



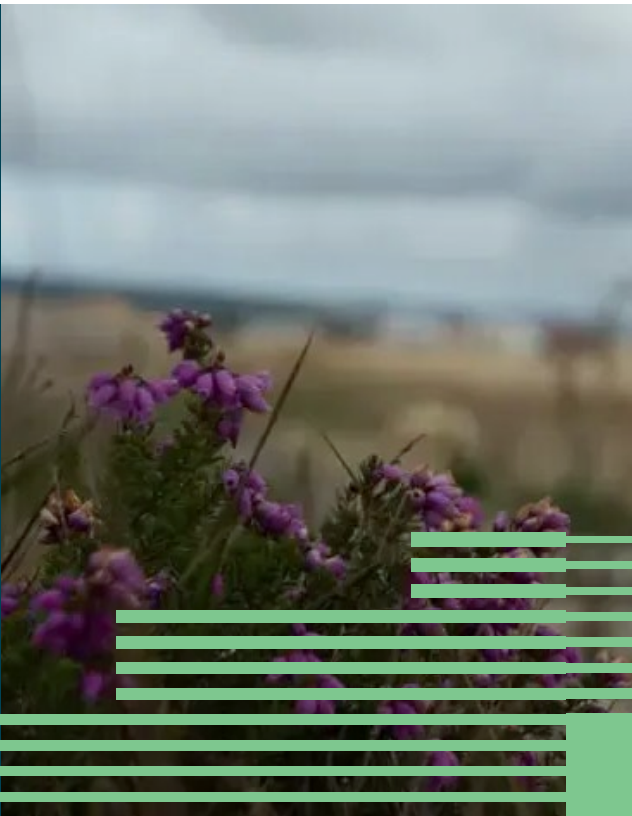
Creating a sustainable future

COSTAIN

Sustainability Report **2024**



Our vision is to create connected, sustainable infrastructure that enables people and the planet to thrive.



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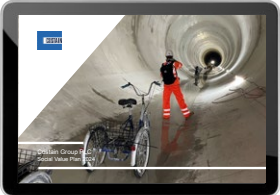
Financial highlights

2024	£1,251.1m	2024	£31.1m	2024	£27.1m
2023	£1,332.0m	2023	£26.8m	2023	£72.0m
Operating profit		Operating profit		Adjusted free cash flow	
£1,251.1m		£31.1m		£27.1m	

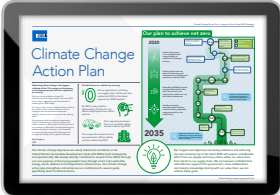
“Costain continues to deliver pioneering and sustainable solutions that transform the performance of the infrastructure ecosystem and the Costain Board is focused on the Company’s sustainability activities. Costain has a vital role to play in improving the environment and providing social outcomes across all of its projects.”

Kate Rock
Non-Executive Chair

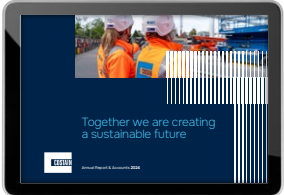
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- People**
- > Gender and ethnicity pay gap report
 - > Modern slavery statement
 - > Social value plan



- Planet**
- > PPN06/21 Carbon reduction plan
 - > Climate change action plan



- Performance**
- > Annual Report and Accounts
 - > ESG programme
 - > Sustainability disclosure data book

To find out more about how Costain collaborates with customers on a wide range of contracts, please visit our website / www.costain.com

Chief Executive Officer’s introduction

Creating a sustainable future

We continue to see huge opportunities for Costain, together with our customers, partners and supply chain, to create a more prosperous, resilient and decarbonised UK.

I am delighted to share Costain’s Sustainability Report, which demonstrates our continuous drive and ambition to deliver sustainable infrastructure which addresses the UK’s most urgent needs, such as strengthening climate change resilience and driving economic growth. Sustainability is of great personal importance to me and throughout this report we demonstrate our commitment to being a sustainable infrastructure Company, with a continued focus on inclusion and delivering the solutions to enable people and the planet to thrive.

Creating a sustainable future isn’t just about what we do, it’s about how we do it. The safety and wellbeing of our people, the wider workforce and the public is one of our core values and we aim to eliminate harm across all of our activities. In 2024, we delivered an outstanding safety performance and I’d like to thank everyone working on our sites for their consistent commitment to ensuring we deliver safely. To give some context, in over 30 million work hours, we recorded only four reportable accidents. Our accident frequency rate in 2024 was 0.03 (2023: 0.04), while our lost time injury frequency rate was 0.11 (2023: 0.12).

We are committed to achieving net zero emissions at the earliest possible opportunity and I am pleased to report we continue to deliver year-on-year reductions. In 2024, our absolute emissions were reduced by 1% compared with 2023 and when normalised by turnover (tCO₂e/£m), emissions reduced by 9% compared with our 2021 baseline.

Due to the emissions-intensive work we carry out to improve vital UK infrastructure, carbon management and supporting a decarbonised UK is a key priority for us. To ensure we can complete our projects in the most carbon-efficient way, we have updated our carbon management system to the new 2023 PAS 2080 standard, which was audited and approved in 2024. This framework drives carbon reduction across the Company and creates a culture of sustainability. The PAS 2080 process enables us to engage a range of stakeholders throughout the project lifecycle to strategically embed low carbon practices and achieve carbon reduction targets across contracts.

As well as our people demonstrating sustainable behaviours, our project outcomes also directly create a more sustainable future, as we work

together with our customers, partners and suppliers. On our Smart Motorways Alliance NEAR project in Chesterfield, we improved smart motorway safety provisions whilst significantly reducing our emissions.

Our section of the Thames Tideway Tunnel has delivered significant social and environmental outcomes such as reducing carbon emissions through concrete tunnel lining redesign and waste reduction, the installation of river cladding to improve biodiversity and creating more than 4,000 direct sustainable jobs.

