment to reaching net zero carbon by 2040.



HSE: Nothing is more important to us than ensuring our people go home safely each day. We hold our HSE Values closely and strive every day to guarantee our colleagues and customers have the safest working conditions.



People: We are a people business, and our people make us what we are. Our obligation is to ensure they receive the care, support, development, and opportunities to allow them to flourish.



Procurement: A key aspect of our approach to social value is operating smarter, leaner and more effective with regard to sustainable procurement, working with and investing in our supply chain will secure social, economic, and environmental benefits to our customers and communities.



Communities & Giving: We are committed to helping those within the local and wider communities. By working with our communities and local charities we aim to create better opportunities and support networks for the people and environments around us.

CBES Social Value

Objectives

Sustainability

- To be 'Net Zero' emissions by 2040, 5 years ahead of government targets and achieve interim targets for carbon neutrality (2025), Scopes 1& 2 Net Zero by 2030.
- To ensure 0 pollution events occur from CBES undertakings.
- To reduce waste generation and increase diversion of waste to landfill to 100% by 2030.

HSE

- To ensure our all accident statistics are below an Accident Frequency Rate (AFR) of 0.5.
- To aim for 0 RIDDOR events on an annual basis.
- To ensure our average HSE surveillance monitoring programme returns an average score >90%.
- To increase fleet safety performance by reducing speeding events and at fault claims.

People

- To increase the percentage of women in first line, senior and middle management roles.
- To increase the number of apprentices progressing through apprenticeship schemes.
- To ensure all colleagues have access to suitable training and development pathways.

Procurement

- To increase spend with SMEs and VCSEs.
- To increase spend on supplier management frameworks.

Communities

- To enhance the communities and environs where CBES undertake our work activities.
- To review, contribute and support charities and sponsorship opportunities including those identified by our colleagues and customers.

Targets v performance Social Value Scorecard/ Objectives.

	2022	2023	2024	2025	2026	2027	
Sustainability							
% of Hybrid Company Cars	31%	58%	100%	100%	100%	100%	
tCO ₂ e Emissions (-10%)	3191	2872	2585	2325	2093	1883	
Total Waste produced (Tons)	4358	3922	3530	3177	2799	2519	
Waste diverted from landfill%	99.5%	99.6%	99.7%	99.7%	99.7%	99.8%	
HSE							
Health + Wellbeing training hours	8392	8812	9252	9715	10,201	10,711	
% Road of Speeding Events	-10%	-12%	-13%	-15%	-20%	-25%	
Accident Frequency Rate (AFR) <1	<0.5	<0.5	<0.4	<0.4	<0.4	<0.3	
RoSPA Gold H&S/Fleet Awards	Achieve	Achieve	Achieve	Achieve	Achieve	Achieve	
HSE Audit pass mark >90%	>90%	>90%	>90%	>90%	>92%	>94%	
People							
% of Women in first line management positions	14%	14%	15%	15%	16%	17%	
% of Women in Senior/Middle management roles	6%	6%	7%	7%	8%	8%	
Number of apprentices working through apprenticeship scheme	18	20	22	23	24	25	
Procurement							
% of Spend with SMEs	65%	68%	69%	69%	69%	70%	
% of Spend on Supplier Management Framework	70%	65%	62%	60%	59%	58%	
% Spend with VCSEs	0.01%	0.01%	0.02%	0.02%	0.03%	0.03%	
Communities and giving							
Increase Sponsorship funds	10%	12%	12%	15%	15%	16%	
Community volunteering*	Hrs	1730	1817	1907	2002	2102	2207
	Day	230.7	242	254	267	280	294
	YoY%	+4.8%	+5%	+5%	+5%	+5%	+5%
Community projects	38	40	45	48	55	60	

*2019 volunteering hours. +23.6% up on benchmark year (2019).



Sustainability

Our Sustainability Vision
Our Road Map to Net Zero
Our Fleet
Carbon Reduction Programme
Delivering for our Customers' Energy
Environment



Sustainability



CBES provide both project and service delivery excellence, we are aware that our activities can cause significant carbon emissions and are committed to the principles of environmental stewardship, pledged to being Carbon Neutral by 2030 with the ambition of achieving Carbon Net Zero by 2040.

Founded in 2005, CBES works across and manages over 3500 properties across millions of m² of space with over 5 million people passing through every day. By applying our expertise and innovation we have saved our customers millions of pounds and thousands of tonnes of carbon resulting from our M&E and Energy and Innovations teams alone.

Our sustainability ethos is exemplified by our commitment to consider and embed whole lifecycle thinking and sustainability in the built environment. Working closely with our customers, design teams and specifiers, we encourage a collaborative approach whilst realising our skillset in providing environmental solutions to our customers through our experience, expertise and innovation in building services. Delivering proof of concept trials to full programme roll-out projects have increased carbon efficiency as much as 80% in some instances.

We continue to apply our strategy of reducing, recovering, and reusing materials where we can, whilst minimising unnecessary energy consumption. These activities enable us to help cut carbon, not only at CBES, but also in partnership with our customers and supply chain.

Environment

Our operational project delivery in the service and maintenance arena require us to interact with the wider environment, presenting potential impacts on land, sea and air. To minimise this we undertake many mitigation approaches from pollution prevention plans, ecology, archeology and biodiversity surveys and reviews prior to undertaking our works where appropriate to prevent pollution and protect flora and fauna.

Energy

Our carbon reduction plans and reporting mechanisms provide us clarity on our current carbon emissions and help us set incremental yet ambitious targets as we move forward on a programme of decarbonisation.

We and our customers understand the benefit and importance of using innovation and technology to reduce energy usage and have utilised our in-house expertise to enhance sustainability in our business.

Fleet

We are constantly reviewing opportunities in this area including our pathways to innovation and technology to realise our fleet decarbonisation goals and transition to a green fleet. This includes consideration and procurement of hybrid and EV vehicles whilst understanding the challenges in the current climate as it relates to the energy infrastructure and emerging markets. In particular, EV charging, commercial and domestic hydrogen availability and biofuel usage.

Our strategy at present is to increase our fleet decarbonisation commitment to ensure:

- Company issue cars are hybrid powered.
- Where diesel powered vehicles are used, that lifecycle thinking, including embodied carbon, is intrinsic to our procurement decisions.
- That we utilise to the best effect software and technology that coordinates our fleet teams to respond to our customers needs in the most efficient way, in the shortest distance, using less fuel.
- We review carbon incentive schemes for colleagues, allowing them to make greener decisions when making car purchases.
- We continue with our flexible working policies and hybrid approach to working where possible, limiting business travel as appropriate to business needs.

