

Materiality Review

INTERNAL STRATEGY DOCUMENT

OCTOBER 2017

Executive summary

Cundall's sustainability vision is 'to deliver a world in which people enjoy happy, healthy lives within their fair share of the earth's resources, leaving space for wildlife and wilderness.' This drives both our moral sustainability aims and our business objective to be the consultant of choice, and led us to become the world's first One Planet Living consultancy in 2012.

Our business has grown significantly in terms of size, scope and geographical coverage since the production of our last sustainability roadmap in 2012, and the UN Sustainable Development Goals (SDGs) have also now been published. In order to maintain our leadership position in the industry, and have a meaningful impact on sustainability, we must prioritise where we have the biggest impact – by conducting a materiality assessment. This task was given to the Aspire group, Cundall's identified group of future leaders.

What is a Materiality Assessment?

It is a way of assessing stakeholder importance relating to various sustainability issues in order to help us have the greatest impact on creating a sustainable built environment. The output of this exercise is to feed into an updated sustainability roadmap, in the context of our four cornerstones of business impact - our projects, industry leadership, our workplace, and our homes and communities.

The recommendations of this report conclude that to best ensure sustainability aspects are applicable to us as a consultancy within the built environment, as well as to align with our values as a business, development of a series of Cundall Sustainability Aspects (CSAs) drawing on both the One Planet Living Principles and Sustainable Development Goals provided a more targeted approach.

Our Approach

A key area of undertaking a materiality assessment is understanding the level of importance both internal (our staff) and external (clients and competitors) stakeholders place on varying aspects of sustainability and this was assessed against the CSAs through surveys, discussions and desktop research. A justification paper for each of the CSAs was produced to determine our current and potential future impact as well as possible future initiatives. This work informed a heat-mapping exercise undertaken to identify the highest priority CSAs which we recommend being taken forward by our business.

The high priority CSAs have been identified as Innovation and Partnerships, Life Long Learning, Zero Greenhouse Gas, Health, Happiness and Wellbeing, Resource Consumption and Climate Adaptation. There are also key aspects which run through our business and cannot be ignored, such as ethical governance, equality within the workplace and the safety of our workforce and these form Embedded Practices.

We have proposed a governance structure that supports the business in tackling each of the high priority aspects through the formation of Action Groups, having maximum impact in areas which we and our stakeholders deem important, whilst not neglecting the Embedded Practices. This governance structure will provide strong leadership through the Sustainability Committee supporting us in achieving these goals in a strategic, high impact and timely manner. Mission statements for each Action Group are provided, along with example areas that might development to increase our impact as a business, but it is envisaged that these will be developed further by each of the groups.

As a business facing rapidly changing environmental, social and economic conditions, if we do not continue to place sustainability at the heart of our practices we face a severe risk of loss in market position and resultant decline in profitability. Adopting this strategy, based upon detailed research including the views of our clients, we can continue to drive Cundall forwards as an industry leader on aspects that both our stakeholders and our leadership believe are highly important. This will ensure we meet the needs of the future as a business by having substantial impact on all four of our cornerstones: Our Workplaces, Industry Leadership, Our Projects and Our Homes and Communities.

Innovation and Partnerships



Zero Greenhouse Gases



Resource Consumption



Embedded Practices



Lifelong learning and Development



Health, Happiness and Wellbeing



Climate Adaptation



Innovation and Partnerships

Create a culture of innovation, strengthen industry and academic relationships and align Cundall with market trends, leading to excellence in research and development.

- Research and development roadmap targeting material issues and future trends (e.g. identifying what we want to spend our R&D budget on and encouraging applications from within the business to research these topics).
- Strategic partnerships with academia, industry and the supply chain (in line with our material impacts e.g. climate mitigation and adaptation).

Lifelong Learning and Development

Upskill current and future staff using skills mapping to stay ahead of evolving industry demands. Develop knowledge sharing culture throughout the business.

- Future skill mapping - e.g. the engineer of today is not the engineer of tomorrow, e.g. parametric modelling, programming, this is incorporated into upskilling existing staff.
- Expansion of the Cundall Diploma to include modules on skills identified from future skill mapping.

Zero Greenhouse Gases

Make Cundall Carbon Neutral and assist in making our projects to be carbon net positive by 2030.

- Review and update existing multi-disciplinary low carbon/ carbon negative design guides to capture evolving opportunities for excellence, and to make low carbon design intrinsic to all our work.
- All future Cundall office fit outs to be carbon neutral, using a combination of low energy demand, renewables and offsetting where necessary.

Health, Happiness & Wellbeing

Cundall to be market leaders in health, happiness and wellbeing in our four cornerstones.

- Produce a productivity mapping tool including light, air, water, thermal and sound comfort.
- Using our offices as 'living laboratories,' and with the WELL standard as a starting point, produce a Cundall fit-out design guide.

Resource Consumption

Incorporate the circular economy concept. Design and advise to minimise resource impact on all our projects

- Offer advice on achieving circular economy goals for our designs through use of BIM, asset tagging - informing decision making.
- All new fit outs of Cundall's offices to have 100% responsibly sourced materials and Cat A & B fit out to be designed to be re-purposed and re-used at the end of its life.

Climate Adaptation

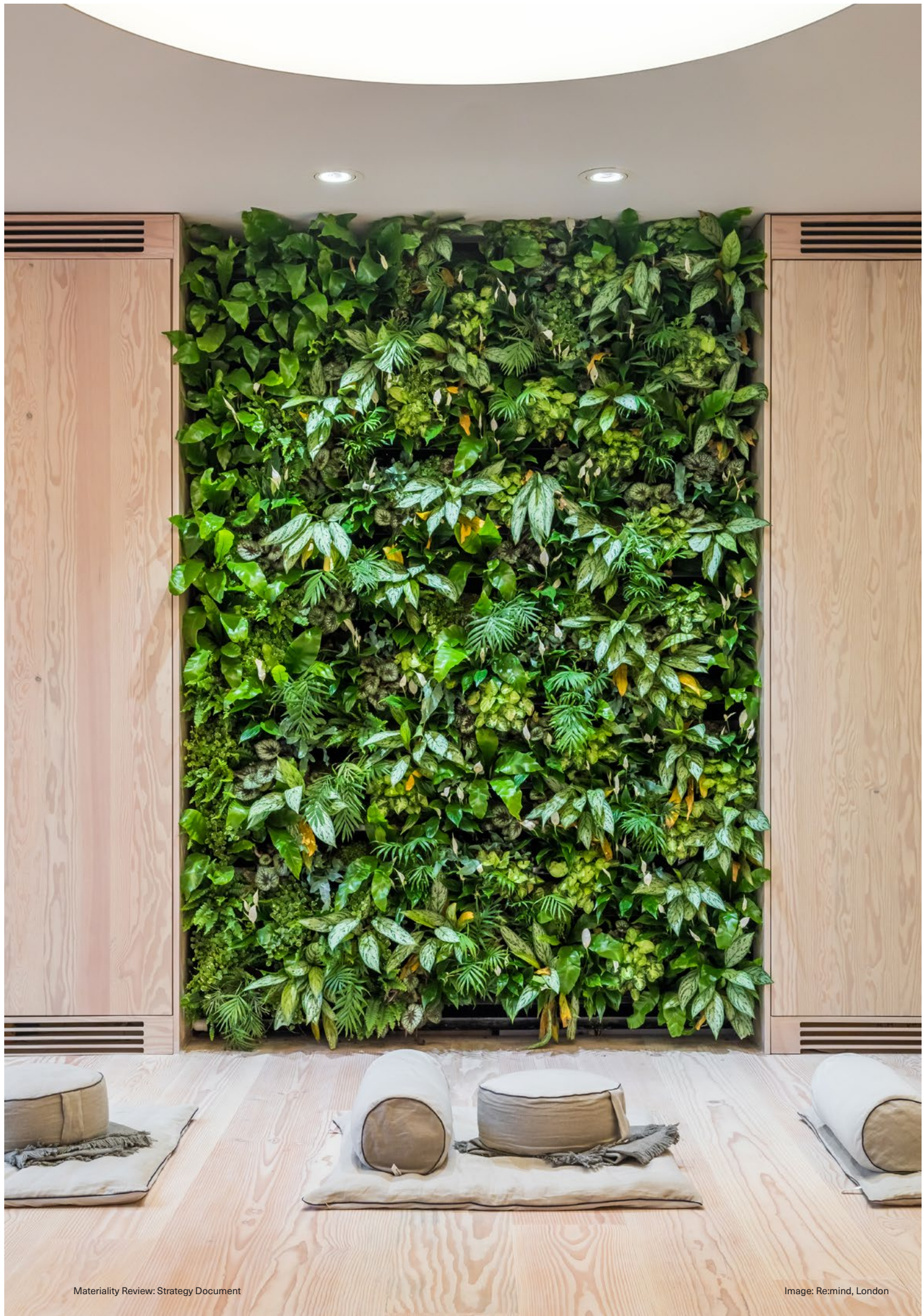
Future proof our projects to adapt to the risks posed by climate change.

- Multi-disciplinary best practice guide for climate change adaptation, including collation of relevant climate change data for relevant geographical regions. Provide to all clients developing in high risk zones.
- Produce return on investment / risk information on climate change adaptation to inform and persuade clients investing in medium and high risk zones.

Embedded Practices

Ensure that at all levels of the business our default position is a sustainable one, with ethics, equality and safety being second nature.

- Embed lessons learnt from JUST accreditation review across whole business.
- Ethical bid/no-bid procedure.
- Achieve gender equality, cultural diversity and fair treatment.
- 'Don't walk by' culture instilled in all staff.



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1. Introduction

1. Introduction

1.1 The Task

Due to the significant growth of the business in terms of size, scope and geographical coverage, it was agreed that the existing sustainability roadmap and targets, which have been in place since 2012, should be reviewed. The Aspire group (see section 1.2) have conducted a Materiality Assessment for the business in order to achieve the following:

1. Undertake a business-wide review of each aspect and detailed gap analysis.
2. Identification of key priority issues, which are most important to our stakeholders and most relevant (or material) for our business.
3. Presentation of findings and recommend an implementation strategy to address each priority issue going forward.

This report outlines the findings of the Materiality Assessment and proposed strategy for Cundall going forward, and has been reviewed in conjunction with the Materiality Steering Committee, as well as external feedback from Bioregional, UK Green Building Council (UKGBC), and Forum for the Future.

1.2 What is a Materiality Assessment?

A Materiality Assessment is a way of assessing stakeholder importance relating (in this case) to sustainability issues. Stakeholders can be internal, such as the Partners of our business and our staff, or external, such as our clients and competitors in the industry. Through evaluation of the relative environmental, social and governance issues to different stakeholder groups, as well as estimating our potential impacts against these issues, we can determine which areas we should prioritise as a business. This can then guide the creation of a roadmap to maximise Cundall's sustainability impact.

1.3 Who Conducted this Report

As part of Cundall's business strategy to provide a great place for talent to learn, grow, and to plan for the future growth of the business, the 'Cundall Aspire' high potential development programme was launched in 2016. The programme aimed to identify current staff with the potential to be future leaders of the business.

Five individuals from the Aspire programme were selected to undertake the Materiality Assessment with a view that it would be beneficial for potential future leaders of the business to be involved in the creation of a high level, business strategy initiative, generating ownership, responsibility and accountability.