At Heathrow, we continue to drive efficiency to reduce construction time, costs and steel usage through our focus on the circular economy. Our A1 Birtley to Coal House scheme has significantly improved biodiversity, therefore creating new habitats for several species, including multi-species crossing areas, while our A30 road upgrade scheme has had great success installing a new bat barn.

The new contracts we secured in 2024 will continue to see us drive sustainable outcomes, delivering increased prosperity, resilience and decarbonisation right across the UK. We are a leading partner to the UK water industry, improving our water network’s resilience and ensuring our rivers and reservoirs stay healthy. We are also a key player in the energy transition and 2025 will see us start to deliver and manage the engineering, procurement and construction of the Northern Endurance Partnership’s onshore CO₂ gathering system at Teesside. This ground-breaking new carbon capture system supports the UK’s industrial decarbonisation in the Northeast, contributing to the UK’s net zero ambitions.

In August, Costain was awarded the London Stock Exchange's Green Economy Mark, demonstrating the commitment we have to creating a sustainable future. We continue to drive our strategy forward and deliver complex infrastructure solutions sustainably.

Alex Vaughan
Chief Executive Officer
10 March 2025



Alex visiting Tideway to see the great work our people are delivering.



Alex visiting our HS2 contract to see the progress being made on site.

Chief People and Sustainability Officer’s introduction

Together we care

The Executive Board and I are proud of the people within our organisation who continue to deliver exceptional work and we thank them for their dedication throughout 2024.

We are committed to delivering lasting positive change on our projects and in our communities. Our ambitious social value plan and campaign to improve one million lives launched in 2024 and to support this, we have implemented a new social value tool. This will support our data collection and analysis to better plan and understand the impact we have on our projects and across our operations.

Costain project teams across the UK are improving people’s lives, both through the delivery of sustainable infrastructure and through targeted social value initiatives and employee volunteering. We provide two paid volunteering days per year to every employee. Examples of this volunteering include science, technology, engineering and mathematics (STEM) outreach in schools across the UK and job mentoring for those returning to the workplace via BITC’s Job Coaching initiative. Building on the theme of improving people’s lives, we’ve set up a volunteering campaign to scale up our involvement in our local communities in commemoration of Costain’s 160th anniversary in 2025.

We are committed to making sure Costain is a great and inclusive Company. We continue to take positive steps and were pleased to be recognised in 2024 as a Times Top 50 Employer for Gender Equality and a Disability Confident Leader. We listened to feedback from our colleagues and implemented enhanced maternity, paternity and carer's leave to support our people with their responsibilities outside of work. We have also implemented a new HR system to make day-to-day people management and administration easier and more accessible for all.

In August 2024, we opened our new head office at St Mary Axe in London. Creating a collaborative office space for employees to reconnect after the pandemic has been an important step and inclusive design considerations ensure that this is available for all employees.

Our facilities management team worked with our design partners and employee networks to recognise the challenges faced by neurodivergent and disabled employees in the workplace and have created a space that is inclusive and supports our employees' performance and wellbeing.

I am pleased to see improvements in areas where we have taken targeted action. We have retained our Best Companies accreditation as a ‘A Very Good Company to Work For’ in our 2024 engagement survey and pleasingly saw an improvement in our response rate to 75%.

We continue to make progress towards our decarbonisation targets. In 2024, we created a carbon data tool to better understand and analyse our projects and supply chain carbon emission data, which supports our ongoing data disclosures. We have also carried out quarterly carbon and biodiversity net gain assurance assessments on relevant contracts, which highlighted good practices and actions across our contracts to improve our sustainability on projects.

We support local enterprise and growth by focusing a percentage of our spending on small and medium-sized enterprises (SMEs). In 2024, Costain spent £656m with SMEs, representing 41% of Costain’s total spend (including project spend), exceeding the UK Government target of 33% and improving on our FY23 performance of 38%.

We recognise that by working with our customers, our supply chain and our partners, we can have a bigger impact. Together, we deliver infrastructure improvements sustainably while supporting local communities. Therefore, we have been developing a new supplier code of conduct, which includes specific requirements for environmental, social value and equality, diversity and inclusion. This will ensure that we are working with businesses that meet our own high ethical standards and contribute positively to our sustainability outcomes.

Catherine Warbrick
Chief People and Sustainability Officer
10 March 2025

2024 Sustainability highlights



Business model

Our expert offering enhances value across the asset lifecycle



We develop strategic solutions to optimise value and reduce risk; engineer innovative solutions that are sustainable, efficient and practical and deliver projects in a safer, greener, faster and more efficient way. We discuss our work in action on pages 16 to 21 of our annual report at www.costain.com/ar24

Understanding the needs of our customers across the infrastructure ecosystem.

We work with customers to anticipate, identify and meet their challenges, helping us to deliver pioneering solutions right across the infrastructure lifecycle, in strategy, operations and asset creation. We do all of this as either a construction, consultancy or digital partner.

To find out more about how Costain collaborates with customers on a wide range of contracts, please visit our website / www.costain.com

Materiality assessment

Our materiality assessment provides insight into the key issues affecting our business, customers, communities and the environment proactively, including how these are changing over time.

