

SUSTAINABILITY PROGRESS REPORT 2025

INTRODUCTION



FY25 Social value in the UK

£305m

Cathal O'Rourke
Group Chief Executive Officer

At Laing O'Rourke, we understand the role we must play in improving the lives of people while preserving the health of the planet as we deliver the buildings and infrastructure projects society needs. Pushing the boundaries sits at the heart of Laing O'Rourke's purpose. It's what makes us different, and it shapes how we think and act.

Political turbulence characterised the 24/25 financial year, sending global shockwaves over corporate net zero strategies and diversity, equity and inclusion policies. This prompted some organisations to dilute or even withdraw their commitments. Despite these challenges, at Laing O'Rourke, we have always had a strong sense of purpose with underpinning values, stemming from our family ownership and a passion to deliver projects that improve the lives of the communities they serve, ensuring our purpose remains unwavering.

In the UK we're proud to have been named ESG Leader – Contractor at the New Civil Engineer Awards, a recognition of our approach to sustainability and social impact. From using low-carbon concrete and electrifying our fleet, to embedding digital construction and setting a £2bn social value target by 2030, this award reflects how far we've come, and how committed we are to driving meaningful change across our industry.

In FY25 we adopted new, science-based carbon reduction targets validated by the Science Based Targets initiative (SBTi). We committed to reporting against the new Taskforce for Nature-related

Financial Disclosure (TNFD) framework and will publish our first, partial disclosure post-FY26.

We delivered £305m of social value in the UK during FY25 taking us to a total investment of just over £1bn, which is halfway towards our 2030 goal. Our Australian business delivered \$113m social value spend in the year, representing important progress towards our 2030 target of \$800m.

Sustainability is constantly evolving, and so must we - guided by the latest climate science and data, we're committed to continuous progress and improvement. In FY25, we worked with external consultants to independently assess our progress in relation to the market, identifying strengths and areas for improvement. We have completed work on a double materiality assessment to ensure that we continue to prioritise the areas that have the most significant impact.

Our work and progress are inextricably linked to that of our stakeholders; our clients, partners, and peers. We go further when we work together and in so doing we can create an industry that is sustainable and productive, that pushes the boundaries of what's possible in service of humanity.

We're making progress and recognise there is still work to be done. We're committed to driving harder, faster. This report summarises the highlights for financial year 2025 across our four Pillars, with a full sustainability report to be published in FY26.



“Evidencing the value sustainability brings is a priority and winning the New Civil Engineer 2025 Award for ESG Leader - Contractor was a great recognition at an industry level.”

Rossella Nicolin
Head of Sustainability, Europe

FY25 social value in Australia

\$113m



“In a constrained environment, we're elevating our impact by embedding carbon forecasting into all Australian bids, targeting areas where we deliver real value.”

Hollie Hynes
General Manager –
Sustainability and Environment, Australia



PERFORMANCE HIGHLIGHTS

Pushing the boundaries of what’s possible is our purpose. It determines how we think and how we act. Our Pushing the Boundaries sustainability strategy is a comprehensive plan that details how we’re reducing environmental impacts while positively contributing to society, whether that’s our people, our clients or the communities within which we operate.

FOR OUR CLIENTS	FOR SOCIETY	FOR OUR PEOPLE	FOR THE ENVIRONMENT
<ul style="list-style-type: none"> Carbon forecasting methodology embedded in Australia and introduced in UK Carbon measurement, management and reporting systems in place PAS2080:2023 certification underway, with stage 1 audit passed (UK) Environmental Product Declarations (EPDs) now available for our 5 most commonly-used products from UK-based Centre of Excellence for Modern Construction (CEMC) 	<p>£305m social value delivered in FY25 in UK</p> <p>£1.046bn delivered so far in UK</p> <p>\$113m delivered in FY25 in Australia</p> <p>\$227m delivered so far in Australia</p>	<p>28% female staff at end of FY25 (Group)</p> <p>Third WGEA Employer of Choice for Gender Equality citation in Australia achieved in FY25</p>	<p>15.5% reduction in emissions from concrete achieved in second year of UK low carbon concrete mandate</p> <p>TNFD Adopter Became a Taskforce on Nature-related Financial Disclosures Adopter, with partial reporting post-FY26</p>

NOTABLE PARTNERSHIPS, COMMITMENTS AND AWARDS

In Australia we secured the prestigious Workplace Gender Equality Agency Employer of Choice for Gender Equality citation for the third consecutive award period. In the UK we were named ESG Leader at the New Civil Engineer Awards held in July 2025.