The Team Structure

The Aspire Team



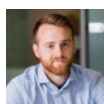
James Spears
Principal Engineer
Geotechnical, Edinburgh



Richard Smith
Principal Engineer
Mechanical, Manchester



Naomi Finn
Financial Controller
Accounts, Global



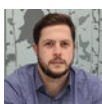
Andrew Livesey
Principal Engineer
Mechanical, Newcastle



Mazen Jamal
Principal Engineer
Electrical, London

Figure 1: The Aspire Team

The Support Team



Lee French
Associate
Civil, Dubai



Lee Leston-Jones
Partner
Structures, Manchester



Hala Yousef
Senior Consultant
Sustainability, Doha



Amie Shuttleworth
Director
Head of Sustainability, Global

Figure 2: The Support Team

Materiality Steering Group



Tomás Neeson
Managing Partner
Global



Carole O'Neil
Partner
HR & Training, Global



Alan Fogarty
Partner
Sustainability, London



David Clark
Partner
Mechanical, Sydney



Joanne Sim
Marketing Manager
Marketing, Sydney



Julian Sutherland
Partner
Mechanical, London



Simon Wyatt
Partner
Sustainability, London



Richard Stratton
Partner
MEP, MENA



Caimin McCabe
Partner
Sustainability, Melbourne



Andrew Parkin
Partner
Acoustics, Global



Jonnie Allen
Director
Marketing & Business Development Global

Figure 3: Materiality Steering Group

1.4 Overview of Cundall's Mission and Our Vision

Cundall provides design and consultancy services to clients in the built environment, primarily for buildings but also transport, masterplanning and placemaking. These clients include building owners, tenants, developers, contractors/builders, government organisations, project managers, facility managers and architects. Through the services we provide we have the opportunity to influence the impact on every project we work on - be it economic, social or environmental.

In 2012, Cundall became the world's first consultancy to become a One Planet Living (OPL) endorsed company. Since then, Cundall have continued to work closely with Bioregional to monitor and report on the targets set. The OPL's 10 principles were used as a framework for Cundall to develop a roadmap, which guides our commitment, action, and services towards a more sustainable future.

Our business level Mission Statement is to:

'Provide great opportunities for our people. Create fantastic built environments. Positively impact our communities.'

Our vision is to be:

'Agents of change for a sustainable world. The best place for talent to grow and flourish. Construction industry thought leaders. Everyone's favourite consultant'.

The business vision is reflected in Cundall's Sustainability Vision, which is:

'To deliver a world in which people enjoy happy, healthy lives within their fair share of the earth's resources,

leaving space for wildlife and wilderness therefore having a net positive impact.'

This is upheld by our current sustainability policy (signed by all Partners) and our 2025 targets, which were set in our 2012 One Planet roadmap. This roadmap, using 2008 as our baseline year, has been endorsed by Bioregional and is audited on an annual basis in order for our business to maintain its endorsement as a 'One Planet Living' business.

The current Cundall sustainability roadmap illustrates our journey so far, what we are doing today, and most importantly, where we are heading. It establishes challenging targets that we currently report against, and describes some key actions to achieve these. The roadmap uses the ten principles of One Planet Living in order to set appropriate targets and actions for our business.

The roadmap (which includes the 2025 targets) can be found on www.cundall.com

The External Sustainability Reports which identify progress against the targets have been published here:

2008 – 2009

www.cundall.com/Knowledgehub/Cundall-Sustainability-Reports.aspx

2012 – 2013

www.cundall.com/Knowledgehub/OPL-Report-1213.aspx

2013 – 2015

<http://www.cundall.com/Knowledgehub/One-Planet-Company-Report-2013-2015.aspx>

Cundall are currently compiling progress to date for the years 2015/2016 and 2016/2017 and these will be published shortly.

At a practical level, everything we do must have a level of 'sustainability' embedded within it. In addition, we want Clients to think of Cundall first if they want leading edge sustainable solutions, which means it is fundamental to practice what we preach.

We have previously identified four cornerstones our business where we have the potential to impact in our capacity as a built environment consultant:

1. Industry Leadership
2. Our Projects
3. Our Workplaces
4. Our Homes and Communities

There are four key drivers for Cundall for integrating sustainability into everything that we do, this can be summarised as:

- Partner moral imperative
- Market reputation and work winning
- Recruiting and retaining the best staff
- Increased and sustained profit

1.5 Overview of business

As per our vision, we contribute to creating leading built environments through the services we provide to the construction industry. Cundall has a diverse portfolio, although our dominant sectors are workplace, residential, infrastructure & masterplanning, education and critical systems.

The services we provide are primarily building services, structural & civil engineering and sustainability. We also provide a number of specialist services such as acoustics, lighting and fire engineering in order for us to be able to provide multidisciplinary advice to our clients.



Aviation



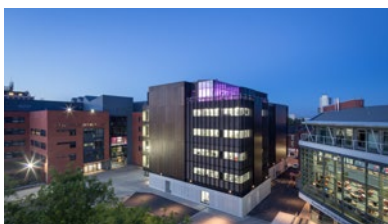
Lifestyle



Critical systems



Masterplanning & infrastructure



Education



Rail



Government



Residential



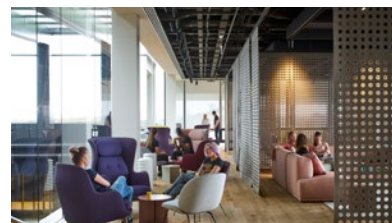
Healthcare



Retail



Industrial



Workplace

Figure 4: Cundall Sectors

The business has grown over the last 5 years with turnover almost doubling from 25 million GBP to 45 million GBP (See Figure 6). This has correlated with growth in staff numbers from 380 in 2011 to 750 in 2016.

Turnover	2011/12	2012/13	2013/14	2014/15	2015/16
Group	25,712,875	25,454,254	35,369,278	35,369,278	45,168,919
UK	18,568,769	18,938,073	21,289,268	27,238,178	33,112,512

Figure 5: Business turnover 2011 - 2016



Building services engineering



Acoustic engineering



Corporate sustainability



Lighting design



Civil engineering



Air Quality



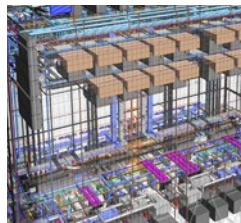
Fire engineering



Planning



Structural engineering



BIM



Geotechnical engineering



Security consultancy



Sustainable design



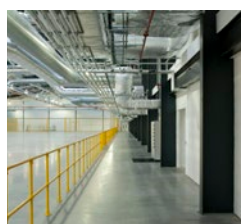
Building automation



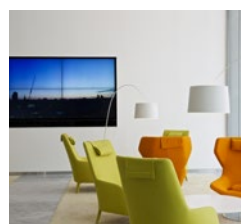
Health and wellbeing



Transportation



CDM Consultancy



IT and audio visual



Vertical transportation

Figure 6: Cundall services

The business operates in 20 offices globally, with the objective of offering the same multidisciplinary services in each region.

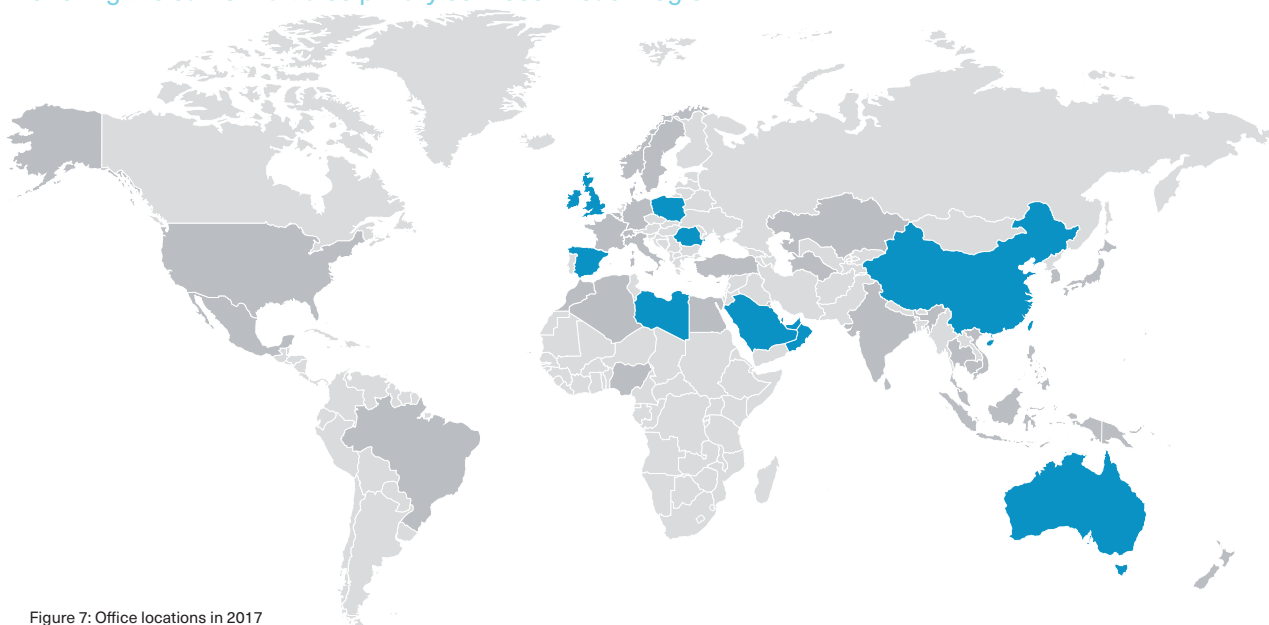


Figure 7: Office locations in 2017

1.6 Overview of current sustainability strategy and recent business wide initiatives

As described above, the business has had a sustainability roadmap in place since 2012, which includes targets and key actions up to 2025. The targets and actions have been created using the 10 One Planet Living principles as a framework, as well as identifying that some areas such as Leadership are additional to the One Planet Company Action Plan, with targets including investment in research and development.

Due to significant business growth, Cundall appointed a Head of Sustainability in 2016 with the responsibility of continuing to integrate sustainability into the business strategy.

In order to understand the status quo, workshops led by the Head of Sustainability were conducted with circa 50% of Cundall's staff to seek their feedback and gather their ideas on what would help them make their offices and projects more sustainable.

Cundall offices

Asia
China
Shanghai
Hong Kong

Singapore
Singapore

MENA
Libya
Tripoli

Qatar
Doha

UAE
Dubai

Europe
Ireland
Dublin

Poland
Warsaw

Romania
Bucharest

Spain
Madrid

UK
Belfast
Birmingham
Edinburgh
London
Manchester
Newcastle

Australia
Adelaide
Brisbane
Melbourne
Perth
Sydney
Associated offices
Oman
Saudi Arabia

Project locations

Americas
Brazil
Mexico
USA

Asia
Cambodia
India
Indonesia
Japan
Malaysia
Macau
Philippines
South Korea
Taiwan
Thailand
Turkmenistan
Vietnam

Oceania
Guam
New Zealand
Papua New Guinea
Guinea
Saipan

Europe
Belgium
Cyprus
Denmark
France
Germany
Italy
Norway
Switzerland
Sweden
Turkey

MENA
Algeria
Bahrain
Cape Verde
Egypt
Kazakhstan
Kuwait
Morocco
Nigeria
Oman
Saudi Arabia



Figure 8: Cundall's 4 cornerstones of impact and current workstreams being delivered to embed sustainability within the business

Key feedback from the staff engagement sessions:

Feedback from the staff engagement sessions:

- Cundall has the right culture to maintain their position as leading sustainable consultants, it is a key differentiator to our peers - our Unique Selling Point (USP), and all future leaders appointed need to buy into this brand value and be active in encouraging all staff to be sustainable.
- Practicing what we preach is important to our clients.
- Cundall has passionate and enthusiastic employees providing innovative solutions.
- Low awareness/lack of knowledge

amongst staff of what is in our sustainability roadmap and how they personally contribute or apply it (either from a workplace or project perspective).

- Our targets/roadmap should be reviewed and updated to reflect our impact on industry leadership and our projects.
- There is a perception that it is expensive to be sustainable (in our workplace and in the services we provide).
- Our current internal systems need to be updated in order support our staff and promote greater knowledge share e.g. Business Management System, Dr Johnston (Cundall's intranet).