Data-driven materiality analysis

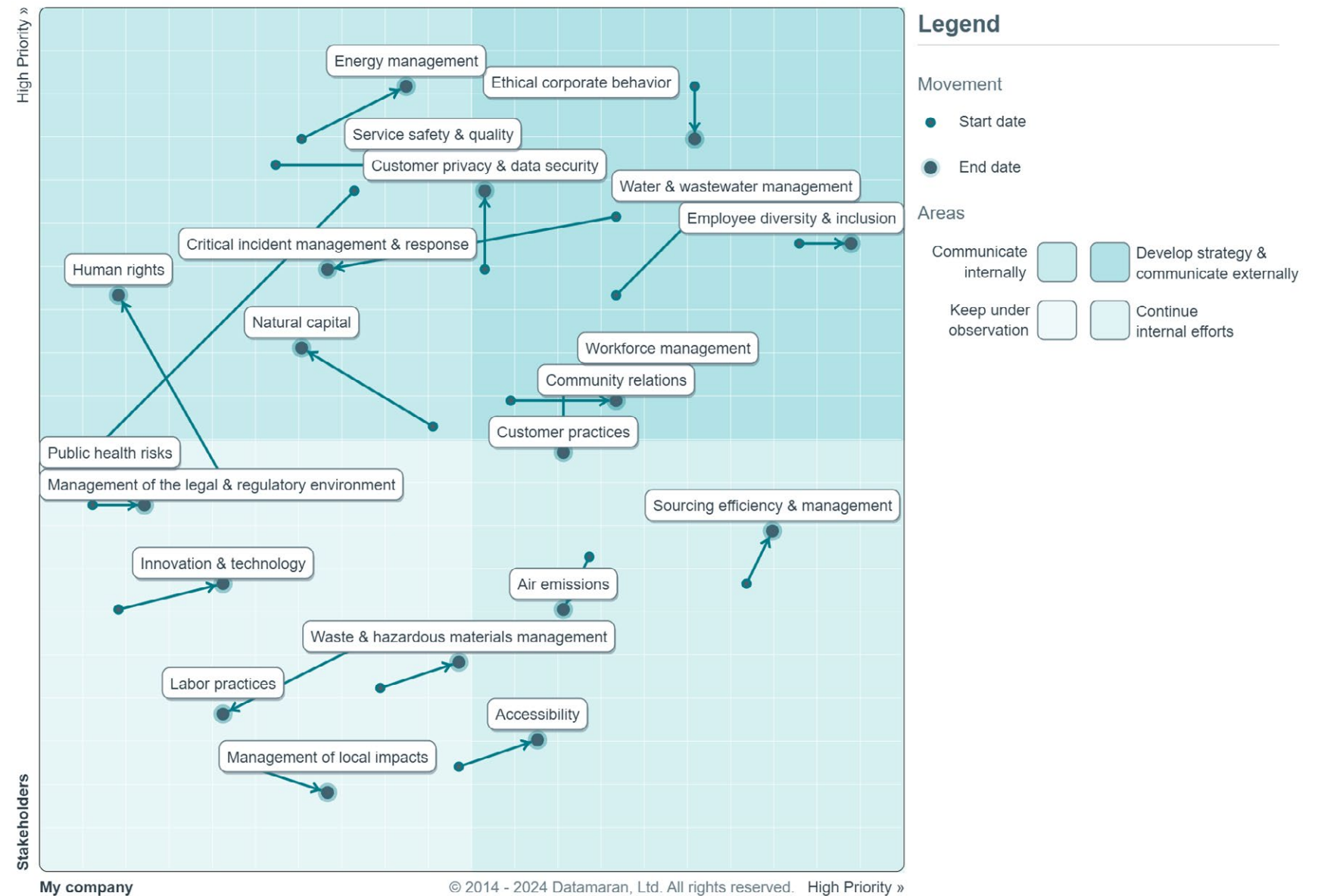
We began tracking our double materiality outcomes quarterly at the start of 2023 and have seen changes in many sustainability topics over the past two years. These have not affected our materially important issues but have steered decision-making within the organisation and the actions we've taken as part of our ESG programme. Since April 2023, we've seen an increase in priority for our stakeholders and our Company in areas such as:

- water and wastewater management
- employee diversity and inclusion
- energy management
- human rights and
- natural capital.

Our assessment enables us to steer our internal decision-making towards priority actions for our business and stakeholders. We have also reflected these actions in our new climate transition plan. During this time, we have taken steps to understand the risks and opportunities involved in these changing priorities. We have taken proactive action to improve our understanding and impact in a number of these areas, including:

- creating a new process for monitoring our water usage on our projects, including our water consumption to understand areas of improvement and put plans in place to reduce water usage where possible
- opened a new inclusive head office in London, with improved connectedness, sustainable transport links and developed our 2025 inclusivity plan (see pages 10 to 12)
- installed a new variable heat pump to eliminate gas usage at our Manchester office, improving energy management
- created a strategic labour desk to support a more efficient approach to resourcing our construction contracts and the reduction of human rights-related risks and
- all relevant projects have a biodiversity net gain plan.

Costain's double materiality assessment changes April 23 - Dec 24



People



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Our commitment is to make Costain a safe, great and inclusive place to work. We are creating a sustainable future, with a positive, lasting legacy for our people and the communities we serve, as we deliver a more prosperous, resilient and decarbonised UK.

Our materially important people issues:

Employee health and safety

Our focus continues to be on ensuring the health and safety of our own employees, contractors and the public.

Employee diversity and inclusion

We strive to make Costain an inclusive and safe place to work and have developed our inclusion plan to support this.

Wellbeing and engagement

We continue our focus on improving wellbeing for our people through our updated wellbeing plan, making Costain a great place to work.

Social value, community and customer

We continue to focus on measuring and delivering social impact across the UK to improve one million lives by 2030.

Health and safety

Protecting our people, members of the public and our wider stakeholders is a core value for Costain.

In 2024 we have continued our ‘eliminating harm’ strategy to drive our ambition of removing the risk of harm from our activities wherever we can, through our dedicated focus on managing risks during construction.

How we performed in 2024

We delivered another year of strong performance against our three key safety outcome indicators.

- Accident frequency rate – 0.03, our equal lowest ever (2023: 0.04).
- Lost time injury rate – 0.11, down from 2023 and our second lowest ever (2023: 0.12).
- High potential event frequency rate – 0.16, down from 2023 and our second lowest ever.

