Stakeholder Report

1st January to 30th June 2021

Contents

Introduction

Bauer Technologies aim to ensure transparency and openness with regards to our efforts around our Business, Health & Safety, Environmental, Quality and Sustainability. Metrics below are generated to demonstrate our commitment to these causes, and to make improvement for the future.

Business Review 2020 / 2021

Bauer Technologies, like many other businesses have been impacted by Covid-19. In late January 2020, the covid-19 outbreak arrived in the UK and emerged as a significant issue to the company, the group and the world creating unprecedented challenges. Throughout the continued Covid-19 outbreak the company put in place policies and procedures to mitigate the risks that would impact the business including its employees.

The company set up a Covid-19 team to review and monitor the business, identifying risks and developing policies and procedures to ensure the business could continue and maintain the safety of its employees, sub-contractors and its customers.

Our turnover for 2020 was £14,168,718, despite the difficulties of COVID during 2020 / 2021 we have maintained close contact with potential customers resulting in keeping the tendering at a similarly high level to previous years. The number of tenders open (not won and not lost) is at record levels for the company. We believe that we have an excellent chance to win some of these projects which will start the later part of this year, which should enable the company to achieve our turnover and result target for year ending 2021.

The board has assessed that the following Key Performance Indicators (KPI's) are the most effective measures of progress towards achieving further growth of turnover and profitability.

- Organic sales growth – Year on year increase in sales revenue.
- Gross return on sales – Gross profit as a percentage of sales revenue.
- New return on sales – Operating profit as a percentage of sales revenue.
- Free cash flow – Cash generated from operations less tax and interest paid.

For the remaining departmental KPI's our Senior Management team have been involved with the selection, they made the decision to develop 2 KPI's from each of the following categories:

- Health and Safety
- Quality
- Environmental

The following KPI's have been selected, each of the KPI's have a brief detail as to how Bauer Technologies aim to achieve these targets, how the information is shared and the individual's involvement with achieving this. Sustainability has a factor element within these KPI's

Health and Safety KPI's

We are certificated to ISO:45001

Improve Supplier Surveillance Audits

- **Purpose** – Ensuring that suppliers meet the standard required by Bauer Technologies and their Customers in all HSEQS fields.
- **Measure to Achieve** – Ensure that Suppliers have surveillance visits conducted prior / during the selection processes. Work with Suppliers to achieve the standards required. Site teams to complete feedback on each supplier to their project.
- **Monitoring** – Supplier surveillance audits to be stored within the site server, ensuring suppliers have been visited prior to the project commencing. Supplier feedback to be issued to the supplier. Supplier to be reviewed where standards fall below Bauer requirements. Discuss findings during conference call / progress call. Monthly return from site detailing any surveillance visits conducted.
- **Metric** – Complete 100% surveillance visits to reinforcement suppliers.
- **Target** – All key suppliers to have been visited within a 12 month period where live on projects

Increase Observation Cards Received

Purpose – Bauer Technologies believes that 2-way communication is vital for successful, safe projects to be completed. Observation cards provide one of many platforms for all persons employed, sub-contracted to Bauer Technologies to voice their concerns with regards to site as well as highlight positive information throughout the project.

Measure to achieve – promote the observation card system on site through inductions, tool box talks and feedback on a regular basis. Action any concerns that have been raised and promote the positive information being given. Continue to support MacMillan Cancer Research with £5 being donated by Bauer Technologies for every card received. Promote a positive reporting process throughout Bauer Technologies.

Monitoring – All observations to be entered onto site registers. Monthly returns to be submitted detailing number of observation card submitted. Feedback given with regards to donations being made. Monthly safety round up to detail Bauer Technologies observations as whole.

- **Metric** – Compare observation cards received with hours worked.

- **Target** – 1 observation cards per 1000 hours worked.

Health and Safety Statistics	From 1 Jan to 30 June 2021
Number of Fatal Injuries	0
Number of RIDDOR events	0
Number of Lost Time Incidents	1
Number of Near Misses	4
Number of Accidents	2

Environmental KPI's

We are certificated to ISO:14001

Monitor Concrete Usage on Site

Purpose – During Bauer Technologies working operations it is identified that concrete wastage is inevitable and unavoidable. Bauer Technologies aim to identify the amount of concrete wastage on site to provide accurate information with regards to percentage of concrete wasted.

Measures to Achieve – Compare estimated concrete use from tender vs actual concrete use throughout the project.

Monitoring – Monitoring to be conducted at the end of each project as part of the project report. Where concrete usage is higher than tender, investigation into the difference to be conducted

Metric – Concrete to be measured against total concrete used on project. Target – To be agreed at next annual management meeting 1st quarter of 2021. Target – to be a percentage of allowable concrete wastage against the total concrete used.

Increase Awareness of Environmental Matters

Purpose – Increasing awareness of environmental subjects across the business will provide greater awareness to all persons working for Bauer Technologies. This in turn will reduce the likelihood of environmental incidents occurring, whilst ensuring the business is more proactive.

Measure to Achieve – briefings to be given on environmental subjects at least once per month. Ensuring all sites have the same information delivered which will capture personnel moving from projects. Set briefing schedule to be delivered to all project management teams ensuring environmental subjects detailed and provided.