A number of initiatives have been instigated in response to the above, these include the following (in no particular order):

- The creation of the Beyond Tool, to enhance sustainable design on all our projects and influence our Clients.
- The Cundall Diploma - a sustainable design course available to all Cundall employees, to enhance the sustainable design knowledge of our staff.
- A Monthly Dashboard produced, to raise awareness of what our roadmap and targets are and communicate the progress against targets to all staff.
- Roll-out of the Sustainability Induction, to raise awareness of what sustainability means to Cundall and how staff can personally and professionally contribute - including what support is available.
- Re-invigoration of Green Teams/ OPL Committees.

A summary can be seen as the workstreams within the graphic shown, using our four cornerstones principle.

Figure 8: Cundall's 4 cornerstones of impact and current workstreams being delivered to embed sustainability within the business



2. Methodology

2. Methodology

In order to address the task outlined, the methodology outlined in Figure 9, below, was employed.



Figure 9: Materiality Methodology

2.1 Cundall Business and Performance Data

The initial part of the process was to gain a thorough understanding of Cundall's current position and current best practice. This included reviewing Cundall's past performance, which was analysed by reviewing the OPL annual reports, as well as gaining a fuller understanding of the scope of the business operations globally.

2.2 Stakeholder Materiality and Sustainability Review

In ascertaining the importance of the sustainability aspects to our key stakeholders (defined as our clients, competitors and our staff), we undertook a series of internal and external feedback surveys, workshops and desktop research including a third-party review by Bioregional.

2.2.1 Clients

A questionnaire was sent to our key clients globally which included developers, building owners, contractors and architects. The questionnaire aimed to identify what our clients believed were emerging sustainability issues, potential risks and opportunities, what links sustainability and the services we provide to our clients, what they saw as important characteristics for sustainable businesses, who they thought were the current leaders in the space were, and what Cundall are doing well now.

In selecting the participants of this survey we were mindful not to focus this within sustainability groups within each organisation, but consulted with in excess of

100 individuals across a range of geographic locations, operational roles and responsibilities. We also researched information that our clients have published on their own environmental, social and governance evaluations, in order to better understand their priorities and where we (Cundall) have the potential to aid them in creating a more sustainable built environment.

2.2.2 Competitors and Industry Leaders

Bioregional, on behalf of Cundall, reviewed both competitors to Cundall and companies seen as 'leaders' in the built environment including Arup, Ramboll, British Land, Hammerson and Morgan Sindall and undertook an independent review on their sustainable drivers analysing the information available freely on their websites/published reports. This was further supplemented by our own research (similar to that undertaken by Bioregional) which also included leaders in sustainability outside of the built environment (such as Marks & Spencer and Unilever) in order to broaden our understanding of how organisations can lead the way effectively.

2.2.3 Materiality Steering Group

We also needed to better understand why Cundall have placed such a priority on sustainability and how the business currently addresses this, as well as getting regular feedback on the findings of the Materiality Assessment. A Materiality Steering Group was therefore formed, consisting of a number of senior leaders from across the business (both geographically and across disciplines / support services), including a number of Management

Board members and the current Managing Partner.

2.3 Bioregional Materiality Workshop

A materiality review workshop was conducted in Newcastle in March 2017 along with the Materiality Steering Group. This was facilitated by Bioregional, who subsequently produced a recommendations report (see summarised findings in Section 3). In this workshop we reviewed the results of a stakeholder survey conducted in February 2017 with our key clients and their review of competitors and industry leaders. We also undertook a heat mapping exercise where different sustainability aspects were ranked in terms of importance, and an evaluation and discussion on what Cundall do well in terms of sustainability and what we can improve on.

2.4 Creation of Cundall Sustainability Aspects

The Aspire group researched the OPL principles and attended seminars on the Sustainable Development Goals (SDGs), as well as reviewing our peers and clients external sustainability reports and Materiality Assessments.

Whilst the OPL principles provided a strong basis for the Materiality Assessment, it became evident that a more holistic overview could be achieved by also taking consideration of the United Nations (UN) Sustainable Development Goals (SDGs). The SDGs have been developed since our last roadmap, and offer a broad view of global sustainability driving factors, and

have been developed to ensure businesses and governments integrate sustainability appropriately. As such it was deemed best practice to overlay both the OPL principles and SDGs in assessing which aspects are appropriate to Cundall's sphere of influence.

Introduced in 2015, the SDGs provide a new universal set of goals, targets and indicators which the UN member states will be expected to use to frame their agendas and political policies over the next 15 years. The new SDGs replace the Millennium Development Goals (MDGs), which were set in 2000. Officially known as 'Transforming our world: the 2030 Agenda for sustainable development', the SDGs are a set of 17 global goals with 169 targets between them.

This research led to the decision to align the One Planet Living (OPL) principles, Sustainable Development Goals (SDGs) as well as Cundall / industry specific aspects and impacts to have one set of 'sustainability aspects' that are relevant to our business. These have been termed the Cundall Sustainability Aspects (CSAs) [see Appendix A].

The Cundall Sustainability Aspects (CSAs) were initially derived by undertaking a review of both the OPL principles and the SDGs to determine where these were aligned and could be amalgamated, how they needed to be tailored to suit our business and whether they were deemed material to Cundall. Feedback from our client questionnaire, materiality workshop, our own background research and results from the Cundall partner survey were reviewed to ensure the CSAs captured all relevant current and emerging sustainability issues.

2.4.1 Justification Papers

We extensively researched each CSA in order to produce a 'justification paper' covering the following:

- Detailed definition of the CSA.
- Why it is important to include the CSA.
- How the CSA links to the OPL principles and SDGs and if there are any links to other CSAs.
- Stakeholder importance for the CSA.
- Importance of the CSA to Cundall.
- What our current impact on the CSA is in relation to our four cornerstones.
- What our potential impact is for the CSA in relation to our four cornerstones.

2.5 Materiality Steering Group Feedback

After compiling the CSAs, we engaged further with the materiality steering committee to gain feedback on current and potential impact related to the CSAs.

A survey was compiled detailing each of the CSAs, and asked the materiality steering group to rank how importantly they viewed the CSA, what they believe our current business impact to be, and their view of our potential future impact.

2.6 Heatmapping and Selection of Material Aspects

A review was then conducted of the CSAs to rank current and future impact, and stakeholder and Cundall importance (using feedback from the partner survey, stakeholder survey and independent research). A heatmap was then created which identified those aspects which are important to both our stakeholders

and Cundall, supplemented by a spider diagram showing current and future potential impact to demonstrate where the biggest gains could be made as a business - aiding identification of what the most relevant sustainability aspects are for Cundall.

In order to derive specific targets from each of the high priority CSAs, a review of their links and commonalities was identified as a key part of being able to set effective material objectives. This review also incorporated the OPL principles and SDGs, using these as a base to see where comparisons could be drawn.

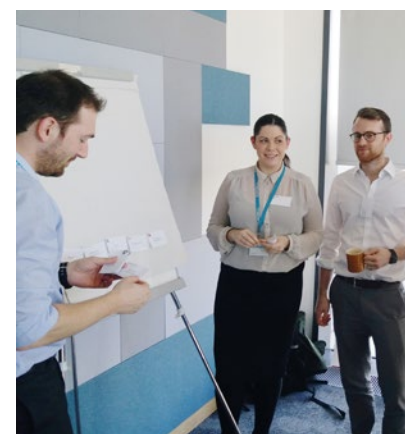
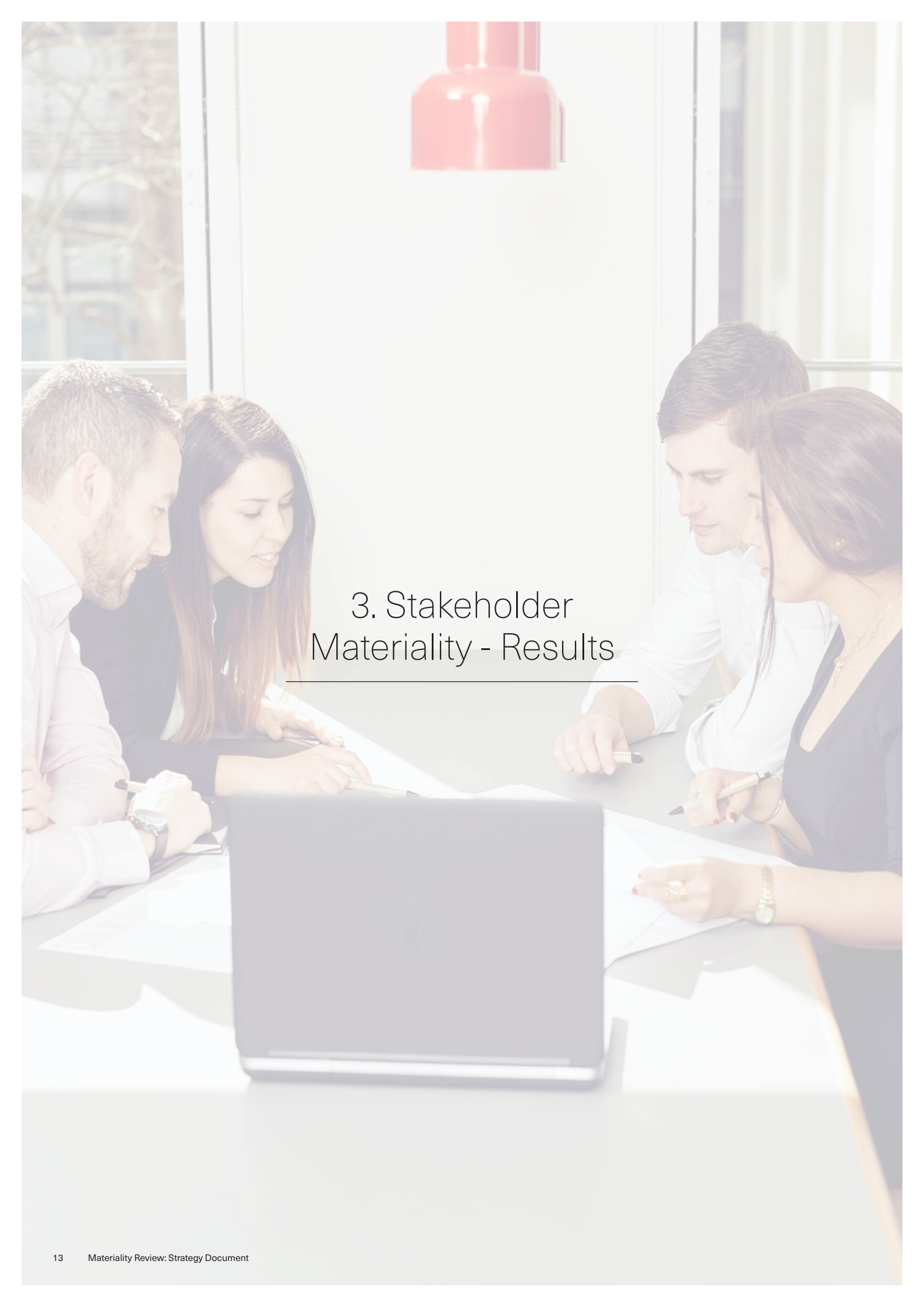


Figure 10: Materiality Workshop in Newcastle - the Aspire Team



3. Stakeholder Materiality - Results

3. Stakeholder Materiality - Results

The following section outline the key sustainability items identified for various internal and external stakeholders, and it is this feedback along with further independent research that has formed the basis of the prioritisation of our CSAs, as outlined in Section 4.