This performance was delivered over 30 million hours worked by an average daily workforce of 14,500 across over 170 project sites.

Our approach

We focus on leading performance indicators that are predictive, measurable and within the control of our leaders and operational managers. These indicators are embedded in a structured accountability framework at every level of the business.

We continually develop our leading indicators to ensure they deliver the right outcomes and we know that they are effective from the outcomes we achieve. Our measure of workforce engagement is a prime example. We know that an engaged workforce works safely and since 2016, we have increased our engagement measure and, in the same period, halved incidents.

Performance is reviewed monthly at every level of the Company, from the Executive Board to our contracts, using smart dashboards which predict and analyse performance trends at Group, division, sector and contract level. Our dashboards provide a direct line of sight from our Board to our

contracts. This provides early warnings for opportunities to improve, rather than focusing on events once they have taken place. Leading indicators also drive our leadership and wider behaviours in support of a culture that reinforces good performance and the delivery of our strategic health and safety objectives and targets.

Our learning organisation model

Our certification to ISO 45001 ensures we maintain an internationally respected management system however, our philosophy for driving strong performance and continual improvement is encapsulated in our 'learning organisation model'. The model brings together all the elements of a mindful organisation to ensure our teams are set up to succeed. The model gives us confidence that we are embedding the lessons we learn at every level of the Company, whether they are from incidents or audit findings or the wider industry.

Costain behavioural management

Our externally accredited programme based on behavioural science supports all our health and safety activities. The programme teaches everyone in Costain how to set the right environment and reinforce the pinpointed behaviours necessary to maintain and improve our health and safety performance.

95%
of employees believe health and safety is taken seriously in the organisation



Continuous improvement

We look for opportunities to strengthen elements of the model wherever we can and our improvement objectives focus on the small number of actions with the biggest impact, building on what we have learned in recent years. In 2024, we:

- refreshed our preconstruction assurance to better eliminate harm in design and support readiness for construction
- carried out a Company-wide deep dive into occupational health risk management to identify opportunities to improve
- developed our routine construction phase assurance to better address underlying reasons for audit findings and
- refreshed health and safety requirements for our supply chain to give better clarity of expectation when working with Costain.

Health and safety continued



Lifting safety improved for the whole industry

We have implemented important changes across our business to the industry practice for safe lifting operations, and these changes have been adopted by the wider industry. In 2024, the new approach - 'Hands Off, Step Away, Safe Space' (HOSASS) - was assimilated into Construction Industry Training Board (CITB) industry-accredited training and HOSASS is now embedded into training for all lifting operations.

0.03%

industry leading accident frequency rate for 2024

Continually improving engagement

Twice a year, we hold leadership impact days where the whole Company pauses for a day and senior leaders visit each of our contracts to listen to an opening broadcast from our chief executive officer and senior leaders and then engage with local teams on a specific theme. In October, the theme was engagement with activities to reinforce the importance and drive even higher levels of hazard and observation reporting.

Our rate of workforce reporting increased by 10% in 2024. Trends show that the increases in recent years correspond to the decline in accident rates.

c. 110,000

workforce SHE hazards and observations recorded
(10% increase from 2023)

Eliminating harm by thinking differently

Our project team working to upgrade a sewage treatment works challenged the traditional method for moving pipes and equipment by instead using an electric tracked carrier. This equipment was put forward in the planning for the task by one of our frontline supervisors who had experienced their use in another sector. The approach eliminated the plant pedestrian interface risk associated with larger lifting machines travelling through a process site for this pipework and numerous other pieces of mechanical and electrical plant that required moving.

91%

of employees feel comfortable to speak up if they have any health, safety or environmental concerns

Our people

We look after our people



Developing our people

We take pride in creating tailored development programmes to address areas where our interventions can make a positive difference, as well as ensuring our people can achieve their full potential.

In 2024, we welcomed our second cohort to our empower development programme. Empower is a targeted development programme that aims to support consistently high-performing female talent. We've already seen the impact of the programme, with three 'empowered' colleagues going on to gain places in our emerging leaders programme in 2025.

We also run a successful front-line managers programme and, in 2024, launched a pilot of a new 'front line supervisors gateway' programme for operatives in both Costain and our supply chain who demonstrate leadership potential. These targeted programmes help Costain to develop a pipeline of talent for the future.

With a strong pipeline of work ahead, in 2025, we're increasing our intake of early years professionals to 180 places.

84%

of employees agree their line manager exhibits the Costain behaviours (caring, courageous, curious and collaborative)



Recognising our people

Being a responsible business, we support our colleagues to play their part in supporting and inspiring future talent. A great example is our graduate engineer, Ollie Joyce. Ollie is new to the business and has gone above and beyond to build a strong network - joining the leadership team on the graduates and apprentices employee network (GRaPS) and organising events and school visits to showcase our industry to the next generation. Having previously completed a summer placement with us, Ollie wanted to use his experience to help the team improve the work experience and summer placements programme to maximise the value that it gives to both the students and the team.

Ollie's valuable contribution has been recognised through our quarterly values award programme, for demonstrating his commitment to being environmentally and socially aware and consistently demonstrating our Costain behaviours.

85%

of employees agree that they have a say in how they do their job



Listening to our people

Every year, our goal is to make Costain an even greater place to work. We actively listen to the views and ideas that our people share through our employee network groups, colleague forums, leadership engagement tours and site visits, and we measure our performance through our annual engagement survey. The feedback that we receive helps us to make improvements on subjects or areas that make the biggest difference to our people, helping us to be more inclusive and drive engagement and retention as an organisation.

In 2024, we co-created initiatives with our employee networks that contributed to sustaining a culture where collaboration and curiosity are valued and make Costain a better place to work. These included enhanced maternity, paternity and adoption leave policies, introduction of paid carer's leave, development of a career pathways tool and the creation of a working group to review and improve our subsistence offerings.