Pushing the boundaries for our clients

Our clients want products and solutions that minimise environmental impacts and better serve the community. Our commitment to innovation and modern methods of construction enables us to help clients meet their sustainability ambitions.

In 2025, we continued supporting our clients by delivering our first project to meet a contractual whole-life carbon target, embedding carbon forecasting into all our bids in Australia, achieving leading sustainability ratings on major infrastructure, and advancing to 'Leading' level in sustainable procurement in our ISO 20400 re-evaluation.



6-star

Green Star As-Built ratings – highest awarded in Australia for railway stations

25 Baker Street

We delivered 25 Baker Street – a 27,000 m2 mixed-use development in London - as our first building project to meet a contractual whole life carbon target. Using as-built data and a robust baseline, the project achieved 95% data completeness and 87% product-specific Environmental Product Declarations (EPDs). Carbon reductions came from low carbon concrete, reclaimed access flooring, and strategic value engineering, while minimising on-site emissions. The development is now targeting BREEAM Outstanding, NABERS UK 4.5 star, LEED Gold, WELL enabled, EPC A, and Net Zero Carbon.

CEMC driving decarbonisation

Our Centre of Excellence for Modern Construction secured funding from the Department of Energy Security and Net-Zero's Industrial Energy Transformation Fund to develop a long-term low-carbon manufacturing strategy. Working with the Universities of Cambridge and Sheffield, the project is testing advanced manufacturing technologies to de-risk adoption, improve efficiency, and develop an adaptable production facility that sets a benchmark for sustainable construction.

Leaders in sustainable procurement - ISO 20400

To further support our colleagues responsible for procuring on projects, we improved the ways we outline our clear commitment and direction to sustainable procurement. This was done through the introduction of the sustainable procurement management manual, responsible sourcing protocols and the use of balanced scorecards on all packages over £250k. These efforts saw us advance from a score of 3.27 (FY23) to 4.01 out of 5 in our ISO 20400 re-evaluation, reaching 'Leading' level in sustainable procurement.

Carbon forecasting governance

We started embedding carbon forecasting into every new bid we submit in Australia. We identify major carbon sources and develop lower-carbon alternatives, which we cost and build into a decarbonisation plan agreed at bid stage. This approach ensures that decarbonisation is built into the project from the outset and reflected in the development of the projects' management plans and assurance tracking.

Achieving ratings of excellence in sustainable design

In Australia, the METRONET Morley-Ellenbrook Line Project delivered by the MELconnx Alliance achieved the first-ever IS V2.0/2.1 Design certification for a rail project. The Ellenbrook station received a 6 Star Green Star As Built certification, the highest score for an Australian railway station, and is set to represent 'Australian Excellence in Sustainable Design', a certified registered trademark by Green Building Council of Australia.

Material Decarbonisation Initiative Guideline

We developed the Material Decarbonisation Initiative Guideline to help deliver our near-term science-based target of a 25% reduction in Scope 3 (2023 baseline). The initiatives draw on low-carbon designs and materials that have been trialled or deployed on projects previously, so spreading and embedding best practice. The guideline support our teams to identify and select lower-carbon initiatives across design, procurement, and delivery planning, enabling consistent client outcomes.

Pushing the boundaries for society

From hospitals to railways, we're delivering the infrastructure needed to improve lives and help local communities thrive. By creating employment opportunities and investing in skills development we create economic growth and help communities prosper.

In 2025, we accelerated progress towards our Social Value Strategy, delivering £305m of social value in the UK and strengthening the way it is embedded across our projects. Through investment in social benefit suppliers in Australia, new tools and policies, education programmes, and partnerships, we're creating lasting positive impacts for the communities where we work.



Abbigail Green, our Social Value Advisor received a Community Impact Award in May 2024 for the positive contribution she and the team made while delivering Everton's new football stadium - Merseyside UK.