3.1 Clients

A summary of the key findings are:

a) Emerging issues in sustainability that will define leading companies:

1. R&D/innovation.
2. Health, wellbeing, social impact (identified as an opportunity).
3. Mainstream sustainability so you are part of the solution.
4. Climate change - risks, adaptation, opportunities, resilience.
5. Sustainable procurement - human rights, transparency.
6. Smart Cities.
7. Circular Economy.
8. Green Bonds (identified as an opportunity)

b) The characteristics of a truly sustainable company:

1. Good governance i.e. Socially just, honest, transparent and acting with integrity.
2. Walking the talk i.e. investing in their own staff and offices.
3. Clear plan for the future including KPIs.
4. Aiming for net positive.
5. Keeping ahead of emerging trends.
6. Culture of sustainability permeates all roles - governance system integrates sustainability into business mission and vision.
7. Contributing to solving the major challenges of our time.

c) Leaders in this space were identified as:

1. Arup.
2. Unilever.
3. The Crown Estate.
4. Ikea.
5. Arcadis.

d) This survey identified a number of high priority aspects for our Clients:

1. Research and Development/ Innovation - and share what we do.
2. Continuing to practice what we preach.
3. Climate Change mitigation and adaptation.
4. Skills and Training - in order to provide solutions. Business Governance.

3.2 Competitors and Industry Leaders

Bioregional created a heatmap, using the OPL principles, the current sustainability issues our peers and competitors believed were material to their business as shown in Figure 11.

This heatmap concludes that the three high importance aspects for are Health and Happiness, Equity and Local Economy; and, Zero Carbon.

Bioregional's review determined the following themes for our peers:

1. Top priorities include protecting their brand, taking care of employees and complying with the law.
2. Climate Change is creeping up the agenda and is a common metric – yet no one is really pushing the envelope.
3. Awareness is important
Companies value their employees being educated in sustainability.
4. Community Engagement is polarised amongst the sample.
For most companies, sitting alongside issues mentioned are social responsibility, community integration and supporting charities.
5. Of environmental issues, food and biodiversity are ranked low.

This is complementary to the findings of our client survey which identified Climate Change, Skills and Training and Social Sustainability as high priority areas.

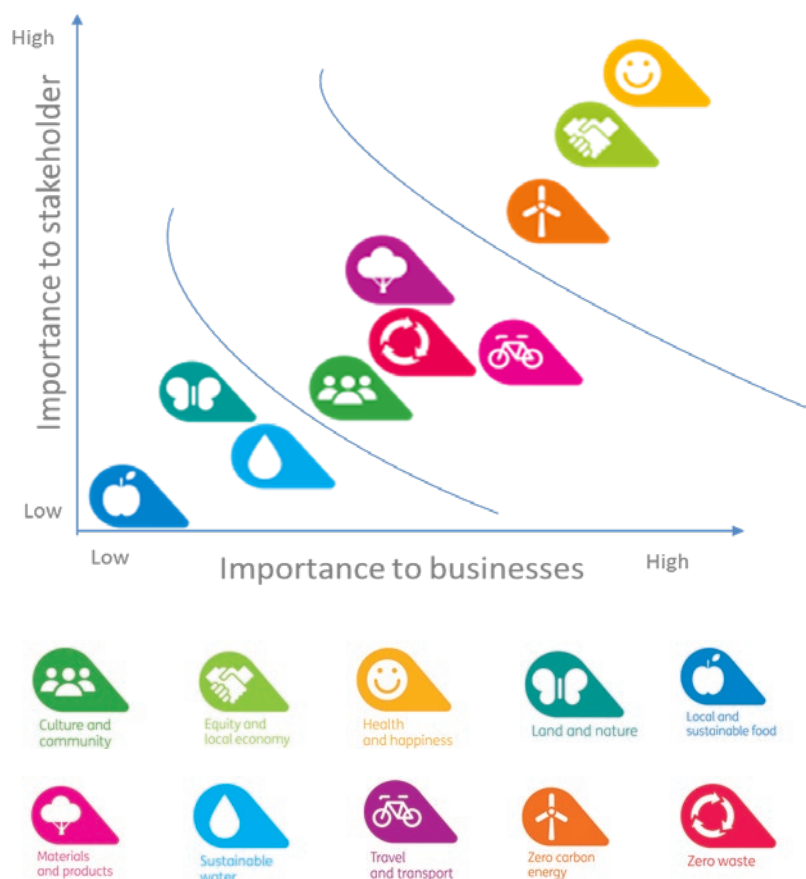


Figure 11: Importance of One Planet Principles amongst competitors and peers within the built environment

3.3 Materiality Steering Group

3.3.1 Workshop

During the materiality workshop held in Newcastle on 9 March 2017, the importance of sustainability issues were ranked as high, medium and low priority. The outcome was complementary to the findings of what our clients expected of us and what our peers were prioritising with high priority aspects being:

- Skills and Training
- Industry Leadership
- Climate Change
- Energy
- Research and Development
- Greenhouse Gasses

In addition to the above, we also identified volunteering and charity, healthy workplaces and diversity and inclusion as being very important to our business.

3.3.2 Materiality Steering Group Questionnaire

We compiled a short survey detailing all of the CSAs (apart from Climate Adaptation, discussed later) and their definitions and asked the Materiality Steering Group to rank how important the CSA was to them, what they believed our current business impact to be and their belief of what are potential future impact will be.

The survey had an 88% response rate which ensured that we captured the majority of the group and therefore a wide range of views, and is summarised in Figure 12.

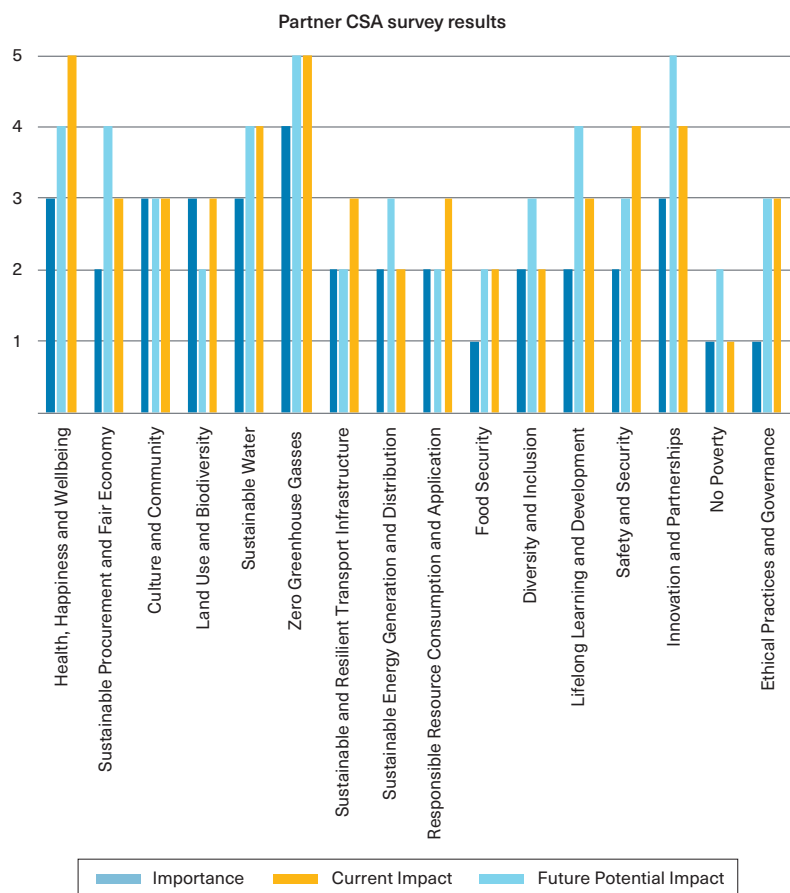


Figure 12: Results from Materiality Steering Group Questionnaire

The results identified that the Materiality Steering Group deem nothing as 'low importance', however, this is inferred as being due to the fact that it is difficult for a person to say something such as poverty is not important. That said, the priorities in terms of current to potential impact were consistent and allowed us to use this data to inform our decision for what should be a 'high priority' for Cundall. It also allowed us to identify areas for largest potential growth in impact (e.g. ethical practices and governance has a 2 point gap between current and future potential impact).

During the period between issuing the questionnaire and agreeing a final list of CSAs there were a number of changes. It was evident that two particular CSAs had substantial crossover, particularly when setting targets for our business.

These are:








- Zero Greenhouse Gas and Sustainable Energy Generation, which both focus on clean energy generation and efficiency. It was therefore decided to incorporate sustainable energy into a single Zero Greenhouse Gas CSA.
- Zero Greenhouse Gas draws on the need to create built environments resilient to the impacts of climate change, whilst Sustainable Water originally included the impact of climate change through sea level rise, increased storm returns and severity of flooding. These CSAs both require future climate consideration in built environment design to mitigate their effects and it was decided to combine the major elements of these aspects into a single aspect, Climate Adaptation.



4. Cundall Sustainability Aspects

4. Cundall Sustainability Aspects

The Cundall Sustainability Aspects have been defined as the following (along with how they align with OPL principles and SDGs):

CSA Ref	Cundall Sustainability Aspect	Aspect Definition	OPL Principle	SDG
#1	 Healthy, happiness & wellbeing	Ensure healthy lives and promote well-being for all at all ages. Encouraging active, sociable, meaningful lives to promote good health and wellbeing.	<ul style="list-style-type: none"> • Health & happiness (#1) 	<ul style="list-style-type: none"> • Good health and wellbeing (#3)
#2	 Sustainable procurement and fair economy	Creating economies that support equity and diverse local employment and international fair trade.	<ul style="list-style-type: none"> • Local and sustainable food (#6) • Sustainable materials (#7) • Equity and local economy (#2) 	<ul style="list-style-type: none"> • Decent work and Economical growth (#8)
#3	 Culture and community	Respecting and reviving local identity, wisdom and culture; encouraging the involvement of people in shaping their community and creating a new culture of sustainability.	<ul style="list-style-type: none"> • Health and happiness (#1) • Culture and community (#3) 	<ul style="list-style-type: none"> • Sustainable cities and communities (#11)
#4	 Land use and biodiversity	Reduce impact on, conserve and improve natural environments and habitats.	<ul style="list-style-type: none"> • Sustainable materials (#7) • Land use and wildlife (#4) • Local and sustainable food (#6) 	<ul style="list-style-type: none"> • Life on land (#14) • Life below water (#15)
#5	 Sustainable water	Reduce consumption of potable and embodied water, reduce the risk of flooding, increase access to clean water and sanitation for all.	<ul style="list-style-type: none"> • Health & Happiness (#1) • Sustainable materials (#2) • Sustainable water (#2) 	<ul style="list-style-type: none"> • Clean water and sanitation (#6) • Good health and wellbeing (#3)
#6	 Zero greenhouse gas	Strive to achieve complete decarbonisation through zero greenhouse gas production to limit climate change.	<ul style="list-style-type: none"> • Local and sustainable food (#6) • Sustainable materials (#7) • Sustainable transport (#8) • Zero waste (#9) • Zero carbon (#10) 	<ul style="list-style-type: none"> • Affordable and Clean Energy (#7) • Industry, Innovation and Infrastructure (#9) • Sustainable cities and communities (#11) • Responsible consumption and production (#12) • Climate action (#13)
#7	 Sustainable and resilient transport Infrastructure	Provide and encourage sustainable transport. Increase access to transportation to support ease of accessibility for all.	<ul style="list-style-type: none"> • Sustainable transport (#8) 	<ul style="list-style-type: none"> • Industry, innovation and infrastructure (#9) • Sustainable cities and Infrastructure (#11) • Sustainable cities and communities (#11)