90%

of employees believe they can make a valuable contribution to the success of Costain

Inclusion

Our 2021-2024 inclusion achievements

Our four year inclusion strategy concluded in 2024, successfully taking steps to improve the diversity of our workforce, enhancing the accessibility of our recruitment and talent processes and providing a more inclusive employee offering.



Commitment to race equity

- As per our commitment to the Business in the Community Race at Work Charter, we have published our ethnicity pay gaps since 2022.
- We have consequently run listening circles with employees from different ethnic backgrounds to better understand the different experiences of progression and reward across our business.
- We completed two cohorts of reverse/mutual mentoring between senior leaders and members of our religion, ethnicity and cultural heritage network.
- Our networks have supported 'let's talk about race' sessions to improve comfort in talking about racial issues.



Moving towards gender parity

- We launched empower, our programme designed to address the apparent glass ceiling for women's progression.
- We improved our menopause support through our healthcare provider.
- We increased our enhanced maternity leave to 26 weeks' full pay, enhanced paternity leave to eight weeks' full pay and introduced carer's leave at one week full pay annually, differentiating the support we give to our employees who care for others at home.



Improving LGBT+ inclusion

- We improved our ranking in the Stonewall Workplace Equality Index by 238 places and were given a Silver Employer Award in 2022, through the engagement of our LGBT+ and allies network.
- We have hosted our Pride marches across London and Manchester.



Becoming a Disability Confident Leader

- We have become a Disability Confident Leader, the highest level of the government Disability Confident accreditation scheme, validated by a third party.
- We became a member of the Business Disability Forum, the Hidden Disabilities Scheme and the Valuable 500, on the recommendation of our disability and wellbeing network, committing to a disability inclusive workplace.
- We have improved accessibility to and raised awareness of workplace adjustments.



Embedding active allyship into our behaviours

- We have seen an over 200% increase in the membership of our employee networks.
- We trained over 50 senior leaders to be visible allies across the business.
- We held an inclusion-themed leadership impact day in 2022, where all employees were upskilled in inclusion concepts and received a copy of 'our little book of respect'.
- We have held sessions on the power and challenges of labels when coming out as neurodivergent and/or LGBT+.



Supporting military leave

- We have achieved Gold in the Armed Forces Covenant Employers Recognition Scheme twice, thanks to the work of our services and service families network.
- We continue to support reserves to attend training to retain their credentials.



Inclusion continued

Taking data-based action to inform our new plan

Our 2025 inclusion plan represents a shift in gear in our inclusion journey. To assess what action will have most impact over the next year, we have reviewed quantitative and qualitative datasets, including the results of our engagement survey (reviewed through demographic lenses), annual salary data (evaluated through gender and ethnicity lenses) and feedback from our listening circles with ethnic minority employees on experiences of progression and reward.

These datasets have allowed us to identify three inclusion pillars, our areas of focus for our 2025 Inclusion Plan. These pillars, alongside recent legal changes, such as the Worker Protection Act, are driving six workstreams of change at a business level in 2025.

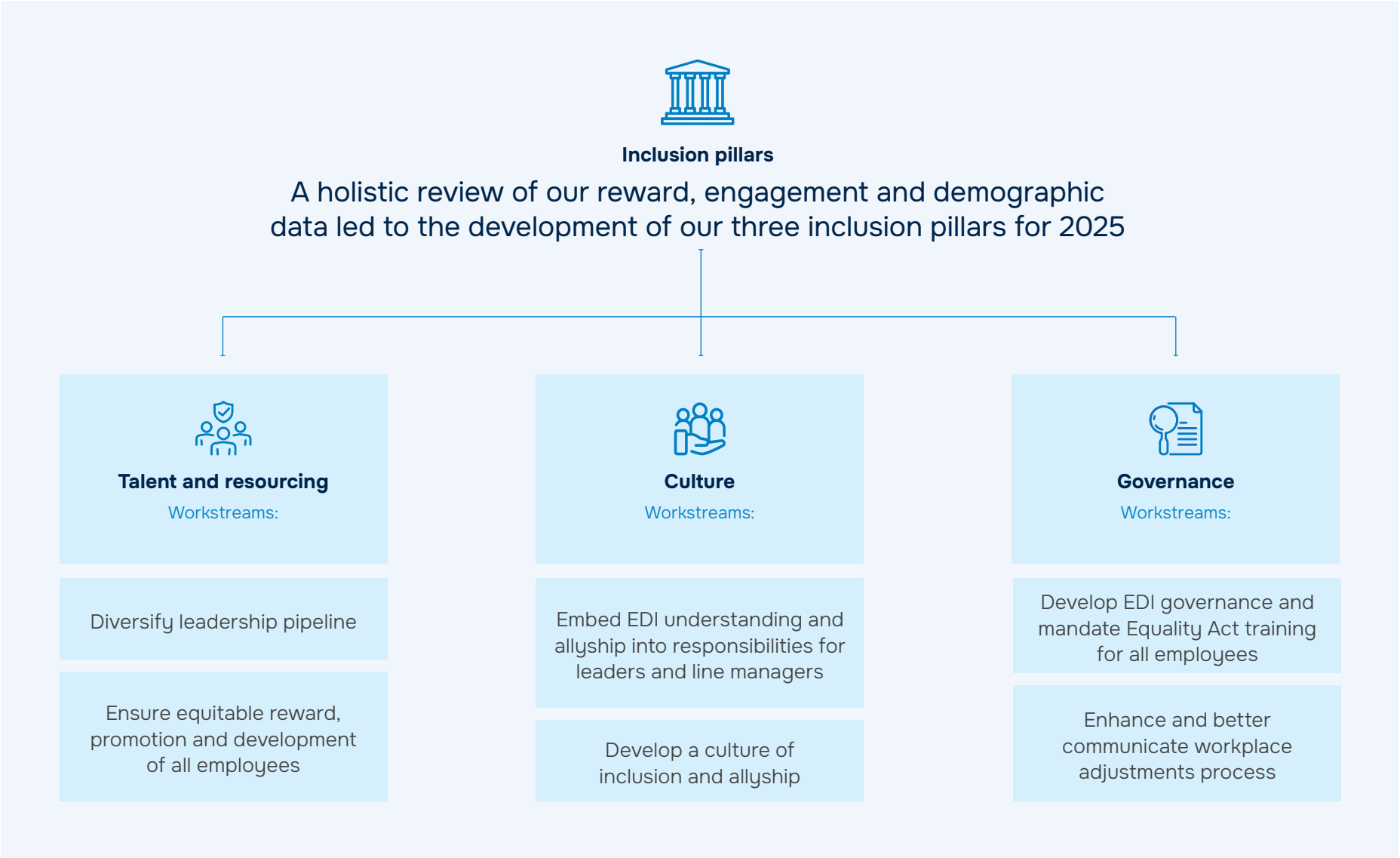
Decentralising equality, diversity and inclusion