Our Road Map to Net Zero

We are a business that strives to go the extra mile and set itself ambitious targets. Our environmental impact is important to us and to ensure our strategy and roadmap is both ambitious while transparent and open to scrutiny, it is vital that we understand the status of our environmental impacts. To do this, an assessment of this impact and probable sustainable measures can be undertaken to prevent or minimise these.

We have access to in-house experience, supported by an independent expert consultancy that has fully assessed our carbon footprint and our resulting impact, allowing us to measure our current Scope 1, 2 & partial 3 CO₂e emissions. Our ambition in this area is to ensure our statements are credible and carry a suitable level of authority, as such we have stated and published our commitments with the Science Based Targets Initiative (SBTi) and have pledged further these commitments with the Construction Leadership Council (CLC) in support of the Carbon Reduction Code and Construct Zero initiative.



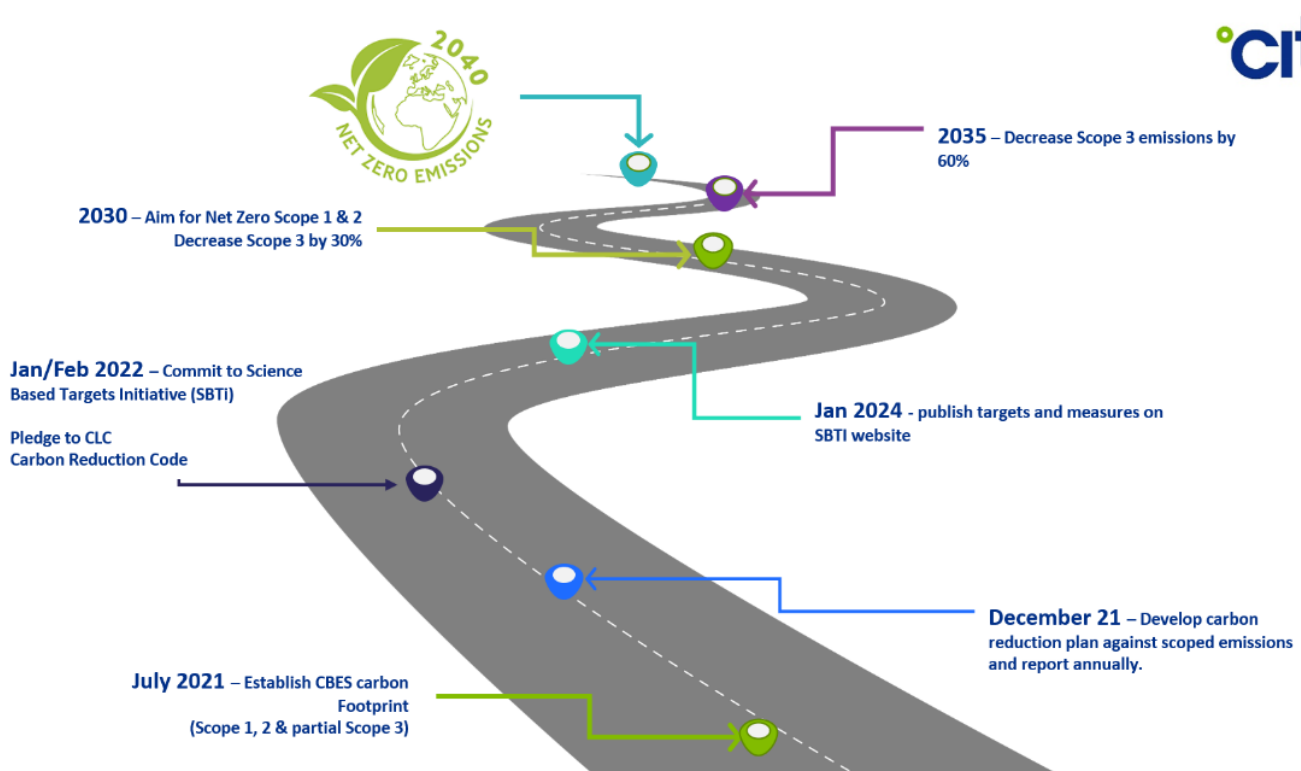
SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