Monitoring – Audits to include subject of tool box talks completed, ensuring it is in line with the schedule of briefings. Identify environmental events within the Bauer Technologies reporting system. Assess events with the aim to prevent.

Metric – Compare environmental tool box talks issued against other subjects.

Target – 25% of all tool box talks to be based on environmental subjects.

Environmental Statistics	From 1 January to 30 June 2021
Number of Environmental Incidents	0

Quality KPI's

We are certificated to ISO:9001

Monitor Non-Conformances

Purpose – Non-conformance can have a detrimental effect on the business. The detrimental effect may be reputable and financial. It is Bauer Technologies aim to monitor the number of non-conformances to the project. Analyse the non-conformances with an end goal of reducing the impact of non-conformances to the projects.

Measures to Achieve – Non-conformances are recorded in line with Bauer Technologies Quality Procedures. The project management team shall ensure all non-conformances are recorded accordingly. Where a project exceeds 5% of non-conformances against piles installed, investigation and root causes to analysed. Report to be produced detailing lessons learnt and corrective actions.

Monitoring – Non-conformances are to be submitted to the Business through the monthly reporting process. Full details will be required to be attached of the non-conformance where information will be submitted to a central database. Analysis of the non-conformances to take place. Number of non-conformances against amount of piles installed.

Metric – Evaluate the total amount of non-conformances against the amount of installed piles.

Target – To strive for no non-conformances on site. Maintain 5% of non-conformances against piles installed.

Improve Business Performance

Purpose – Bauer Technologies operate an Integrated Management System which allows for all operations to be suitable managed. It is best practice to continually aim to improve the Business Performance through the IMS. Using internal auditors to monitor the way Bauer operate internally will be vital in achieving Business Performance Bauer will assess their internal operations and their customers perceptions of the business having worked with them.

Measures to Achieve – Internal audits of Bauer Technologies Management Systems are to be conducted on a monthly basis. Audits will be delegated to the internal auditors through detailed audit plans. Line managers to allow suitable time for the internal auditors to complete the audit. Departments being audited to proactively assist the auditor during this process. Surveillance questionnaires to be sent to Customers which will capture their perception of the business.

Monitoring – All completed audits will be recorded on the Bauer Technologies audit documents. These will be reviewed on completion. Actions / opportunities for improvement will be discussed within conference calls, operation calls and HSEQ Meetings.

Metric – 50% of Bauer procedures to be audited annually. X1 customer perception questionnaire per project completed. Compare perception questionnaire across all projects and against complaints made.

Target – 1 internal audit Bi monthly maintain an average score of 8 within Customer

Non-Conformances	From 1 January to 30 June 2021
Number of Non-Conformances	11

What Are Bauer Technologies Doing?

We are working towards BES: 6001 Responsible Sourcing of Construction Products, with our Audits taking place by BSI in July & August 2021.

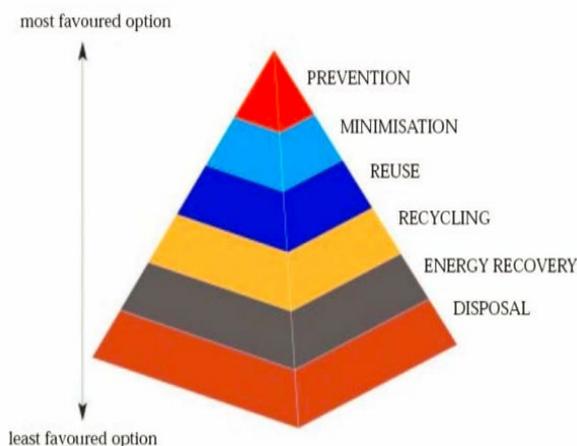Below, shows the data captured during the first half of 2021

The table below is our total scope emissions for the first half of 2021

Scope	Emissions ton-CO2e
Scope 1	219
Scope 2	3.6
Scope 3	3,730.5

Below you will find a breakdown of the total emissions.

Waste & Co2e Emissions

Bauer Technologies aim to reduce waste within our operations whenever possible in accordance with the waste management hierarchy as below.

Site Waste	2021
Steel	No waste recorded (we purchase only what's required
Concrete	25m3 (loads rejected)
Hazardous Waste	None

General Waste and Inert Soil on our Projects is the responsibility of the Principle Contractors,

Bauer Technologies adhered to the Principle Contractors Waste Management Plan, although we do collect PC site data for the following:

Scope 3 CO2e Emissions (this includes the transportation and processing of soil)

PC Site Project Waste 2021	Total Weight	Weight to Recycled	Weight to Landfill	Weight to Reuse	Total kg-CO2e
Inert Soil	29,836 (ton)	108 (ton)	29,728 (ton)	None	653224.725

Scope 3 CO2e Emissions (this included the transportation and processing)

Office Waste 2021	Metric	Kg-CO2e
Materials diverted from the waste stream for use as a fuel source, recycled and reuse	Average 960g per year	21243.264
Waste to landfill	None	0.000

Energy Use & Co2e Emissions

Consumption 2021	Metric	Scope 1 Kg-CO2e	Scope 2 Kg-CO2e	Scope 3 Kg-CO2e
Electricity Office	16877 kwh		3583.493	
Gas Oil Diesel (used at site to produce piles)	72,656 litres	200426.662		45957.101
Company Vehicle Diesel	7,325.12 litres	18403.119		4467.298

Bauer Piling Rigs Are European Standard Emissions Compliant.