We recognise that for equality, diversity and inclusion (EDI) efforts to be effective, they need to be driven from all parts of the business. We have therefore undertaken stakeholder engagement across the business. Each business function has agreed-upon actions which will contribute to the decentralised delivery of these workstreams. These actions have been incorporated into our functional business plans for 2025 and progress against these actions is reviewed and managed centrally by the Group equality, diversity and inclusion manager.

As a key part of our governance pillar, we have also developed and released new governance across the business to standardise our approach to inclusion across contracts. Our EDI action plans empower our people to contribute to the Company-wide workstreams, building cultural change from the bottom up whilst being locally attuned to the needs of the contract and our customers.

The EDI action plans will also provide all contracts with a standardised set of reporting metrics, both leading and lagging indicators, to enable contracts to understand their EDI performance and where they can lever effective cultural change.

78%
of employees feel included and respected at work



Inclusion continued

Inclusive design considerations for 70 St Mary Axe, London

Our new London office is a fantastic example of how neurodiversity, inclusion and accessibility have been centred in building interior design to improve the experience for colleagues, customers and stakeholders.

Post-pandemic, our focus has been creating environments for our people to connect, create and collaborate. The experience of all employees has been at the heart of our new office's design. Inclusive and accessible considerations have been a key focus of the design to recognise the challenges faced by neurodivergent and disabled employees in the workplace and have created a space which includes:

- minimal distractions through the creation of quieter working areas, use of acoustic materials and providing a variety of work settings
- reduced sensory over stimulation by using natural, calm materials and forms and avoids patterns and harsh lighting
- adequate space for wheelchair turning circles, as well as low level drawers, counters, microwaves and sinks for wheelchair users and
- hearing induction loops and braille signage in all rooms.

The office has been designed per BS 8300 design of an accessible and inclusive built environment, demonstrating that an inclusive space makes a better workplace for all.



“Costain has been an absolute dream client on this project, they have put their employees and their varying needs at the forefront of the brief, they have embraced, trusted and contributed to the design process the whole way through. This collaborative approach and attention to detail has enabled us to tailor the design and create a space that we hope works for every individual within the Costain team. We are thrilled with the outcome and hope you are too.”

Interior designers
AWW

“We’re a network of allies. We’re all learning about different disabilities and how to make positive change. Our employee networks were able to influence the design of our new head office to be more accessible and I’m proud of the end result.”

Emily Castle
Chair of the DaWN Network

Inclusion continued

Becoming a Disability Confident Leader

As part of our 2021 inclusion strategy, we committed to improve the accessibility of our recruitment and business processes to better attract and retain diverse and disabled talent. The strategy set milestones for achieving the three levels of the government scheme, Disability Confident.

We are proud to have achieved each of these milestones, most recently becoming a Disability Confident Leader in October 2024. We submitted over 150 unique pieces of evidence, which were validated by the Business Disability Forum as our third party reviewer as meeting 100% of the mandatory criteria. The Business Disability Forum provided feedback (quoted to the right of the page) on our Disability Confident Leader submission.

Continuing our accessibility progress

We recognise that we still have more to do to make Costain a fully inclusive and accessible workplace for everyone. We will act on the feedback on our submission, with the support of our disability and wellbeing network and will continue our membership with the Business Disability Forum to maintain progress in this area.

As part of our achievement of Disability Confident Leader, we are committed to disclosing against the government Voluntary Reporting Framework going forward. This is our first step towards equality, alongside the implementation of a new HR system, which will enable us to utilise a more structured approach to collecting and analysing data on all stages of the recruitment and employment experience for disabled individuals. This will lead to a better understanding of any potential disability pay gap, the impact of workplace adjustments on employee performance and retention, and our continuous improvement in digital accessibility.

Our progress timeline:


Level 1: Disability Confident Committed (2020)

Level 2: Disability Confident Employer (2021)

Level 3: Disability Confident Leader (2024)



Image credit: Business Disability Forum



“We were particularly impressed in the steps Costain have taken to embed inclusivity throughout their recruitment and onboarding process, which will lead to more applications from disabled candidates, whilst ensuring recruitment and onboarding processes are barrier free. Furthermore, we commend the work that Costain has done in the digital inclusivity and accessibility space, from their website being developed in collaboration with accessiBe, through to accessible and screen reader friendly work on job adverts.”