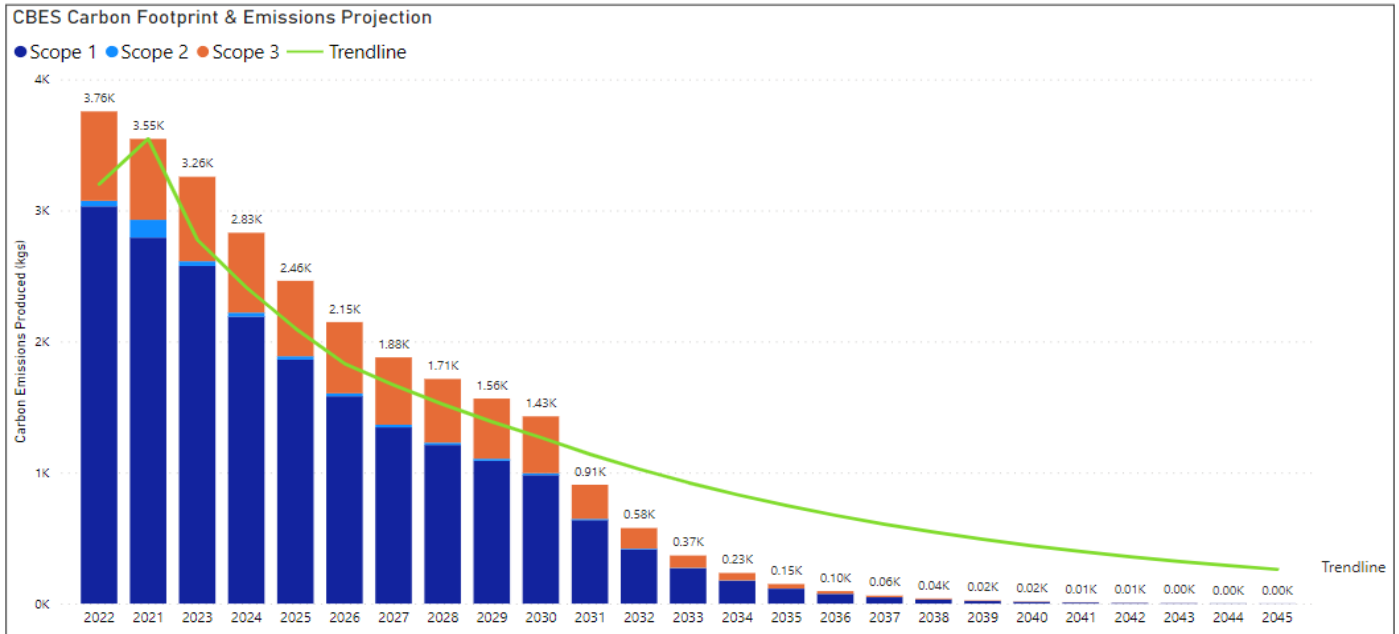
ConstructZERO

The Construction Industry's Zero carbon change programme

Outline strategic steps aligned to CBES Net Zero pathway.



CBES Carbon Reduction Projections.



Achieving Net Zero

Establishing and understanding our route-map to achieving our Net Zero ambition is fundamental to environmental strategy, setting key incremental performances criteria and objectives and are fully committed to being to reducing our carbon emissions to Net Zero by 2040. We are informed of our impact on the environment and subsequent aspects of this as it effects climate change, biodiversity and environmental degradation. Our carbon footprint is measured annually and reviewed against our “Net-Zero” strategic pathway, with quantifiable milestones and surveillance measures validating and tracking our progress, aligned with UK Government targets. Our Carbon Reduction Plan (CRP) has been validated by our Executive Board and posted on our business website and shared with our stakeholders.

In developing our CRP, we have reviewed in detail our carbon impacts and aspects related to our activities and have reflected on our key risks and opportunities in this regard, our most significant carbon emissions such as fleet – fuel usage, energy usage, waste, business travel. We have committed to ‘Science Based Targets’ and will publish our ‘near-term’ targets and progress with SBTi over the coming 12 months.

Our Fleet

The CBES fleet consists of approx. 400 vehicles and represents our largest impact on the environment, at 76% of total emissions. To mitigate this we have fully assessed our fleet demographic and usage to determine the most effective measures to reduce the emissions in this area.

Our vehicle usage allows us to review opportunities for Hybrid and Electric vehicle integration as part of our fleet portfolio, which increased by 75% in 2022. We continue to review our opportunities in this regard, reviewing and considering current and future market availability, full lifecycle, costs (inclusive of hidden costs), embodied carbon and the extent of the national charging infrastructure. Hybrid vehicles are now a mainstay of our standard company car arrangements, and we remain on target to achieve >50% hybrid vehicles by the end 2023 with full transfer of 100% by 2024. By doing so we will have the potential for reducing our company car fleet tCO₂e by >80% by 2025.

We recognise that driving style and fuel consumption can be impacted by driver behaviours, so all our drivers benefit from targeted training and educational programmes aimed at safety, driving style and environmental performance. Making sure our fleet is safe is a key priority and we are proud of achieving our 9th consecutive RoSPA fleet safety gold award underlining our focus on keep our drivers safety.

Delivering for our Customers Energy

At CBES, we understand the challenges of energy management, our customers' need to decarbonise their business and control energy costs whilst carrying out their core operations. We recognise that different organisations are on their own unique energy, carbon and asset management journeys and that solutions are as unique as each organisation. We work in partnership with our customers to understand their challenges and develop solutions with our unrivalled experience, expertise and specialist partnerships that span across the globe.

CBES offer various energy services, designing strategies and routes to energy saving solutions. Even if businesses have a mature asset and energy infrastructure, we provide an energy and innovation resolution option, mindful of the circular economy we identify, develop, trial and rollout energy saving initiatives across our customer's estates contributing to our customer's 'Scope 1' reduction targets.

In 2022 our specialist Energy and Innovations (E&I) team progressed various projects, introduced 38 new innovative technologies saving our customers over ½ million kWh, 15,000 tCO₂e against a cumulative total of 31,500 tCO₂e since being in operation.

This doesn't account for the various carbon reduction initiatives delivered by our M&E project and maintenance teams as they deliver power optimisation, PV enhancement, BMS, LED lighting schemes etc, which in some cases represent an 80% carbon reduction for our customers.

Within CBES we have access to our City Group Energy Bureau, offering a range of advanced remote field support functions. Stakeholder SME's with experience in refrigeration, HVAC, lighting, food production, controls energy generation and storage and controls support the Bureau in the development of new systems, process and technologies to reduce energy consumption and cost without impacting on the ability to maintain plant or equipment or to deliver the required operation and performance needs.

Bureau services are almost wholly self-delivered by City from our Glasgow Head Office, providing the flexibility to work remotely given that all systems that underpin the Bureau are available through password protected internet-based systems, supports a hybrid way of working reducing our own carbon emissions from reduced commuting and travel.

Environment

We recognise the impact of our services on the environment, we are tackling issues such as energy use and carbon emission, however we also consider our impact on the wider built environment during the undertaking of our activities and services.

Our sustainable procurement strategy provides direction and standards as to how we procure products, materials and resources. We are strong and ardent advocates of environmental sustainability, and operate in a manner that limits detrimental impacts on the environment while protecting natural resources.

We embrace environmental stewardship by identifying constructive solutions that prevent and mitigate environmental risk in areas such as, archeology and heritage, ecology, nuisance, water management, pollution control, resource efficiency, soil and land, waste and material management.

We fully recognise the economic and environmental sense to make best use of resources that are available in the vicinity of our development sites via suppliers and contractors. We advocate material selection based on lifecycle considerations working closely with design teams and specifiers to achieve these aims and have trialed the use of several embodied carbon calculation tools in this regard e.g. Building Transparency (EC3).

We are continually reviewing methods to be more efficient and lean, such as employing paperless methods in our project delivery, monitoring paper usage and reviewing opportunities to participate in re-wilding and planting schemes.

We retain our certification to BS ISO 14001:2015 and have a robust environmental management system which acts as the basis and foundation of our environmental activities. This links with our project, service & maintenance activities through the development of site-specific environmental management and pollution prevention plans.

We understand our legal obligations via maintenance of an environmental legal register, identifying our environmental risks and opportunities.