CSA Ref	Cundall Sustainability Aspect	Aspect Definition	OPL Principle	SDG
#8	 Climate adaptation	Designing buildings and infrastructure to be resilient and responsive to climate change.	<ul style="list-style-type: none"> Zero carbon (#10) 	<ul style="list-style-type: none"> Industry, innovation and Infrastructure (#9), Sustainable cities and communities (#11) Climate action (#13)
#9	 Resource consumption	Enhance circular economy (keeping materials and products at their highest value), minimising resource use and considered application of available resources.	<ul style="list-style-type: none"> Sustainable materials (#7) Zero waste (#9) 	<ul style="list-style-type: none"> Responsible consumption and production (#12)
#10	 Food security	End hunger, achieve food security, improve nutrition, sustainable production and distribution for all.	<ul style="list-style-type: none"> Local and sustainable food (#6) 	<ul style="list-style-type: none"> No poverty (#1) Zero hunger (#12)
#11	 Diversity and inclusion	Social and cultural understanding and inclusion, addressing inequalities such as race, gender, age and religion.	<ul style="list-style-type: none"> Equity and local economy (#2) 	<ul style="list-style-type: none"> Gender equality (#5) Reduced inequalities (#10)
#12	 Lifelong learning and development	Ensure inclusive education and promote lifelong learning opportunities for all.	<ul style="list-style-type: none"> Culture and community (#3) 	<ul style="list-style-type: none"> Quality education (#4) Gender equality (#5) Reduced inequalities (#10)
#13	 Safety and security	Promote safe and secure environments.	<ul style="list-style-type: none"> Health and happiness (#1) Culture and community (#3) 	<ul style="list-style-type: none"> Peace, justice and strong institutions (#16) Sustainable cities and communities (#11)
#14	 Innovation and partnerships	Technological advancement and research, knowledge sharing through partnerships with key stakeholders. Understanding our clients sustainability goals.	<ul style="list-style-type: none"> Equity and local economy (#2) Culture and community (#3) 	<ul style="list-style-type: none"> Industry, innovation and infrastructure (#9) Partnerships for the goals (#17)
#15	 No poverty	End poverty in all its forms everywhere.	<ul style="list-style-type: none"> Equity and local economy (#2) 	<ul style="list-style-type: none"> No poverty (#1) Zero hunger (#12) Reduced inequalities (#10)
#16	 Ethical practices and governance	Ensuring Cundall operate in an ethical manner and work with partners that have sound ethics and human rights policies.	<ul style="list-style-type: none"> Equity and local economy (#2) 	<ul style="list-style-type: none"> Peace, justice and strong institutions (#16) Decent work and economical growth (#8)

The background image is a photograph of a modern hospital building, identified as Ulster Hospital, Phase C. The building features a prominent glass facade with vertical metal mullions. In the foreground, there is a paved courtyard with a large, abstract, golden-brown sculpture. To the right, another building with a white facade and glass windows is visible. The sky is blue with some light clouds. The text '5. Materiality Assessment - Results' is overlaid in the center of the image.

5. Materiality Assessment - Results

5. Materiality Assessment - Results

5.1 Introduction








Once the Cundall Sustainability Aspects (CSAs) were developed, the materiality of each aspect was reviewed. This assessment covered a review of each CSA against four main criteria:








- **Stakeholder importance** - How important is the CSA deemed to our clients and peers (typically with more weighting applied to clients).
- **Cundall importance** - How important is each CSA to Cundall's business.
- **Cundall current impact** - How much impact does Cundall currently have.
- **Cundall potential impact** - What impact can Cundall have in the future.

Each CSA was ranked against the above criteria to assess the materiality of the CSAs for Cundall (see Appendix A for a ranking of each CSA). We then developed a series of figures to highlight what is important to us and our stakeholders and areas for potential future growth. This will inform us in identifying key aspects for our business to prioritise in the future.

5.2 Justification Papers

The table below outlines the justification and summary for each CSA (see Appendix A for a full review of each CSA).

CSA	Justification Summary/Conclusion
 #1 Health & wellbeing	It is import for Cundall to foster a culture of health, happiness and wellbeing in the workplace, and then implement this culture into the other cornerstones. Cundall applies this CSA to be seen as a stand out consultancy that can deliver a higher quality product which is potentially seen to add value, especially for end user clients.
 #2 Sustainable procurement and fair economy	Our impact on sustainable procurement generally has a focus on our workplace looking at sustainable and local office procurement and ensuring a fair wage is paid in all locations. The purchase volume of Cundall is low, which can reduce the current and potential impact. For this reason, it is important for Cundall to explore opportunities within the other cornerstones. The high potential area for this CSA is regulating sustainable procurement in our projects via specification clauses and education of our clients/ other consultants.
 #3 Culture and community	Cundall has a focus on a culture of sustainability but more can be done to ensure sustainability is further embedded in everything we do. Further engagement with our community can be achieved by creating partnerships with organisations such as Engineers Without Borders, allowing our skills to be donated. A clearer roadmap on industry leadership, through external seminars and presentations will aid an external development of sustainable culture.
 #4 Land use and biodiversity	Our Civil, Structural, and sustainability team all have a significant impact on this CSA as designers on projects. However it is not ranked highly by our clients or other stakeholders and is therefore ranked as low importance to Cundall. Education through the Cundall Diploma for our projects, and a revision of our specifications to ensure responsible specification of materials is conducted is recommended in order to maximise potential impact.
 #5 Sustainable water	Water as a resource is considered by the majority of our clients to be of lower importance than when considered as a hazard. This is also reflected in the ways that Cundall can impact water resource, e.g. typically at end user stage through efficient design and grey water collection, rather than strategic level water resource management of aquifers and catchments, albeit via masterplanning projects we do impact this. We have the potential for higher impact where water is considered as a hazard, particularly when considering run-off from development sites in terms of flood prevention/mitigation, SUDs schemes and the design of flood resistant/resilient developments. There is potential to further our understanding of the latter portion of this aspect, and provide this as a service globally – identified by our clients as a key area of interest.
 #6 Zero greenhouse gas	Within Cundall's realm of influence no other CSA is more crucial to target as this one. It has the potential to make the most significant impact. Also adapting designs for climate change is as essential as learning to design to new building codes - if we do not, our services become obsolete. Furthermore, there is the opportunity to become industry leaders in adapting our society to its greatest challenge and producing innovative, high value design work.
 #7 Sustainable and resilient transport Infrastructure	This is an issue reasonably important to our clients, who believe that we should our service offerings in integrated services, such as smart cities. The importance to Cundall is moderate, and although our current impact is small due to limitation of team sizes and workstreams, we do believe the business has an intention to pursue this in the longer term based on the global environmental and social impacts this has, as well as global opportunities from the growing international rail sector.
 #8 Climate adaptation	Adapting designs for climate change is as essential as learning to design to new building codes - if we do not, our services become obsolete. Furthermore, there is the opportunity to become industry leaders in adapting our society to its greatest challenge and producing innovative, high value design work.

CSA	Justification Summary/Conclusion
 #9 Resource consumption	Responsible resource consumption allows us to decouple growth and prosperity from natural resource consumption and ecosystem degradation. Clients identified this as an area that they expect us to provide solutions for, and we must adapt to these need to maintain our market presence, therefore it is deemed high priority.
 #10 Food security	Whilst this is important to Cundall (demonstrated by our current OPL commitment) the impact that Cundall can have in the industry in which we operate is low. This is a sentiment also shared by our competitors and clients. We can still have an impact in our workplace and homes and communities through education and engagement.
 #11 Diversity and inclusion	Diversity increases employee satisfaction and fosters positive attitudes and behaviours in the workplace. The issue is important to Cundall although it is limited to business operations and should be reviewed as part of the workplace cornerstone. We do have some current impact on our projects however, it is generally driven by a response to our client needs.
 #12 Lifelong learning and development	This is a critical aspect for Cundall as the industry is developing and changing at a fast pace we need to ensure that our staff have the relevant skills to meet (and preferably lead), its ever changing demands. Our client also rank this aspect highly as they expect to be given the best possible advice.
 #13 Safety and security	Cundall has potential to improve in-house health and safety training for staff, particularly those visiting construction sites as part of their role, which could be undertaken in the short term. Empowering staff and developing a "Don't Walk By" culture would improve the safety of both Cundall staff and other site workers. Particular emphasis needs to be placed on staff working on sites without stringent health and safety legislation.
 #14 Innovation and partnerships	We presently have an impact in all four of our cornerstones. However, there are a significant opportunities that have been identified where Cundall can increase our impact and become industry leaders in current and emerging sustainability issues. We believe that our impact can be increased by taking a more strategic approach to thought leadership, research and development and collaborative working - creating strategic partnerships, using the Cundall CSAs as a basis for this.
 #15 No poverty	Although our current impact rating is low, due to our limited opportunity to affect this aspect outside of our business, there is potential in the long term to increase our impact to align with the importance rating placed on the CSA by the business. By working with NGO's and potentially engaging with governments of developing countries we could use our professional expertise to have a direct impact to alleviate global poverty.
 #16 Ethical practices and governance	Globally Cundall operate by adhering to local laws and regulations, and have limited influence to change these, which is reflected in our impact rating. However, the company ethical policy, which is aligned with our corporate values, does set out the principles which staff, irrelevant of geographical location, are expected to adhere to ensuring a universal standard of ethical practices. Further consideration could be given to the project typologies, our own procurement of goods and services as well as the countries and sectors we choose to operate in and companies we work with and for, and whether these meet the ethical standards we set for ourselves.

5.3 Heatmap

The heatmap plots each CSA against Cundall importance on the x-axis and stakeholder importance on the y-axis. The CSAs seen as more important to stakeholders and Cundall are at the top right of the heat map and CSAs less important at the bottom left. CSAs in the bottom right of the heat map are important to Cundall, but not as important to our stakeholders, or vice-versa in the top left. These may be aspects that are considered important but where we have little impact, for example stakeholders place a higher importance on sustainable and resilient transport infrastructure, but this is ranked lower for Cundall as evidenced by a small (but growing) transport specialism. A key issue relating to transportation is CO₂ emissions, as this overlaps with CSA #6 (Zero Greenhouse Gases), and it was decided to focus on this issue within the higher priority aspect. This thought process was also apparent when applying the survey results to the current impact scoring. Although some aspects were scored highly through the ranking survey, they were scored differently during the heat mapping.

For example, CSA #14 Innovation and Partnerships was scored a 7 during the initial survey, however scored a 9 during the justification process due to the Aspire Group research on the potential impact. These scoring variations are limited, however do occur due to the extensive research into the CSAs by the Aspire Group.

Generally, the heat map shows a strong positive correlation from bottom left to top right, as we tend to place a similar importance on CSAs as our stakeholders.