Natalie Leister
Head of Practice, Business Disability Forum

Inclusion continued



Image credit: Business Disability Forum

Actions taken to become a Disability Confident Leader in 2024

We have made the applicant experience of our recruitment process more accessible by:

- proactively offering adjustments at every stage of the recruitment process
- offering an interview to any candidate who applies under the Disability Confident Scheme
- providing Disability Confident training to our hiring managers
- prioritising accessibility in our digital presence, such as introducing the accessiBe tool on our external website and
- providing work opportunities for young people through partnerships with organisations such as WorkFit and DFN Project Search.

We have empowered our employees to manage their own and support others’ disabilities and health conditions by:

- creating an internal workplace adjustments hub, with resources specific to enable employees, line managers and hiring managers
- improving employee access to workplace needs assessments and workplace adjustments through our occupational health offering and
- becoming a member of the Business Disability Forum, providing our employees with access to their knowledge hub and our line managers and people team with access to their specialist advice service.

We have made our development programmes more accessible by:

- converting our existing e-learning to more accessible formats
- working with our e-learning provider to deliver new training in accessible formats and
- offering adjustment throughout the application process and delivery of our in-house development programmes (including the emerging leaders programme and empower).

We have upskilled our suppliers with knowledge about Disability Confident through:

- reasonable adjustments training at framework supplier days and
- Disability Confident awareness sessions at meet-the-buyer events.

Wellbeing

Our wellbeing culture

In 2024, we launched our refreshed wellbeing plan, which reinforces our longstanding commitment to supporting our colleagues to be at their best. We are building upon the positive progress made in recent years with a renewed focus on mental wellbeing and increasing the utilisation of the support available to our colleagues. We have taken an employee-focused approach, supported with data-driven insights to inform our actions.



Wellbeing initiatives

To maximise the reach and effectiveness of our wellbeing programmes, we combine centralised support with our wellbeing champions and employee inclusion networks and listening forums, to help drive local action plans across our contracts. This approach enables us to better understand what's important for our people and deliver impactful local campaigns and signpost to support on key topics.

We are focused on empowering individuals, their line managers and our business leaders to proactively manage wellbeing at a local level by providing relevant insights, updating line manager training, improving communication and using employee survey data to deliver targeted interventions.

We have updated our medical and wellbeing support for employees and made it more inclusive, including access to a Digital GP service for all Costain colleagues and their families, making it easier to access the support they need, when they need it. During the last quarter of 2024, we have seen a steady increase in its usage and initial feedback has been positive, with many employees saying that they would recommend them to colleagues.

Other updates that support both health and wellbeing include women having access to a paid menopause plan. We have been able to extend this support to our male colleagues, who are supporting the women in their lives, at a reduced rate. We provide access to on-site wellbeing medicals, aimed at identifying health risks and providing advice and support about proactive lifestyle changes that will lead to better future outcomes.

As we keep in mind the holistic approach to wellbeing, we are also focusing on support for employees with financial wellbeing, improving outcomes for rehabilitation through a revised sickness absence policy and further improving work-life balance, which is always an important topic raised in our engagement survey, by enhancing our parental leave and policies around neonatal care, shared parental leave, fostering and surrogacy to support people through impactful life events.

Wellbeing partnerships

Costain works in partnership with Samaritans and Business in the Community (BITC), sharing best practice, access to research and developing campaigns. Costain's chief people and sustainability officer is a member of the BITC wellbeing campaign leadership team, working with C-suite peers from blue chip organisations to further improve wellbeing outcomes across industry.

In 2024 we were asked to talk at BITC peer learning forum about our wellbeing and EDI approach, while BITC supported Costain to deliver a leadership impact day (employee standdown) on the theme of wellbeing. The day provided a unique opportunity for all our employees to get together and discuss the themes of the previous employee engagement survey and wellbeing challenges that they face, raise awareness of the support and benefits available to colleagues, all with the aim to develop and execute local-level action plans to drive positive wellbeing outcomes. Samaritans supported us with a 'break the silence toolkit' which is focused on suicide prevention and was shared across the organisation.

Wellbeing continued

Voluntary reporting on disability, mental health and wellbeing

As part of our achievement in becoming a Disability Confident Leader we are committed to providing voluntary reporting on disability, mental health and wellbeing as per the UK Government framework. Here, we reflect on the requirements of 'part A' of the voluntary reporting framework. This page covers mental health and wellbeing. Page 14 covers the progress in recruitment and retention of disabled talent.

We undertake an engagement survey annually, which provides us with disability data for our employee population. Our 2024 engagement survey saw 6.6% of respondents shared that they were disabled, 74.1% respond as non-disabled and 19.3% chose not to disclose. Our 2024 survey demonstrates that overall, disabled employees have no different experience of pay and reward. There are differing experiences of personal growth and wellbeing among the responses, so we recognise we have more work to do to address barriers to progression and positive wellbeing for disabled people in the workplace. Many of the actions we are taking to address these results are captured on page 14 of this report.

24%

employees shared one of the listed disabilities or long-term conditions

8%

of employees shared mental health conditions

86%

employees know where to get help to support their mental and physical wellbeing



Our social value plan

Delivering social value for a better future

Our social value plan underscores our dedication to embedding social value into everything we do, from our business practices to our partnerships and community engagements.

Launching our social value plan and roadmap

In March, we proudly launched our comprehensive socialvalue plan, an ambitious framework designed to maximise our positive impact on people and communities. Built on four value pillars (bottom of the page), our plan represents our commitment to creating meaningful change.

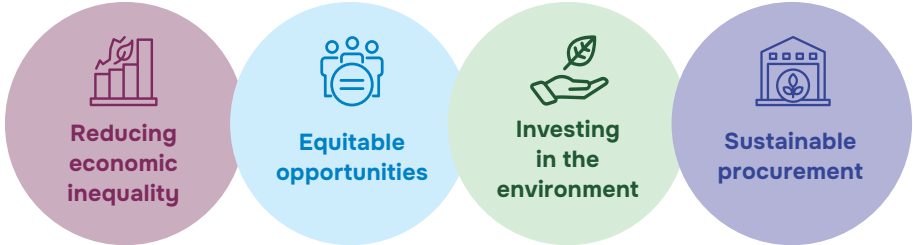
Central to the plan is our bold goal statement: to improve the lives of one million people by 2030. By aligning our efforts with this target, we will ensure that our actions contribute to a thriving, inclusive and sustainable society.