Training and education

Our Education around developing environmentally and sustainably is established and executed via our in house training department and online learning academy, which includes provision of accredited CITB environmental training. Our people also have access to the Supply Chain Sustainability School, of which we were a Gold member in 2022.

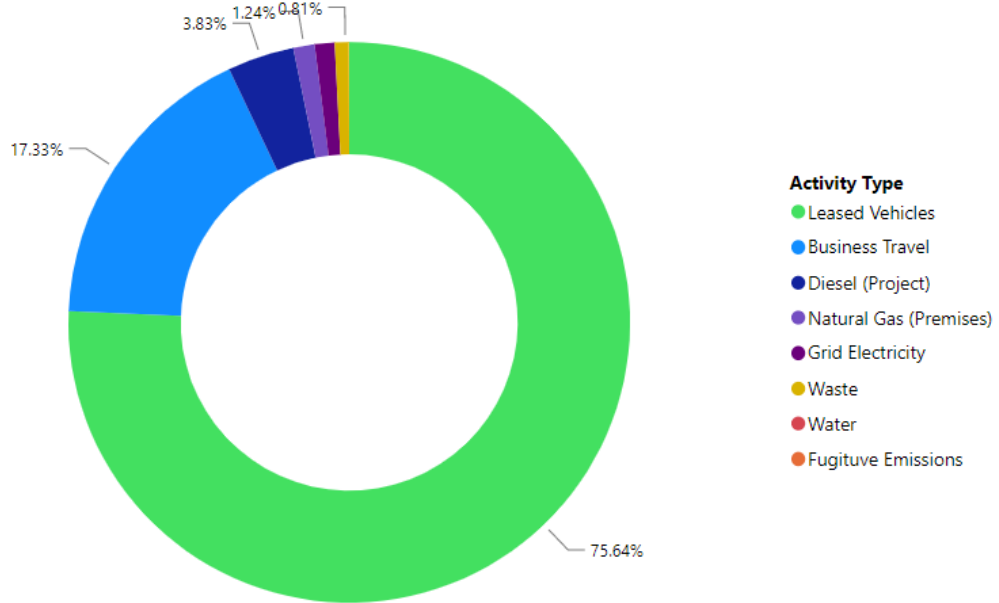


Key environmental performance indicators and outputs from 2022

- 0 No polluton events recorded
- 2022 carbon footpint established: 3755 tCO2e
- Reduced carbon intensity by 9% YoY and 12% v 2019 baseline
- Reduced fossil fuel usage by 30% YoY and 342% v 2019 baseline
- Waste diversion from landfill 99.5%
- Maintained use of carbon neutral site accomodation units
- Maintained use of PV lighting and Biofuels (HVO) welfare units
- Continued use of IT software to maxamise cordination efficiencies for service and FM engineers attending our customer premises, saving fuel and increasing productivity.
- Maintained use for paperless office solutions in relation to our project activites
- Continued to deliver industry recognised CITB Site Environmental Awareness Training to our project leads.

CBES 2022 carbon footprint summary

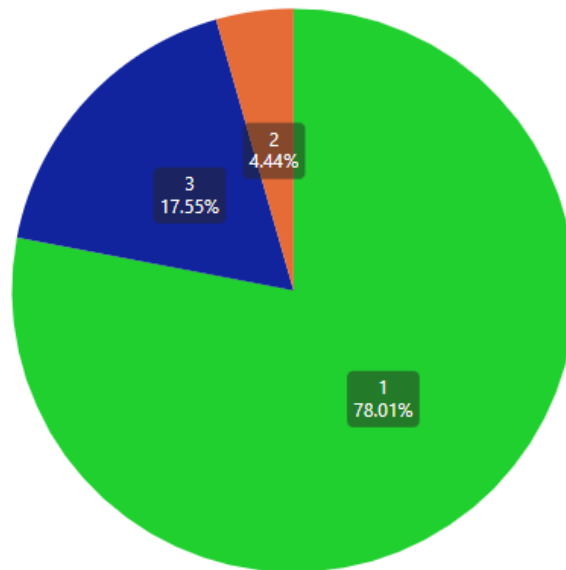
CBES 2022 Breakdown (tCO2e)



GHG Scoped Emissions % (tCO2e)

Scope

- 1
- 3
- 2





HSE

Our Values
Leadership
Policy
Organisation
Planning & Implementation
Measure, Monitor and Performance review
Management



HSE

3 GOOD HEALTH AND WELL-BEING	6 CLEAN WATER AND SANITATION	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	17 PARTNERSHIPS FOR THE GOALS
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At CBES, our vision is to protect our colleagues, stakeholders and the environment and to maintain a business that sends everyone home safely every day.

Leadership

Our Managing Director is attributed key responsibilities in HSE. A Chartered member of IOSH with a long career in HSE management, our MD is uniquely placed to lead on our business' HSE strategy.

Maturity

We have over 18 years of delivering construction solutions for our people, customers, the environment and health and safety. We hold globally recognised certifications, namely ISO 9001, ISO14001 and ISO 45001. We are recognised each year for our success in health and safety performance, and in 2022 we received an Order of Distinction award from RoSPA recognising our **15** consecutive Gold achievement awards.

Targets & Metrics

By setting targets and reporting metrics, we believe this allows us to clearly demonstrate our HSE performance and ensure our objectives stretch our business to achieve continual improvement. In 2022 we maintained a high level of operational monitoring, conducting around **300** internal audits on over **180** sites and operational places of work. A key measure of success is the internal inspection score, which for 2022 was **95.6%**, testament to the vigilance and dedication of our operational teams. In addition, we were audited by a range of external bodies such as BSI, Achillies, and other industry organisations such as BESA, NICEIC and NACOSS, successfully retaining all our registrations and accreditations.



During 2022 we also experienced a high degree of customer engagement, with 52 audits undertaken on our sites through the year. These returned an average score of 95.4%, equivalent to our internal audit results and providing our clients with a high degree of confidence on our effective management of our operations.

Our internal and external monitoring programme acts as a valuable barometer for measuring compliance standards, and also supports our wider culture of continuous improvement. Frequent review of our systems and updating of our procedures positively contributes to keep our colleagues safe and our business legally compliant.