Social value targets – on track

In the UK we delivered £305m of social value in FY25, taking our total to £1.046bn towards our 2030 target of £2bn and enriching the lives of 2 million people. To accelerate progress, we've embedded a new approach that places people and communities at the heart of delivery and aligns with the UK Government's Social Value Model. Every project now develops a bespoke Social Value Delivery Plan, tracked through our measurement tools, ensuring social value is integrated from mobilisation and consistently reported at all levels.

Spend and value generation in Australia

In Australia, we invested \$113m with social benefit suppliers, including social and disability enterprises, and First Nations businesses. This spend contributed to creating positive social outcomes on our projects and within our business, supporting jobs, economic growth, and progress towards our 2030 target of \$800m social value to deliver lasting community benefits.

The Eastern Freeway Burke to Tram Alliance (EBTA) partnered with Aboriginal-owned civil contracting business, Wamarra, to deliver a shared value partnership aimed at creating economic development opportunities for First Nations people, while strengthening Wamarra's long-term capability and capacity. Rather than limiting engagement to subcontracted works, EBTA worked with Wamarra to embed their personnel directly into the project's labour workforce and across supply chain partners.

Value through volunteering

We strengthened our commitment to achieving social value through volunteering in the UK by launching a new volunteering policy in the UK along with a volunteering platform that allows our people to choose from a selection of approved activities, and to log the time they commit. Both give our people more opportunities to contribute to our social value goals and support communities.

Social Value Playbook

We developed a Social Value Project Playbook for the Europe Hub, providing clear, practical steps from project start to finish, ensuring we consistently follow through on our commitments and deliver maximum benefit to the communities we serve.

Inspiring through STEM +

In its eighth year, the Inspiring STEM+ Programme delivered 20 modules across five girls' schools around Australia. Over 120 high school students visited our sites and offices, gaining insight into safety, sustainability, and innovation in construction. The programme is achieving tangible outcomes, with graduates pursuing STEM subjects and careers, completing work experience with us, and some now even employed in our business.

Social Ventures Australia Partnership

Through a pilot delivered by Social Ventures Australia, our Eastern Freeway Burke to Tram Alliance in Victoria, Australia created a tailored traineeship in Warehouse and Logistics for a young person with disability, challenging traditional employment structures and opening new career pathways.



Pushing the boundaries for the environment

We're driving leadership in low carbon innovation as we work to become a net zero company before 2050. By working collaboratively across the sector to identify decarbonisation solutions, we're addressing complex climate challenges, paving the way for a better environment.

In 2025, we reduced business travel emissions by 28.2% (from 2023 baseline) and cut over 148,000 kWh of energy use at our Centre of Excellence for Modern Construction. We advanced renewable fuel use by trialling Hydrotreated Vegetable Oil (HVO) on projects in Australia, and launched tools to monitor and track environmental performance across our projects and supply chain.



UK energy and carbon reduction

In the UK, we reduced our business travel emissions by 28.2% from the 2023 baseline through the launch of a new hybrid and EV car scheme. At our Centre of Excellence for Modern Construction, we cut energy use by installing photocells on crane lights and switching to external LED lighting, projected to save 6,515 kWh and 142,328 kWh respectively.

HVO trials confirm clear demand for renewable fuels

We trialled HVO on two projects in Australia, collectively avoiding 82 tCO₂e and confirming a clear demand for renewable fuels. We continued our active collaboration with industry leaders and policy makers, helping shape the approval for renewable diesel use in Australia - an important step to expand renewable diesel adoption and accelerate progress towards net zero targets. We are also proud to have contributed to the Australian Constructors Association Fossil Fuel Free Construction Guide that outlines a range of methods and solutions to drive decarbonisation outcomes in construction.

Ecological value tool

As a TNFD adopter, our MetCONNx project developed an Ecological Value Visualisation Tool to inform design optioneering on the Byford Rail Extension and reduce environmental impacts. The tool overlays proposed designs to predict ecological outcomes, shifting the focus from tree counts to ecological value, a stronger indicator of ecosystem health.