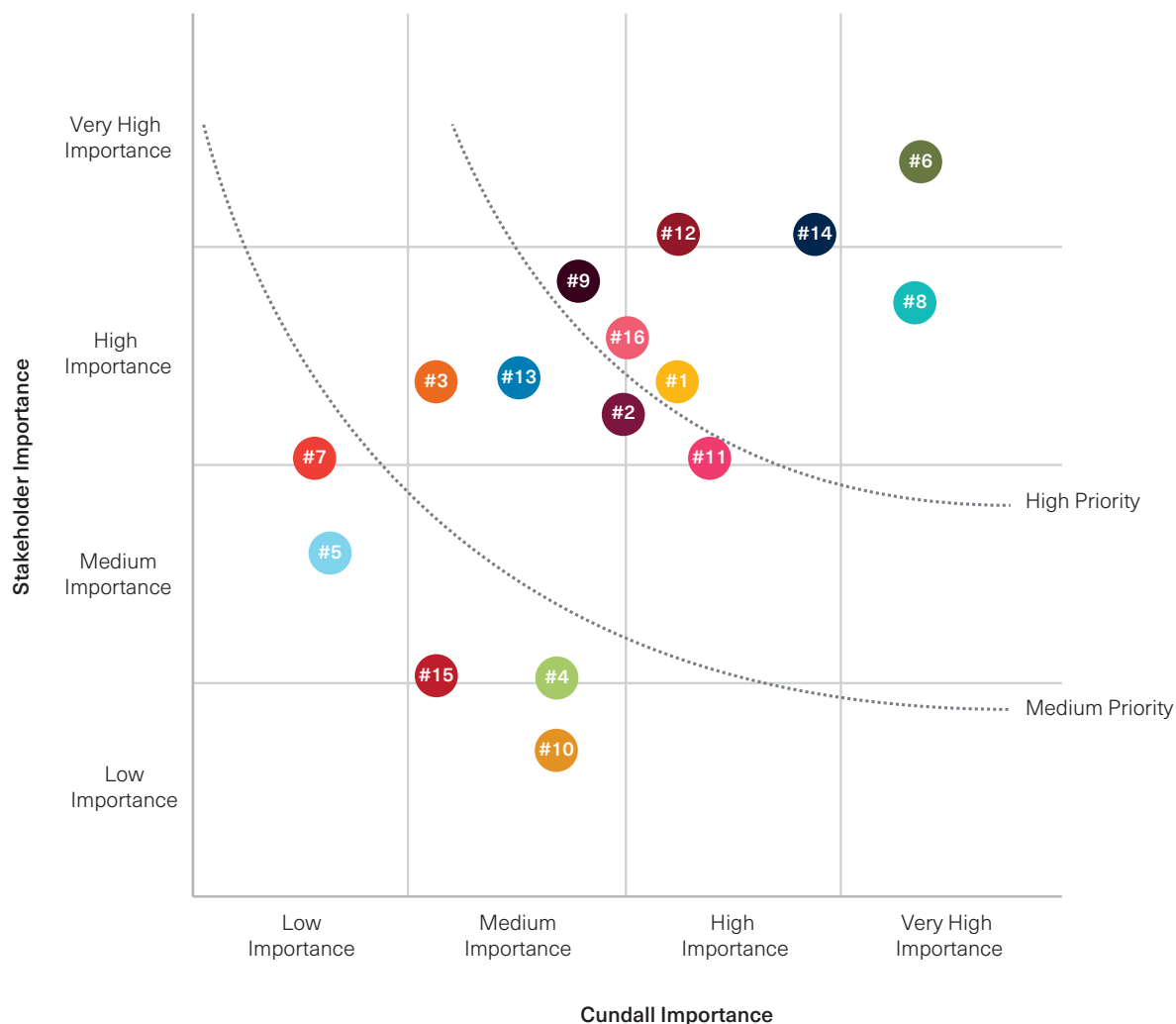


Figure 13: Cundall Materiality Heat Map

Cundall's Materiality Heat Map

Generally, the heat map shows a strong positive correlation from bottom left to top right, as we tend to place a similar importance on CSAs as our stakeholders.

The CSAs located at the top right of the heat map are deemed as having a high or very high importance to both stakeholders and Cundall and are therefore considered material to our business.

These CSAs are:

- #1 Health, happiness and wellbeing
- #6 Zero Greenhouse gas
- #8 Climate adaptation
- #9 Resource consumption
- #12 Lifelong learning and development
- #14 Innovation and partnerships
- #16 Ethical practices and governance



Figure 14: Difference between stakeholder and Cundall importance

The spider diagram shown in Figure 14 clearly presents where synergies and differences in importance exist between stakeholders and Cundall for each CSA. It is also apparent that feedback from Cundall's Materiality Steering Group did not place a low importance to any CSA, regardless of the impact that Cundall may have, for example the same ranking was given to Food Security as Sustainable Procurement and Fair Economy. This may be due to those responding to the survey having a strong moral and holistic outlook on sustainability and therefore not viewing any aspect as of low importance. Further differences between Cundall and stakeholders include Biodiversity and

No Poverty. As with Food Security, Cundall have ranked these CSAs higher than our interpretation of our stakeholders' importance. Further consideration of how to select high priority CSAs was therefore required and this is discussed further in the Section 5.4.

It can also be seen on the heatmap that a large cluster of CSAs sit just below the high importance line, potentially due to the bias in ranking of Cundall importance. It is therefore also important to consider the current and potential impact we have on the CSAs, and this is shown in Figure 15 on the next page.

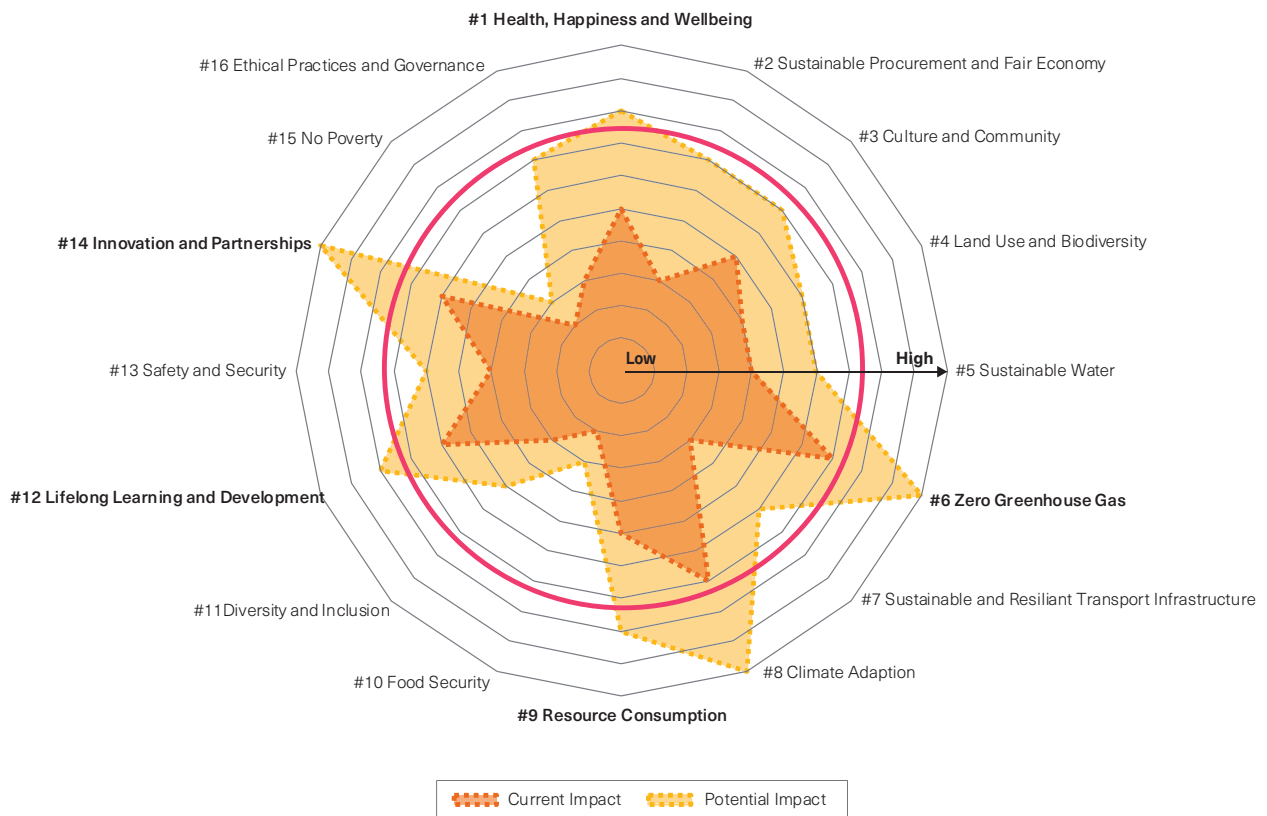


Figure 15: Cundall's current and potential impact

Where a similar ranking level is used as for high importance (noted by the red circle) the previously selected six high priority CSAs all lie in the high impact zone. Also, Resource Consumption reaches similar levels of impact. This is due to the impact we have through the responsible specification and procurement of products used in the built environment, which have a large impact on the environment and people within the supply chain.

It was therefore decided to add this CSA to the final list of high priority CSAs, which are as follows:

- #1 Health Happiness and Wellbeing
- #6 Zero Greenhouse Gas
- #8 Climate Adaptation
- #9 Resource Consumption
- #12 Lifelong Learning and Development
- #14 Innovation and Partnerships

These are therefore considered the most significant Sustainability Aspects for our business, and as such should be prioritised in the update of the sustainability strategy.

5.4 Embedded Practices

The materiality assessment has selected six of the CSAs as high priority for the business. However, other CSAs do still need to be addressed, but are just not a high priority in terms of our scope of impact: Our Project, Our Workplace, Industry Leadership and Our Communities.

To reflect briefly on some of these other CSAs:

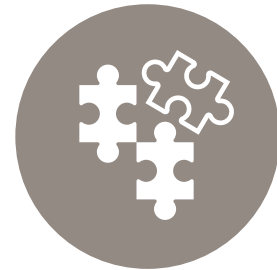
As supported by our Mission Statement and our Vision (section 1.4), Cundall's fundamental objective and operational ethic is to provide equal opportunities for all our staff to influence the creation of a sustainable built environments which positively impact our communities, leaving space for wildlife and wilderness.

Cundall's key stakeholders and staff firmly believe in diversity and inclusion in our workplace. To create an equitable and an inclusive environment for every individual to succeed, and consequently lead to successful projects and business overall. There is scope for improving gender equality within engineering teams, and at management level, and this partly relies on the numbers of women choosing to study engineering related subjects. This is a general challenge across the construction sector and Cundall must continue to identify ways of closing this gap and promoting engineering at the grassroots level (only 15.8% of engineering and technology undergraduates and 9% of the engineering workforce in the UK are female, <http://www.wes.org.uk/content/useful-statistics>).

While Cundall does very well with internal policies and codes of

conduct for the business and staff, there is currently no policy to shortlist clients we would want to work with depending on their ethical and human rights policies. This could include adoption of a 'Bid - No Bid' process whereby we only engage with businesses that have a strong emphasis on providing services or products that do not have a detrimental effect on the planet (e.g. have a firm stance on not working with hydrocarbon fuel extraction companies). We should also reinforce and request transparency in human resource supply chains in line with the Modern Slavery Act 2015 on our projects and our workplaces across the globe, with particular focus on our operation in regions such as Middle East and Asia.

The Materiality Review was not a process to strike out lower ranking aspects, it was rather an exercise to direct effort and identify focus on aspects where we can have a much greater impact. These lower ranking CSAs contain elements that will still impact the business and some of them are key to our cornerstones of impact as a business. This is why they must stay on our sustainability scope going forward to enable us to develop our road map holistically. It was therefore concluded that the most effective way to capture these remaining sustainability aspects and not lose sight of them was to combine them into a single focus, labelled as embedded practices.



Embedded Practices



6. Achieving our potential

6. Achieving our potential

In order to increase the impact that our business has in all four cornerstones, we need to drive the business forwards to achieve its potential against each of the six Material Aspects, as well as capturing the Embedded Practices. This can only be achieved through an effective governance structure, which we have detailed in figure 3.

6.1 Proposed Governance

The proposed governance structure is shown in table 3 and aims to encourage senior level engagement, strategic vision and oversight, creation of appropriate targets, reporting of goals and delivery back into the business. The creation of a Sustainability Leadership Committee will oversee the process at a strategic level, with Action Groups to target each of the Material Actions and the Embedded Practices. The existing Global Sustainability Committee becomes the Sustainability Delivery Team (including existing delivery groups) and One Planet Living Committees are incorporated into this structure to ensure integration of the sustainability strategy across the business.