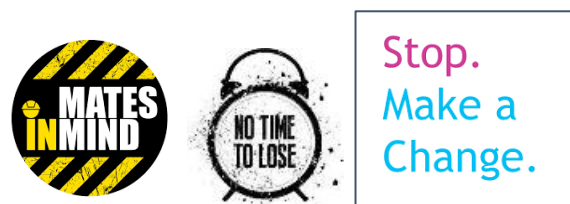
Key HSE Metrics

- **>1.7** million hours worked
- **19** accidents sustained - our lowest ever number
- **Zero** RIDDOR accidents through the year – the second time we've achieved this in our history
- **1093** near miss / potential incidents (NMPI) recorded – each one evidence of positive HSE action
- Our AFR output was **0.29**
- Our IIR was **0.00**

HSE Initiatives

The delivery of HSE Initiatives allows us to create an environment where we can send our colleagues home safe everyday.

Through our Engagement Calendar, we continued to support charities such as 'Mates in Mind', 'Stop, Make a Change' and IOSH promoting our occupational health and safety and wellbeing campaigns.



Do the right thing – We will always work safely, train our colleagues and ensure they have the correct tools to do the job safely.

Don't Compromise – If we cannot do the job safely then we don't do it, we stop and seek alternative ways to ensure we can do the job safely

Call it out – When our teams 'call it out', we react and support them as leaders & work with them to come up with a safe solution.

- We delivered **172** in house training courses to **1341** delegates with **835** elearning training sessions undertaken via our online training academy.
- We aim to ensure we communicate safety effectively, HSE is a standard agenda at all senior and national meetings. Additionally HSE communications are sent out to the workforce weekly in the form of cascade packs, monthly updates and regular bulletins, webinars or newsletters, (CUB and Heads Up).
- We ensure that our people continue to have access to occupational health and wellbeing support via our retained occupational health providers 'Wellness International' and our Employee Assistance Programme, co-ordination a full roll-out for all people for 2023.

Keeping our Fleet Safe

We are conscious of our ever increasing fleet size and the need to ensure both our vehicles and drivers are safe on the road. In 2022 we ensured that key metrics were established and measured in this regard, key outputs as follows:

- Fleet accidents were reduced by 6%.
- Our driver improvement programme:
 - reduced driver speeding events by 32%
 - reduced claims by 46%,
 - we continued and enhanced our fleet behavioural training courses with our management teams
 - 68 driver safety awards were issued in recognition to our colleagues behaviours.
 - We continue to support of Brake's road safety week
 - We continue to act as RoSPA Fleet Safety Ambassador.
- We continue to seek improvements in fleet safety and environmental performance actively participating and benchmarking with industry partners. In In 2022 we continued to inform industry via our collaboration with Rospa as a Fleet safety Ambassador.

We will further seek continuous improvement within our business by supporting the 'Driving for Better Business' Initiative a national government-backed programme promoting the reduction in occupational road risk and associated costs whilst maintaining legal compliance and adherence to guidance.

Utilisation of this programme will assist our business in areas such as training and education and ensure we are well placed to benchmark with industry and like organisations.





People

Diversity, Inclusion & Belonging
Gender Pay Gap
Modern Slavery
Social & Community
Nurturing Talent
Culture of Continuous Learning
Road Map to improve

People



At CBES we promote skills and employment opportunities for all. We do everything we can to ensure we are a diverse and representative business. However, we continue to face the same challenges as other employers in the FM, Engineering and Construction sectors where occupational segregation can be a key challenge meaning men or women can be under-represented in certain job roles.

Developing our People

Developing our people is a crucial component of what we do at CBES. Through our various development programmes our desire to advance our people can be highlighted. We had achieved the Investors in People (IIP) accreditation in 2018 and upon renewing our accreditation in 2021, were awarded ‘Silver level’ to recognise significantly improved compliance with the IIP framework. We had received extremely positive feedback from the annual interim review in 2022 to support our ambition to achieve Gold level IIP accreditation upon renewal in 2024.

Engaging People

Each year, our colleagues have the opportunity to give anonymous and constructive feedback in our colleague survey. Honest feedback can highlight the areas where improvement and action is needed as well as ways to simplify and improve what we do. We share the results with all colleagues each year and identify key targets to ensure we can continue to make CBES a great place to work. Our engagement score is currently **76.4%** and an increase of 4% on our previous survey poll.

Diversity

CBES are committed to eliminating discrimination and encouraging diversity amongst our colleagues. Our aim is that our colleagues will be truly representative of all areas of society, and that each colleague feels respected and able to give their best.

Modern Slavery

We have a zero-tolerance approach to modern slavery, and are committed to acting ethically, and with integrity in all our business dealings and relationships. We are also committed to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in our supply chains.

Equal / Gender / Fair Pay

We are committed to being a diverse and inclusive employer. As well as understanding our pay gap, we commit to taking the right steps to reduce it and accelerate the pace of change.



Similar to many organisations, we also have fewer women than men in our more senior positions and those roles that receive higher levels of pay. Our bonus gap is also influenced by currently having more men than women in senior roles, which attract higher levels of bonus in line with market rates.

This does not mean that we can use industry performance as an excuse and so we are committed to increasing the number of women who apply for roles and progress their career with CBES.

Our achievements

- We achieved Silver level on the Investors In People accreditation
- we continued our focus on increasing the number of females in historically male-dominated roles through promoting female colleagues to engineering, technical management and commercial positions.
- We have invested significantly in the technical, professional and personal development of our 4 no female Management Apprentices throughout 2022 and have committed to supporting their progression to Project Management, Design and Commercial roles in the longer term.
- We have established links to assist engagement with local schools close to all CBES offices to provide the platform for female pupils and pupils to consider a career within the Construction and Engineering industries through trades apprenticeships and trainee positions.

Gender Pay Gap

GENDER PAY GAP DATA 2022

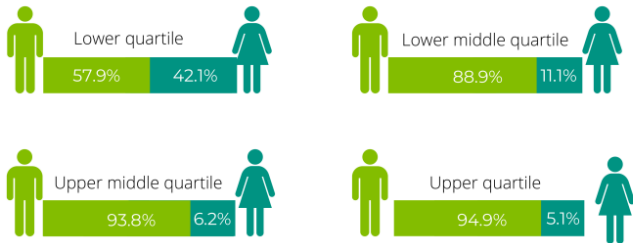
CBES LTD

CBES provides a wide range of construction and engineering services. Our multi-disciplined capability allows us to provide our clients with a flexible and highly skilled approach, operating across six divisions: Refrigeration, Fire & Security, Mechanical & Electrical, Construction, Food Services, and Total Risk Solutions

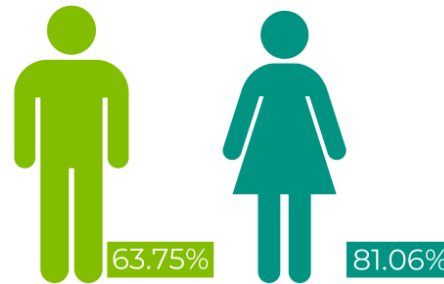


PAY QUARTILE HEADCOUNT GENDER %

This is the percentage of male and female employees in four quartile pay bands (dividing our workforce into four equal parts).