Sustainability Supply Chain Charter

We published our UK Sustainability Supply Chain Charter, setting clear expectations and minimum standards for partners to support our strategy and targets. We recognise that not all partners may currently meet these standards, therefore, we're committed to working collaboratively to develop action plans and provide support to close any gaps.

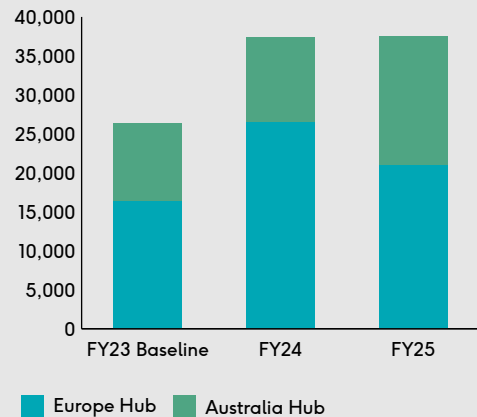
Minimum standards impact

Our Australian operations applied minimum decarbonisation standards that avoided approximately 193 tCO₂e through biofuel use, 273 tCO₂e through reduced fuel consumption at off-grid sites by using hybrid generators and/or solar powered technologies, and 3,059 tCO₂e through our continued commitment to GreenPower.

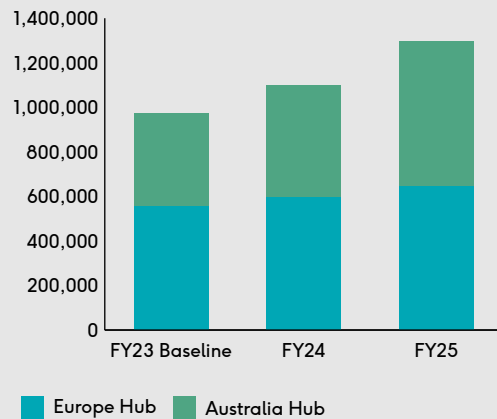


Our Decarbonisation Progress

Scope 1 and 2 emissions (tCO₂e)



Scope 3 emissions (tCO₂e)



Our total carbon emissions increased by 33.5% from 998,785 tCO₂e in FY23 to 1,333,658 tCO₂e in FY25, primarily driven by major infrastructure projects in Australia and the Middle East. This reflects business expansion rather than operational inefficiencies, with new project mobilisation phases contributing significantly to Scope 1 (+52.9%) and Scope 3 purchased goods and services. The latter represent 85% of our footprint, remain the single largest driver of emissions growth, underscoring the critical importance of supply chain collaboration.

Our UK operations demonstrate strong decarbonisation progress. Scope 3 emissions rose only 5% from baseline despite active construction, while reducing 3% year-on-year from FY24. Scope 1 fell 12.6% and Scope 2 fell 20.4% from FY23, delivering a combined 15% reduction. These reductions were enabled by 100% renewable electricity procurement, fleet electrification, and HVO diesel substitution.

In Australia, Scope 1 emissions rose 59% from FY24 due to more projects moving into construction phase. Limited low-carbon fuels and the lack of electric machinery at scale continues to be a significant barrier to decarbonising construction Scope 1 in Australia. Scope 2 emissions were reduced to zero through our continued GreenPower use. We're also transitioning our company car fleets to hybrids and electric vehicles. Scope 3 emissions increased 29% from FY24 due to increased material use as projects moved into construction phase, compounded by large increases in spend-to-carbon conversion factors (e.g. more than doubling for cement/concrete).

Emissions in the Middle East grew 207% from 30,508 tCO₂e in FY23 to 93,771 tCO₂e in FY25, primarily due to the mobilisation of a major new project. This reflects the startup phase of large-scale construction, including significant procurement of materials and equipment, and therefore represents a business-driven expansion rather than inefficiency. Despite the increase, operations demonstrated positive efficiency gains with a 15% reduction in electricity consumption, highlighting effective energy management practices. With verified baseline data now in place, the region is positioned to implement targeted decarbonisation initiatives, drawing on proven approaches from our other markets.