Table 3: Proposed Governance Role and Responsibilities

Role	Responsibilities	Accountability
Management Board	<ul style="list-style-type: none"> • Sign off of overall governance and empowering delivery. • Sign off on budget and any subsequent variations. • Endorsement of Sustainability Policy, Action Plans and Certifications. 	<ul style="list-style-type: none"> • Approval of governance. • Making budgetary decisions.
Sustainability Leadership Committee	<ul style="list-style-type: none"> • Setting the strategic vision. • Leading cultural change. • Making key decisions regarding company level risks/opportunities. • Ensuring ISO 14001 compliance. 	<ul style="list-style-type: none"> • Setting the vision. • Culture of staff. • Communication of strategy. • Reporting on progress against targets.
Sustainability Delivery Team	<ul style="list-style-type: none"> • The Sustainability Delivery Team is the key team for ensuring that the agreed Sustainability objectives and One Planet Action Plan targets/actions are being implemented across the business. This excludes the EMS which is managed separately. • The Sustainability Delivery Team will report key risks, opportunities and performance to the Sustainability Committee on a quarterly basis. 	<ul style="list-style-type: none"> • Reporting, review and achievement of targets (from a technical and managerial perspective). • Liaison with action groups as required. • Providing support to the project teams/office teams including advice and training.
Action Groups	<ul style="list-style-type: none"> • Action Groups will be established and disbanded as required to review, develop, recommend and/or implement key sustainability issues identified by the Sustainability Committee as required. For example, in 2017/18 action groups will be formed based on recommendations from the Materiality Review related to setting business level targets, developing action plans, tools and guidance for the key aspects identified in the review. • Each Action Group is to have a Project Manager who is responsible for the management of the group and reporting to the Sustainability Leadership Group on a quarterly basis. • Each action group should also include a member of the Sustainability Delivery Team to provide continuity of knowledge. 	<ul style="list-style-type: none"> • Setting appropriate strategy, timescales and targets for the business. • Creation and management of Guidance Notes, toolkits, etc. • Liaison with SDT to ensure recommendations are implemented and monitored.
Delivery Groups	<ul style="list-style-type: none"> • Permanent teams to implement and manage specific workstreams such as the Beyond Tool, Cundall Diploma and OPL reporting and dashboard. 	<ul style="list-style-type: none"> • To deliver and support the implementation of the task (e.g. Beyond Report).
OPL Committees	<ul style="list-style-type: none"> • Each office to have an OPL committee (or Green Team), to review support local implementation and monitor their progress against the KPIs and strategy. • Report progress to the Sustainable Delivery Team. 	<ul style="list-style-type: none"> • Supporting local implementation of the business strategy and KPIs. • Reporting against the strategy and KPIs.

Membership

As well as good governance and structure, it is also key to involve the correct people in order to ensure the use of our knowledge, leadership (existing and future) and experience. Proposed membership for the new structure is noted in table 4.

Members of the Sustainability Leadership Committee have been chosen to give a wide knowledge, discipline and geographical base around the business, as well as including current and future leaders.

Action Group members will be chosen to target the specific Material Action, with the inclusion of at least one Partner to demonstrate the importance of the work and provide high level business input. Action Groups will also include one member of the Aspire group to feed in knowledge from this Materiality Review (in particular the writing of the CSA papers) as well as graduate / engineer level membership to ensure input from all levels of the business.

The Embedded Practices Action Group will have a wide remit and will therefore require strong leadership (likely requiring more than one Partner/senior staff), focus and a wide knowledge base not restricted to engineering disciplines. It is proposed that the junior (engineer/graduate) component of the Action Groups is selected through an advertised application process.

Table 4: Proposed membership

Responsibilities	Accountability	
Sustainability Leadership Committee	Tomas Neeson Amie Shuttleworth - Chair David Clark Gordon Reid Alan Fogarty	Lee Leston-Jones Richard Stratton Carole O'Neil Julian Sutherland Aspire Group Representative - (James Spears/Naomi Finn)
Sustainability Delivery Team Membership to be agreed at first sustainability committee meeting	Amie Shuttleworth (HK) - Chair Melanie Louie (HK) Simon Wyatt (UK) Duncan Cox (UK) Lee French (MENA) Andrew Livesey (UK)	Hala Yousef (MENA) Hannah Morton (Aus) Joanne Sim (Aus) Dave Collins (Aus) Andrew Thompson (Aus)
Action Groups	Typical size = 8 A Partner to lead/sponsor each group Aspire Group member from Materiality Review Group Target 2 - 4 Engineers and Graduates	
Delivery Groups	As appropriate to the task	
OPL Committee	One for each office > 5 staff Chair of regional teams meet by VC every quarter to share ideas	

The Sustainability Delivery Team (previously the Global Sustainability Committee) will be formed from the existing membership as well others from different disciplines across the business. Delivery Group membership will be varied as specific knowledge or leadership is required to assist current work streams. The One Planet Living Committee membership will be the responsibility of each office and members of the other groups within the governance structure should support and encourage the OPL Committees whenever possible.

6.2 Budget

The proposed governance structure would operate from September 2017, until the launch of the new Cundall Sustainability Roadmap and Strategy in July 2018. As such, in the assessment of operational cost of the associated groups we have assumed a 12 month period to allow for some time to establish the revised structure beyond July 2018, and ensure a smooth transition.

The costs in table 5 are associated with time only and assumed effort between meetings. It is also assumed that a reasonable proportion of effort will be either in individuals own time or against non-billable time allocations.

Table 5 - Proposed Budget

Group	No. groups	No. Attendees	Meetings	Annual Chargeable Time	Annual Non-chargeable time/workout of hours	Operational Cost
Sustainability Leadership Committee	1	10	4	120	120	£16k
Action Groups	7	8	6	235	380	£100k
Sustainability Delivery Team	1	12	4	120	120	8k (already within sustainability budget)
Delivery Groups	4	-	-	-	-	£100k (already within sustainability budget)
OPL Committee	20	-	-	--	-	-
Totals				355	500	£116k (extra to the current sustainability budget)

6.3 Next Steps

The feedback from the Materiality Steering Group, has been incorporated into this revision of the report. Feedback following a presentation and discussion forum with Sir Jonathon Porritt and the UK Green Building Council has been also been taken into account.

Our future targets for OPL endorsement will be set against the objectives and updated sustainability roadmap stemming from this Materiality Review. Initial discussions with Bioregional have indicated they support this process and a more detailed review with them is ongoing to align objectives from the CSAs and Material Aspects with our ongoing One Planet Living commitment.

Once approval has been gained, group members must then be appointed and the strategy formulated and reviewed before its launch to the rest of the business and externally. An outline process of these next steps has been given below.

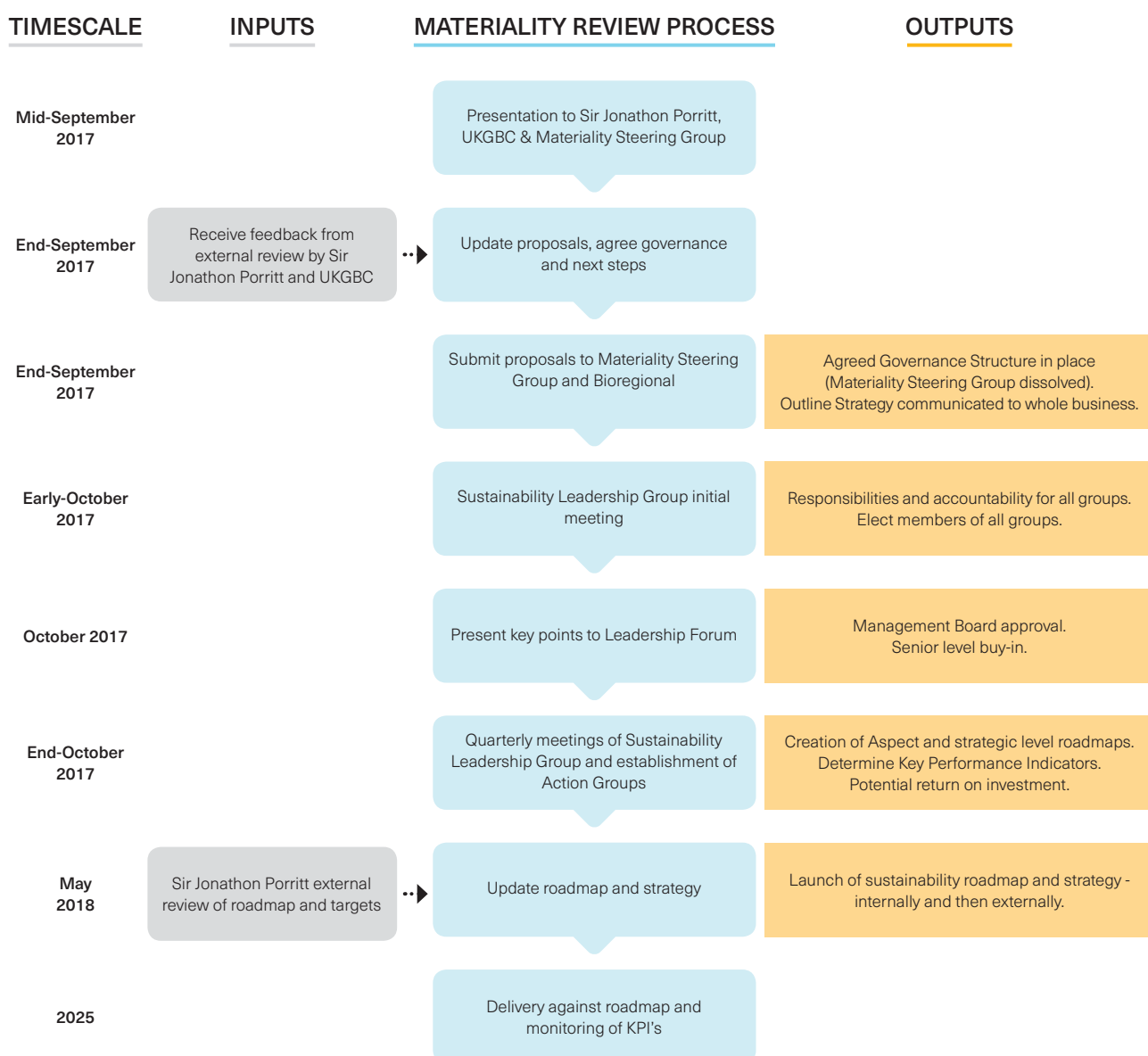


Figure 18: Next steps



7. Conclusion

7. Conclusion

Cundall's mission is to provide great opportunities for our people, to create fantastic built environments and to positively impact our communities. Our sustainability policy, first signed by all partners in 2009 and updated regularly since, defines how our business will address sustainability – on our projects, in our workplaces, in our homes and communities and through industry leadership.

In 2012 we developed a One Planet Action Plan and published a Sustainability Roadmap which set ourselves challenging targets under the ten One Planet principles. Following review by Bioregional we became the first consultancy globally to be endorsed as a One Planet Company. We have maintained this endorsement through regular reviews with Bioregional.

After 5 years of the plan we felt it appropriate to undertake a sustainability Materiality Review to determine:

1. Are our current 2025 One Planet targets still challenging enough?
2. Are we missing any key sustainability aspects not currently covered by the One Planet framework?
3. Where should we prioritise our resources to have the greatest impact?
4. Can we improve our sustainability governance structure to be more effective and engaging?

The review was undertaken by individuals participating in our Aspire program for potential future leaders in the business. To provide a fresh perspective and to encourage lateral thinking the team developed a series of Cundall Sustainability Aspects (CSAs) based on the One Planet principles, the UN Sustainable Development Goals, reviews of other materiality reviews and discussions with internal and external stakeholders.

Through workshops, interviews, surveys and research the team developed a "heat map" of the CSAs to identify the relative importance to a selection of internal and external stakeholders. The results of the review confirmed that:

- The One Planet principles remain relevant to our business and address directly or indirectly most of the CSAs, but the introduction of the United Nations SDGs has introduced some broader sustainability aspects which have been considered as part of the Materiality Review.
- Innovation and Partnerships and Life Long Learning were identified as key enablers to addressing our sustainability objectives.
- A clearer governance structure is needed to coordinate and develop the implementation of sustainability across the business.