Materials, Deliveries & Co2e Emissions

Scope 3 CO2e Emissions

Title	kg-CO2e
Materials and Deliveries	2,988,465.034

Business Travel, Accommodation & Co2e Emissions

Scope 3 CO2e Emissions

Travel / Accommodation	Metric	kg-CO2e
Hotel	315 nights	4375.700
Air	2,240 km	550.749
Rail	148,191 km	4333.632
Bus / Coach	448 km	45.817
Car / Van	38,373 km	7774.809

Water Use

Scope 3 CO2e Emissions (water delivered through the mains supply network)

Consumption	Metric	Kg-CO2e
Mains Water (Project Sites) Principals Contractor Responsibility	311.15m^3	46.361
Mains Water (Office) Estimated yearly usage	52m^3	7.748
Wastewater (Office)	52m^3	14.144

Where possible we will use Collected Rainwater for the purpose of cleaning equipment.

Employee Learning and Development

Worked and Training	2021
Project Hours Worked	27,214
Training Hours Delivered	725hrs 20min

We are members of The 5% Club, which are a dynamic movement of employer-members working to create a shared prosperity across the UK by driving 'earn and learn' skills training opportunities.

Members strive to achieve 5% of their workforce in 'earn and learn' positions (including apprentices, sponsored students, and graduates on formalised training schemes) within five years of joining.

Business Activity Complaints

	2021
Complaints	None

<u>Stakeholder Engagement</u>

	2021
Engagement (projects)	83 Hrs

Transport Impact

Bauer Technologies has a small fleet of vehicles which consist of 5 Vans and 4 Cars.

Bauer Technologies approved supplier's, deliver all materials and plant to our projects, we have reduced our transport requirements, focusing on locally sourced equipment, material, and labour.

We are certificated to FORS Bronze

Resource Use & Recycled / Byproducts

Bauer Technologies communicate with stakeholders to promote best practice.

- Where possible we Initiate retrieval schemes.
- Where possible, over spill of ready-mix concrete formatting a pile, once set, is removed from site to be crushed to a 6F2 grade or similar and reused.
- Where possible, soil waste arising's from our works is classed as inert or non-hazardous are to be resourced on other sites as backfill or other application.
- Our reinforcement supplier supplies steel which has a 92% to 98% recycled steel content in their product. In turn this will lower the CO_2e and lowering the need for natural resources.
- Our ready-mix concrete supplier use byproducts within their mix design using less cementitious materials, again this will lower the CO_2e.
- We are looking to introduce HVO fuel to our Piling Rigs. Thus, reducing our Scope One Emissions CO_2e.
- Where possible any hired mechanical plant to run on HVO.
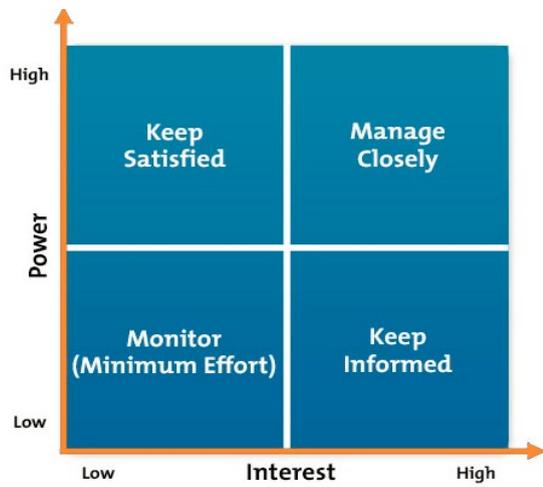
Local Communities

Directly below we detail some achievements in the local community to date – also a wider list of interested parties.

Bauer Technologies will always look to work with the local community and businesses to promote a healthy relationship.

Interested Party	Achievements
Local Schools and Colleges	Giving students an insight into the world of Geotechnical Engineering, Work Experience, Mock Interviews
Local Employment	Apprenticeship Schemes
Local Charities	Age Concern, donated monies for furniture at their renovated building (Apton Centre) Yearly donation to Macmillan Cancer Support

Interested Party	Needs/Expectations	Objectives	Priority
Suppliers	Good working relationships, unambiguous contracts/ scope of works, security, continuous supply	Maintaining good working relationships	1
Customers	Responsibly produced product, delivered as per contract, correctly and on time	Enable feedback opportunities	1
Public/local community and residents	Local employment, consideration of the local area, social responsibility	Engagement and act upon any concerns raised	1
Employees	Professional development, job security, good relationships	Regular contact and feedback from employees	1

Management Priority

Detailed in the graph (above) is the '1-3' priority scoring system.

1 being the highest priority therefore commanding more

attention from the management team.

3 being a lower priority and therefore less attention shall be paid to these aspects.