Overall, our Scope 3 emissions rose in line with higher spend and material demand as major projects advanced into construction. Industry-wide reliance on spend-based data continues to inflate reported emissions, but we've made progress in improving accuracy and coverage. We're investing in better Scope 3 data integrity by working with suppliers of our most carbon-intensive products to secure high-quality, activity-based data. Alongside this, we're embedding sustainable procurement practices, engaging suppliers on decarbonisation requirements, and exploring innovative construction methods that reduce embodied carbon.

Looking ahead, our focus is on scaling proven decarbonisation models across all regions, embedding low-carbon strategies into new project planning and accelerating the transition to alternative fuels and electric fleet solutions. Strengthening Scope 3 data accuracy remains a priority, as does engaging supply chain partners to align with our sustainability objectives. We're also advancing circular economy principles to reduce waste and maximise material reuse. All these initiatives will ensure we remain on track to deliver against our science-based targets and progress toward our 2030 goals.

Our total carbon emissions increased by **33.5%** from 998,785 tCO₂e reflecting business expansion

Our UK Scope 1 and 2 emissions decreased by **15%** from our FY23 baseline

Scope 1 emissions – direct from sources owned or controlled by an organisation.

Scope 2 emissions – indirect from the generation of purchased electricity, steam, heating, and cooling consumed by the organisation.

Scope 3 emissions – all other indirect emissions that occur in the value chain, such as those from suppliers, product use, business travel, and waste disposal.



Pushing the boundaries for our people

Building an enduring and innovative organisation requires us to hire, develop, and retain the very best talent. We are committed to transforming the nature of construction work, so that the stimulating and rewarding careers it offers appeal to a more diverse range of people.

In FY25, we made steady progress in building a more inclusive and supportive workplace. We strengthened workplace safeguards with the rollout of a whistleblowing app and invested in early-career talent through our Graduate Development Programme. We continued to advance diversity and inclusion, reducing our total remuneration gender pay gap from 23% to 22.7% (vs FY23/24) in Australia and improving ethnicity declaration rates to 93% (vs FY24) in the UK.



Employee-led D&I networks

We strengthened our UK employee networks by hosting our first Employee Network Chair Away Day to set shared priorities for change. We launched a Men's Health Network, relaunched our Women's Health Network, and saw record engagement in our Pride Network, with participation in the London parade increasing by 50% from last year.

Providing a Safecall service

We rolled out the Safecall mobile app, our confidential whistleblowing hotline, to all UK devices, giving employees a secure, confidential way to report concerns about inappropriate behaviour. This reinforces our commitment to a workplace free from bullying, harassment, and misconduct.

Transparency through UK pay gap reporting

Since voluntarily publishing our first UK Ethnicity Pay Gap Report last year, internal ethnicity declaration rates have risen from 89% to 93%, strengthening our data. Our average ethnicity pay gap is 24.6% (22.1% in FY23) and the median gap is 17.7% (19.7% in FY23). We continue our commitment to gender pay gap reporting with our most recent submission highlighting a 24.6% (25.2% in FY23) average gap in our staff population. While we recognise that there is more to do, we continue to act to close gaps and drive equity across our business.

Gender parity and pay gap reporting in Australia

In Australia, female representation declined slightly from 31.2% to 30.2%. To address this, we're focusing on increasing representation in staff roles, reducing attrition, and supporting women's career progression. Positively, we reduced our total remuneration gender pay gap from 23% to 22.7% and our base salary gap from 18.4% to 17.8% (compared to FY23/24).

Cultivate Sponsorship Programme

Now in its fourth cohort, our Australian Cultivate Sponsorship Programme pairs emerging female leaders with senior executives to build strategic alliances and advance leadership readiness. The programme strengthens our sponsorship culture and creates meaningful career development opportunities for women across our business.

Graduate Development Programme

Thirty-five graduates completed our Graduate Development Programme in Australia this year, gaining hands-on experience across multiple business areas. Our Graduate Development Programme has achieved 50/50 gender balance since 2019 and we continue to focus on women developing through these streams. Our Graduate Development Programme has achieved 50/50 gender balance since 2019 and we continue to focus on women developing through these streams.

Supported by mentors, line managers, and a strong peer network, they built a blend of personal and professional skills through structured rotations and learning modules.



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