COLLEAGUES RECEIVING A BONUS



Our Plans to close the Gap

We are committed to being a diverse and inclusive employer and understanding our pay gap in order to take the right steps to reduce it and accelerate the pace of change. To demonstrate our commitment to closing the gap, we have outlined below the activity we are undertaking.

Recruitment

We are supporting the improvement of gender diversity through further improving our recruitment policies, processes and practices including:

- Increasing the number of suitably qualified & experienced female candidates shortlisted for vacancies
- Reviewing our adverts and recruitment collateral to ensure they are gender neutral
- Increasing our access to a diverse talent pool through our recruitment sources
- Working with our preferred recruitment agencies to ensure our shortlists have a greater gender balance



To affect a real change in the number of women in non-traditional roles, we believe it starts at an early age. As a result, we have engaged with schools to highlight the wide variety of careers available within engineering, construction and FM. We will also continue to build on attracting women into our successful apprenticeship and graduate programmes through building on our existing relationships with our network of FE providers

Diversity and Inclusion

We have introduced our Diversity, Inclusion and Belonging working party who will focus on key aspects in raising the profile of Gender (and other forms of diversity) within City with targets being set to increase the number of female appointments into traditionally male-dominated operational management roles.



Our One City communication hub gives all our colleague community a platform to celebrate their success and encouraging our colleagues to be more consciously inclusive, including the sharing of their stories, thoughts and ideas. We believe supporting women to feel able to return to work after maternity leave is vital. We are currently developing our Maternity Returners Programme which will support both our current colleagues who are returning to work as well as attracting new colleagues who are thinking about returning to work in the future.

Values and Behaviours

Our values epitomise our people and our culture and underpin how we do things everyday and are supported by robust, actionable and measurable behaviours, thus supporting our colleagues to deliver higher performance.

The values are derived from our common language and how we do things.



STRIVE TO IMPROVE
 We seek & act on feedback
 We speak up to make things better
 We welcome challenge



BE YOUR BEST
 We do what we say
 We are open & honest
 We take pride in what we do



MAKE IT HAPPEN
 We never give up
 We deliver solutions
 We give great service



SHOW YOU CARE
 We look out for one another
 We listen & treat each other with respect
 We don't compromise on safety



WE ARE ONE CITY
 We are all in, one team
 We are inclusive
 We share a vision & work collectively

Our leadership behaviours not only compliment the Everyday Values, they also set out our additional expectations for our leadership teams. Our Leadership Behaviours are:

- We are Progressive
- We are Tenacious
- We value People
- We inspire Trust
- We are City

These behaviours are also supported by clear and measurable descriptions, enabling our leaders to recognise and drive their own performance.

Developing People

At CBES we have business wide learning strategies to meet our current and future performance needs. As a progressive business, with an inclusive learning culture, we continually invest in the development of colleagues at all levels. We are focused on maintaining a strong culture of continuous learning to build on and enhance individual and collective capabilities. Our learning strategy is developed to align with our business ambition, ensuring that we have people who are capable of contributing to the successful achievement of objectives.

We recognise that the education and development of our people is an essential contribution to an innovative and dynamic business, delivering excellent services across all of our customers. Our commitment is therefore to providing a range of learning opportunities that will enable our colleagues to continue to grow and perform at the highest levels. Learning is based on the principles of 70:20:10, meaning that a culture of continuous learning is embedded, no matter where your learning takes place.

We have a robust training policy in place, and processes that set a framework for continuous identification and analysis, provision of learning, and substantive reviews of learning and application. All of our technical training is accredited (by for example, City & Guilds), ensuring that we sustain not only high levels of delivery, but clearly assessed and verified competence.



Nurturing Talent

At CBES we have long established and widely accessible development programmes for aspirational colleagues. Our Pathways Leadership programmes are open to all colleagues, in all locations and disciplines and are flexibly delivered to ensure accessibility.

Pathways, our bespoke leadership development programmes are open to frontline and support colleagues of all levels. Delivered in a blended style and supported by a mentor, the programme is designed to be both practical and vocational in its approach to helping aspirational colleagues meet the expectations and requirements of the next level of role. There are three different paths, Managing Others, Managing Managers and Senior Leader Development and Mentoring.

What do our colleagues say?

Diversity in our talent pool is fundamental to a successful and forward looking business. Our Pathways programme has resulted in over 60 colleagues being promoted to Supervisory/Manager roles and around 20 colleagues to Middle Management roles.

Apprenticeships at CBES

CBES has a long history of supporting apprentices within the business. Our commitment to providing opportunities includes 20 colleagues enrolled on our apprenticeship programme, which we believe is an essential and fundamental investment in attracting and developing talented people, supporting them to develop technical skills and real work experience through structured learning both academically and practically on the job.

We have established strong partnerships with colleges and universities nationally and have a robust network of support in place with apprenticeship providers. Our apprentices are partnered with a mentor for the duration of their programme, ensuring that they are developed by a specialist on the job, and have an appropriate support network in place. Undertaking our apprentice induction programme, and quarterly reviews with their line manager, mentor and the L&D programme lead ensures that we can identify and provide the right level of support to ensure that they are able to maintain progress. This network of support, our relationships with providers and continuing performance progress reviews ensures we are able to sustain our ethos of developing young people and creating lasting careers at CBES.

We are proud of the achievements of our people. Several of our apprentices have gained a number of awards for the quality of their work and achievements, including C&G Apprentice of the Year Award and a number of College Apprentice of the Year Awards.

Our continued investment in talent has led to a number of apprentices progressing beyond their technical specialist roles within the business into roles including Design Manager, Project Manager and National Refrigeration Manager.