The four most significant aspects where we need to focus our efforts are:

- Zero Greenhouse Gas
- Health, Happiness & Wellbeing
- Resource Consumption
- Climate Adaptation

Targets and actions covering many of these aspects are already incorporated within our One Planet Action Plan and Sustainability Roadmap, but the Materiality Review identifies that areas exist where we could stretch ourselves further, particularly within our projects (where our impact is most significant).

A number of aspects were identified as less significant during the Materiality Review, primarily due to these aspects being based around internal practices and procedures and as such having a lesser external impact. It would be difficult for Cundall to continue to be considered leaders in sustainability if we did not fully address aspects such as diversity and inclusion, ethical practices or safety and security for instance. As such it is recommended that these are grouped under Embedded Practices to ensure we continue to strive to be industry leaders in these areas.

The recommended next steps are:


1. Management Board to implement an updated sustainability governance structure.
2. Update the Environmental Management System to align with the significant environmental aspects and broaden geographic coverage beyond the UK.
3. Form action groups to investigate targets and actions necessary to update the One Planet Action Plan and the Sustainability Roadmap in 2018.
4. Identify further potential research and development projects to align our sustainability objectives aligned with the areas of high impact.
5. Develop strategic partnerships with academia and the supply chain for innovation.
6. Review effectiveness of the current training & knowledge sharing (including Cundall Diploma, Sustainability Induction, Best Practice intranet, EMS guidance) and identify opportunities for improvement.
7. Develop guidance for project teams on climate adaptation risks and approaches.
8. Develop a communication strategy to better inform our staff of current and future initiatives related to sustainability.

As a business we remain fully committed to OPL, in particular to the strong and clear external message this communicates. However, we need to ensure that sustainability aspects remain applicable to us as a consultancy within the built environment, as well as to align with our values as a business. Initial conversations have been held with Bioregional to establish how the CSAs can be aligned with our OPL commitment. Bioregional are enthused by our work to date and wish to assist in establishing a new and challenging roadmap aligned with our four cornerstones, and work with us to align future reporting around aspects of greatest significance.

We face a huge risk as a business on a planet that is rapidly changing environmentally, socially and economically. We believe that adopting this strategy and taking recommendations forward into a revised roadmap will enable Cundall to remain industry leaders on aspects both stakeholders and our leadership believe are highly important. This will ensure we can meet the needs of the future as a business by having substantial impact on all four cornerstones of sustainability.

The image shows the Royal Adelaide Hospital, a modern multi-story building with a prominent glass facade. The building's name is displayed in large, illuminated letters on the upper right side. The facade features a mix of clear glass and panels with a dark, abstract pattern. In the foreground, there is a landscaped courtyard with a paved walkway, a metal railing, and several wooden benches. The courtyard is filled with various plants, including tall grasses and small trees. The sky is a clear, light blue.

Appendices




Appendix A

Cundall Sustainability Aspects

Cundall Sustainability Aspects

CSA Ref	Cundall Sustainability Aspect	Aspect Definition	Impact Matrix Scoring			
			Stakeholders	Cundall Importance	Cundall Impact	Cundall Potential
#1	Health, happiness and wellbeing	Ensure healthy lives and promote well-being for all at all ages. Encouraging active, sociable, meaningful lives to promote good health and well being.	7	8	5	8
#2	Sustainable procurement and fair economy	Creating economies that support equity and diverse local employment and international fair trade.	7	7	3	7
#3	Culture and community	Respecting and reviving local identity, wisdom and culture; encouraging the involvement of people in shaping their community and creating a new culture of sustainability.	7	6	5	7
#4	Land use and biodiversity	Reduce impact on, conserve and improve natural environments and habitats. Agriculture.	3	7	4	6
#5	Sustainable water	Reduce consumption of potable and embodied water, reduce the risk of flooding, increase access to clean water and sanitation for all.	7	8	6	8
#6	Zero greenhouse gas	Strive to achieve zero greenhouse gas production to limit climate change inline with the Paris Accord.	10	10	7	10
#7	Sustainable and resilient transport Infrastructure	Provide and encourage sustainable transport. Increase access to transportation to support ease of accessibility for all.	6	5	3	6
#8	Climate adaptation	Secure access to reliable energy for all. Increase the proportion of energy generation through sustainable and clean means and improve the efficiency of distribution networks.	8	7	6	8
#9	Resource consumption	Enhance circular economy (keeping materials and products at their highest value), minimising resource use and considered application of available resources. Eradicating the sourcing and application of unsustainable and unethical resource use.	7	7	5	8
#10	Food security	End hunger, achieve food security, improve nutrition, sustainable production and distribution for all.	2	7	2	3
#11	Diversity and inclusion	Social and cultural understanding and inclusion, addressing inequalities such as race, gender, age and religion.	6	7	3	5
#12	Lifelong learning and development	Ensure inclusive education and promote lifelong learning opportunities for all	9	8	6	8
#13	Safety and security	Promote safe and secure environments for all.	7	7	4	6
#14	Innovation and partnerships	Technological advancement and research, knowledge sharing, links with key stakeholders. Understanding our clients sustainability goals.	9	9	6	10
#15	No poverty	End poverty in all forms	3	6	2	3
#16	Ethical practices and governance	Working with partners that have sound ethics and human right. Ending bribery and corruption.	7	7	3	7

The background image shows a contemporary interior space. It features a curved, light-colored sofa with yellow and orange cushions. In front of the sofa is a small, round, white coffee table with a vase of flowers. To the right of the sofa is a wooden armchair with an orange cushion. The room has large windows on the left and right, providing a view of the outside. The ceiling is high and features exposed, silver-colored ductwork and a large, circular, white pendant light. The walls are made of light-colored brick. On the right side, a large glass panel has the text 'THE PORTER BUILDING' written vertically in white. The overall atmosphere is bright and modern.

Appendix B

Client Survey Results

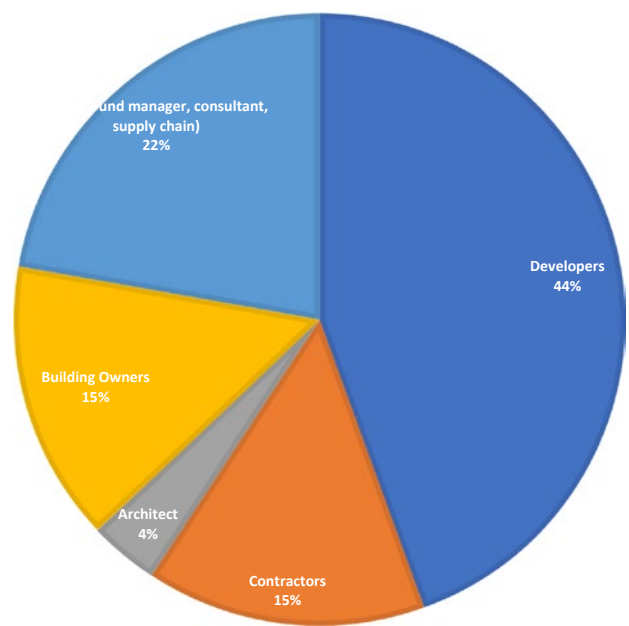
Client Survey Results

Questions we asked

- 1. What are the **emerging issues** in sustainability that you think will define the leading companies of the future?
- 2. What do you think are the biggest sustainability **risks** and **opportunities** that Cundall faces?
- 3. Where are the strongest **links** between **sustainability** and the **services** Cundall provides to its clients?
- 4. What do you believe are the **characteristics** of a ‘truly sustainable company’?
- 5. Which companies or organisations would you identify as **leaders** in this space?
- 6. Which one thing do you think Cundall should be **famous for** in sustainability?

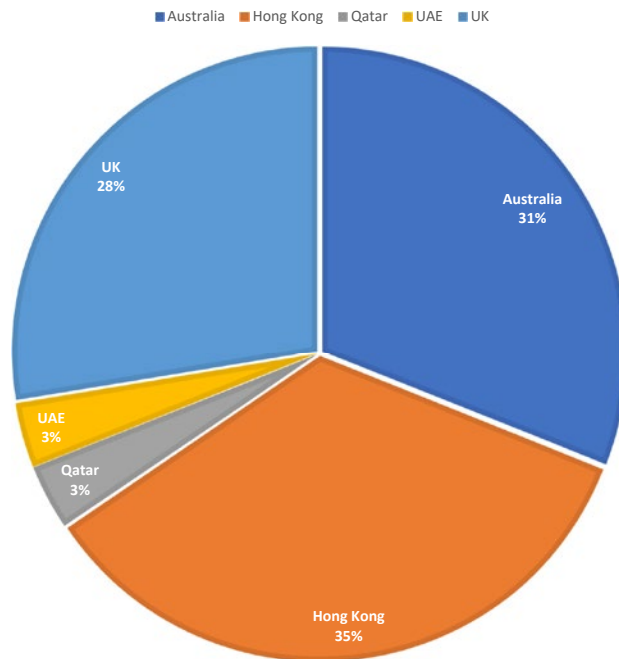
BREAKDOWN OF RESPONDENTS

■ Developers ■ Contractors ■ Architect ■ Building Owners ■ Other (Fund manager, consultant, supply chain)



COUNTRY OF ORIGIN

CUNDALL



Who do we know answered?

CUNDALL

Land Securities	UK
Woods Bagot	Australia
The Crown Estate	UK
Faithful & Gould	HK
T Rowe Price	HK
Sir Robert McAlpine	UK
Balfour Beatty	UK
Ask Real Estate	UK

What are the **emerging issues** in sustainability that you think will define the **leading companies** of the future?

1. **Research and Development** – innovation within the built environment, long term thinking
2. **Health and Wellbeing, Social Impact**
3. **Mainstreaming** sustainability – become part of the solution
4. **Climate Change** – risks, adaption, opportunity, resilience
5. **Responsible Procurement** (human rights, transparency)
6. Transforming Sustainability into **Corporate Strategy**
7. **Smart Cities**
8. **Circular Economy**

What do you think are the biggest sustainability **risks** and **opportunities** that Cundall faces?

Risks

1. Becoming a commodity in a crowded market
2. Not providing all benchmarks (e.g. WELL, LBC etc)
3. Less take up of accreditation schemes
4. Government – Trump, GFC
5. Not being at forefront of technology
6. Not practicing what we preach

Opportunities

1. Social sustainability
2. Embodied impacts, low carbon cement
3. Green Bonds
4. Leading edge of efficient, modular space design
5. Position ourselves as cost effective, practical sustainability consultants

Where are the strongest links between **sustainability** and the **services** Cundall provides to its clients?

1. Explaining **highly technical** issues simply including **cost** impact
2. Continuity
3. **Passionate** and **enthusiastic** employees providing **innovative** solutions
4. **Thought leadership** – including zero carbon, low impact materials, material usage, value chain
5. Best in world design
6. **Services** in green design and health and wellness

What do you believe are the characteristics of a **‘truly sustainable company’**?

1. **Socially Just, Honesty, Transparency, Integrity**
2. **Walking the talk**, including in their own offices and with their own staff, looking after their own staff and supporting them to be sustainable
3. Clear plan for the **future** including clear KPIs
4. **Net positive** environment and social impact of own business
5. Keeping ahead of **emerging trends**
6. **Culture of sustainability** in ALL roles, governance system which integrates sustainability into everything you do, integrated into vision and values
7. Contribute to **solving** the **major challenges** of our time

Which companies or organisations would you identify as **leaders** in this space?

1. ARUP
2. Unilever
3. The Crown Estate
4. Ikea
5. Arcadis

Which one thing do you think Cundall should be **famous** for in sustainability?

1. Helping their customers deliver successful sustainable projects
2. Leading by education
3. Early technical advice
4. Explaining value so that cost is a 'no brainer'
5. Thought leaders
6. One stop solution for resilience
7. Always putting forward a sustainable option – even if its not asked for
8. Providing assets that are efficient and future proofed
9. Innovative low carbon materials
10. Healthy buildings
11. One Planet Living