Innovative Development

Following the challenges we faced during the Covid Pandemic we quickly had to review the way we offered training and skills development within the business we re-worked our training in tandem with our accreditation bodies to a fully blended model.

The solution included eLearning modules, virtual classrooms, bespoke technical videos, online knowledge assessments approved by our awarding

bodies giving colleagues access to guides and tutor support.

All of this has meant that our colleagues were fully trained and operational in similar timescales pre-pandemic maintaining our culture of being safe and legal as we retained our high standards of development.

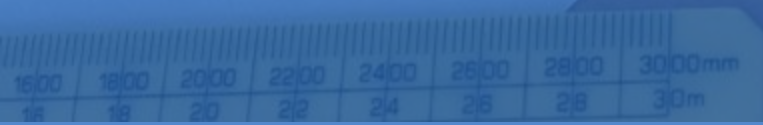
We continue to utilise our CBES academy as a valuable elearning platform and support our people via professional vocational training in technical, professional, and leadership training.

In 2022 our people attended over **1,300** technical training courses and completed 2,635 academy modules. Our leadership development programme delivered over 100 days to our current and future leaders via our internal training commitments and external partners such as CMI.



Procurement

Ethics
Finance
Chain of Custody





Procurement



At CBES, making sure we have a fair, accountable and consistent business practices is fundamental to achieving good governance and social value. By striving to uphold these values we support local supply chains and communities to grow and reduce inequalities creating supply chain resilience and capacity.

Ethics

At CBES we take our Ethics seriously and make it a priority that our workforce and supply chain is safe, secure and treated with fairness and respect. By setting our principles against sustainable and ethical standards we are able to achieve this.

Chain of Custody

Our Chain of Custody processes allows us to constantly determine and review the materials we are using on site ensuring it derives from credible sources and comes with suitable accreditation including FSC and PEFC. It is CBES' aim to be sustainable so far as is reasonably practicable and, as such, we drive responsible sourcing and wherever possible apply lifecycle principles to our operations & buying decisions.

CBES has a Sustainable Procurement Policy for goods, services & information providing accountability and confidence in our standards. Accreditation held from our suppliers cover the certified timber that we purchase helping us establish compliance in these areas ultimately ensuring green procurement principles are effected.

Finance

At CBES we understand the importance of financial accountability within in our own business and with our customers. Coupled with this we have a robust and professional supply chain that supports us in delivering value to our customers and we understand the

significance cashflow has to their ongoing ability to provide a quality service.

To facilitate this, a key area of focus is on providing fair payment terms, especially for SME's. Our intent can be underlined by achieving 80% payment of all approved invoices within agreed payment terms with for our suppliers and sub-contractors and a target of 90% by end of 2023. Furthermore, we will work with our supply chain members to review different terms where applicable. At CBES we make it priority that we will commit to fair payment terms for all suppliers and sub-contractors who work with us.

Payment Terms

Our Aims

To achieve payment of 90% of all approved invoices within agreed payment terms with all suppliers and sub-contractors by 2023.

How will we achieve this?

This will be achieved through a robust approval process for invoice matching and utilisation of Electronic Data Interchange (EDI's) where possible coupled with early notification to the supply chain of any invoice discrepancies to ensure that we our transparent and open with our Supply Chain and Customers.

What have we done so far?

At CBES we already achieve many of our 'Payment Terms' promises. The first key change is the actual agreed payment term with all supply chain partners. Furthermore, we have sections of our supply chain partners already on reduced payment terms and we are working with smaller partners to agree reduced payment terms to support their cash flow.

In 2022, on average our payment terms were 50 days and for SMEs: between 7 and 30 days, 85% of all approved invoices are paid within agreed terms.

Supply Chain

At CBES we believe in fairness and honesty and that these values reflect onto our supply chain. As such it is imperative that our supply chain partners offer the same fair payment terms to their respective supply chains.

SME's

At CBES we pride ourselves on our continued work with SME's and more than 50% of our UK spend is with SME's which compares positively against the government spend target of 33% by March 2022.

As more than half of our suppliers are SME's we continuously engage and collaborate with them to seek the most innovative and solution driven companies that we can support and work with us thereby driving benefits to our customers and increasing our spend with local companies and communities.

We are fully committed to delivering value for money in all our transactions. In delivering daily business, staff must always consider CBES' wider responsibilities in terms of moral, social, legal, economic and environmental impact. Effective implementation and directive control for continually improving our Supply Chain operations will deliver a robust systemic social value delivery to enhance our business' wider objectives across operational dimensions.

As external impacts continually challenge businesses globally, we are proud to promote continual growth which fully supports our supply chain. This is to ensure we deliver satisfactory service to our customers and support them to encourage sustainable development and growth where possible. This sustains resilience and tackles inequality, contributing to everyone's health and sustainability.

- CBES hold and deliver supplier partner days to provide information on our business, our values and ambitions and this allows us to attract and broaden the opportunities for our supply chain and strengthen existing relationships.
- We are committed to providing support for our supply chain and provide dedicated team members to support via onboarding training, understanding of our tendering approach and also health and safety courses.

Lifecycle thinking

Our aim of our lifecycle thinking and key to our successful delivery is to identify enablers of change and develop associated plans to ensure that suppliers of trade, goods and information are fit-for-purpose to partner us within our business, to deliver efficient and satisfactory service for sustaining social growth.

Waste minimisation

At CBES a key focus area revolves around diverting waste from landfill with emphasis placed on adoption of the waste hierarchy. At site level where materials cannot be re-used we aim to recycle by segregating at source where we have an availability of space.

We work closely and in partnership with our waste management suppliers and are proud to have achieved a cumulative 99.5% diversion from landfill rate, with 100% diversion in our engineering divisions.

Industry Standards

At CBES we always aim to work within Industry standards and hold ourselves to the goal of setting the highest bar. Furthermore, we will not only evidence that we meet these standards but also that our suppliers and our subcontractors uphold them.

We ensure that our supply chain participates in fair and ethical trade ensuring working standards are high and fair pay

Ethics

At CBES we hold ourselves to high ethical standards and expect the same from our supply chain partners. We have an ethical trading policy which further aligns with our standards on anti-corruption, anti-bribery and whistleblowing. We believe strongly on building trusting and open relationships to drive continuous improvement in a reciprocal way in respect of our suppliers and set out our expected business behaviours.

We pride ourselves on ethics within our commercial relationships, and develop our professionalism, trustworthiness and integrity to be the standard by which companies should do business.

Ethics is a key facet of our business' corporate social responsibility (CSR). It increases emphasis on sustainability and environmental stewardship throughout all our operations.

Furthermore, our pre-qualification (SCM) assist us in establishing ethical standards at onboarding stage via a 'PAS 91' aligned pre-qualification process providing assurance and confidence with our business partners

Human Rights

At CBES making sure we work in a fair and safe workplace is a top priority. We are committed to identifying, preventing, and monitoring risks of slavery, human trafficking and forced labour in our supply chain and operation. We have a zero-tolerance approach to such practices, our ethical trading and dignity at work policies provide the framework for how we conduct our business with human rights at the forefront of our operations.

Labour Standards

Within our business we have a unique tripartite structure: all standards, policies and programmes that require continual review and approval from specific representatives of the business. Our framework is maintained in line with confirmed international labour standards and governing bodies. This serves our

management board and assists in the development of the policies, guiding how our business conducts its activities.

We comply with the relevant International Labour Organisation (“ILO”) labour standards and we expect the same from our supply chain partners. By doing this we require and promote decent working conditions whilst creating a more fair and representative workforce at CBES.

Working against Corruption

We are committed to conducting business with a high level of integrity and do not tolerate bribery of any kind. Within our Anti-Bribery policy we underline clear guidance to our colleagues and supply chain about the acceptable and unacceptable ways to conduct business therefore promoting fair competition.



Communities & Giving

Engagement
Giving
Sponsorship
Charity





Communities & giving



We understand the importance of community engagement and charitable support as essential aspects of our corporate social responsibility. We believe that supporting the communities in which we operate is not only the right thing to do, but it also helps to build strong, healthy, and vibrant communities. By engaging in charitable giving, we can give back to our community and help to address some of the most pressing social and environmental issues facing our society.

These principles of providing support and generous giving are embedded within our corporate DNA, along with a strong moral desire to always 'do the right thing'.

Furthermore, community engagement and charitable giving also help to foster a positive relationship with our customers, employees, and stakeholders, who value our commitment to making a positive impact in the world. Overall, our business prioritises community engagement and support because we believe that it is an integral part of our responsibility to help create a more sustainable and equitable future.

During 2022 our charitable efforts involved over **80** people (approx.10% of our workforce) over approximately **212** days and a value of around **£75,000**.

Partnering

We find value in establishing partnerships in all we do. Through regular communication and collaboration, we can build strong, long-term relationships that ensures mutual respect and maximises the effectiveness of the support we can provide.

Kilbryde Hospice



Since 2010, we have maintained a long-term relationship with the Kilbryde Hospice. Based near to our head office in Glasgow, Kilbryde operate a palliative care and day services facility, as well as supporting a variety of community groups and services for the most vulnerable in our society.

Our Risk Management team have been involved in developing their health & safety management system, providing advice and guidance to the Operational Risk committee, and training to operational staff. Our advisors have also provided fire risk assessment and management services as well as a premises monitoring & compliance service for the Hospice' retail premises, ensuring their vital fundraising activities remain open.

In addition to this, our operational trades colleagues have supported the Hospice through carrying out repairs and maintenance tasks throughout all their properties. Assisting in this way has kept their estate operational and allowed them to reduce their costs.

During 2022 we were able to provide Kilbryde with approximately 5 days and around £5000 of support (risk management only).

Sense Scotland

During 2022 we began a partnership with Sense Scotland, a charity providing a range of support services to people and families living with sensory difficulties. Operating from 28 premises across Scotland, these include retail shops, respite care accommodation and day service drop-in centres.



Our business were asked to support Sense Scotland with their premises compliance responsibilities and prepared a programme of inspections to be undertaken throughout 2023. In addition, bespoke training courses in manual handling and train-the-trainer to support the charities' retail operations staff.

We were also able to support Sense Scotland through our Energy & Innovation team, undertaking surveys at key premises with a view to assisting them reduce their energy consumption.

Community Support Projects

We believe in giving back to the communities in which we work, to be a good neighbour and to help where we can. We are always exploring options for support and engagement to add value wherever we operate.

During 2022 we refurbished a community garden in the North of Glasgow, providing a new memorial space for grieving families.



In another similar project, we refurbished a community allotment supported by one of our retail clients.



Similarly we were able transform tired land outside a clients' retail premises into an attractive garden area for people in the local community to enjoy. Plans are already in motion for the local school to benefit from the new planting area.

Community Engagement

We are in the privileged position of being able to assist clients and communities around where we work. Part of our desire to be a good neighbour is the level of engagement we have with our local communities.

In 2022 a team of five technicians spent two days refurbishing and renewing the exterior building and garden space of an early learning and childcare centre, which serves members of the Armed Forces and other non-military families.

In December we supported the food bank operated within a client's retail store, purchasing food for donation as well as packing bags, while serving the regular volunteers a special Christmas lunch.



This was the least we could do for people who give so much of their time and effort for those in the most need.

Charity Support

2 Miles a day in May

Our Risk Management team committed to covering 2 miles a day in May, in recognition of the two members of the construction industry lost to suicide each day, each year. The team carried this out 'by any means', which involved: walking, running, hiking, cycling, swimming and rowing. The £400 raised in donations was matched by the business, ensuring £800 was provided to the construction industry charity.

Mighty effort for Macmillan

We supported MacMillan cancer care with two events during 2022; in one we held a 'bake-off' style coffee morning at one of our offices and in another a colleague took part in the South Coast Mighty Hike, walking 13 miles of the South Downs way between Brighton and Eastbourne. In total around £1500 was raised.

Summary

Our commitment to Social Value has its roots firmly set in our founders' mentality and within the DNA of the City Group. CBES as a key business unit has set out within this annual report our social value aspirations, expectations and roadmap to achieving a sustainable business and environs in which we operate in. Our aim is to review and enhance this year on year for the benefit of our colleagues, customers and the communities we serve. People are our greatest asset and this is not lost on us, none of the achievements stated, or objectives set in this report could be achieved without the daily professionalism and application of our people and supply chain.

We believe we have made significant progress by focusing on the 5 key pillars of our Social Value Framework, and the objectives and targets we have set ourselves will, and should be, challenging. The successes we have achieved thus far give us motivation and pride in our achievements and it's important that we recognise the contribution and difference we are all making in providing social value through our operations now and in the years to come.