We measure the social value we deliver not only through our core projects but also through our volunteering efforts and community initiatives. By counting the tangible and intangible benefits generated, such as improved access to education, skills development, enhanced wellbeing and environmental sustainability, we ensure that our work leaves a positive legacy.

Our social value plan underscores our dedication to embedding social value into everything we do, from our business practices to our partnerships and community engagements.

Measuring the full social value impact of our work

As part of our dedication to social value, in 2024 we have invested in a new social value calculator. This innovative tool represents a significant step forward in our commitment to delivering measurable, impactful and meaningful outcomes for the communities we serve. We can more accurately quantify the social, economic and environmental benefits of our projects and initiatives more effectively than ever before.



CMDP delivering infrastructure and social value across the Southeast

CMDP, a joint venture between Costain and MWH Treatment, is a trusted delivery partner for Southern Water’s AMP6 and AMP7 Capital Investment Programmes. Tasked with maintaining and enhancing water supply and wastewater treatment infrastructure across the Southeast, CMDP has recently been awarded the AMP8 Framework, securing a further seven-year contract to deliver essential works.

As the importance of social value continues to grow within the water industry, CMDP has embraced the opportunity to strengthen its commitment to the communities it serves on behalf of Southern Water. While community support has always been central to CMDP’s ethos, recent efforts have focused on prioritising impactful initiatives and rigorously measuring their effectiveness. Collaboration with Southern Water has been key, ensuring that CMDP’s social value strategy aligns seamlessly with the client’s priorities.

The Horsham project, a £31 million scheme set to complete in spring 2025, exemplifies CMDP’s pioneering approach to social value. Working closely with Southern Water, CMDP has delivered significant benefits to the local community, including:

- investing £2.4m with businesses within a 20-mile radius of the site, including £100,000 with those within five miles, reducing the project’s carbon footprint and sustaining the local economy
- delivering 49 staff hours of school and college visits to inspire the next generation
- providing 65 weeks of apprenticeships to develop skills and employment opportunities and
- contributing over 100 volunteer hours to local projects and donating more than £3,000 to community initiatives.

By integrating social value into its projects, CMDP demonstrates how delivering critical infrastructure can also create meaningful, lasting legacies for the communities it serves.

Our social value plan continued

Improving one million lives by 2030



Our social value plan

We are committed to making a meaningful difference in the communities we serve. Our social value plan provides the roadmap for delivering lasting, positive change and shares our ambitious goal to improve one million lives by 2030.

The foundation of our plan is built on our four value pillars, which guide every initiative, ensuring that we maximise our positive impact across all projects. We will continue to highlight key achievements, milestones and stories that illustrate our journey so far in delivering our commitment to improve one million lives.

Supporting individuals to gain skills and confidence for employment through the BITC’s Job Coaching initiative

Through our partnership with BITC, colleagues help jobseekers overcome barriers to employment. This initiative pairs our team members with individuals, providing tailored coaching to build confidence, skills and workplace readiness.

As of 2024, seven colleagues are trained job coaches and matched with mentees, with four securing meaningful employment to date. Our volunteers offer CV writing, interview prep and industry insights to guide participants toward achievable career paths.

One mentee, a highly qualified Ukrainian refugee, faced challenges due to language barriers and lack of UK experience. With their coach’s support, they refined their CV, improved their English and built professional networks as they work towards their end goal of securing an engineering role.

“Your work is invaluable and I am deeply grateful for the fact that you help people find new opportunities and self-confidence.”

Mentee



Visit our [LinkedIn page](#) to learn more about how we’re breaking down employment barriers and changing lives for the better.

Our social value plan continued

Warrington to Wigan: driving positive change



The M6 project enhanced vital infrastructure, improved journey times and left a lasting positive impact on local communities, the environment and future generations.

In 2024, Costain, as part of the SMP Alliance, completed a 10 year and £260 million upgrade of the M6 between Warrington and Wigan on behalf of National Highways. The project, which added an additional lane in each direction, has eased congestion, improved travel times and enhanced road safety for the 120,000 vehicles using the route daily.

The scheme was exemplary in many ways, including winning a prestigious Considerate Constructors Scheme Gold Award and the Green Apple award, which aims to recognise, reward and promote environmental best practice. The team, including many of the 3,000-plus road workers who delivered the project, volunteered thousands of hours to deliver an outstanding social value legacy to more than 20 local community groups and charities, as well as delivering over 800 hours of STEM and careers support to 16 schools in the area. They provided a wide range of targeted support, including:

- a new sustainable irrigation system for Cleavley Community Forest Garden near Salford
- helping Millbrook Primary School pupils build a 'tuck shop', bee garden and vegetable patch and
- donating more than 300 books to Newton Community Centre's book recycling fundraising events and helping repair and repaint parts of the building.

Further contributions included career-focused STEM workshops and infrastructure improvements such as new drainage at Garswood Hall Bowling and Community Club. Support for charities assisting vulnerable groups also reinforced the project's commitment to social inclusion.

This project exemplifies how infrastructure development can drive long-term community benefits. By embedding social value into project delivery, Costain has demonstrated its dedication to creating a positive legacy for local people, businesses and the environment.



To find out more about the significant social impact of this scheme please see - www.costain.com/media/press-releases/2024/social-value-benefits-for-corridor-communities-in-m6-upgrade/

Planet



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We’re creating a decarbonised UK through energy transition solutions alongside increased biodiversity and a cleaner environment. Creating a sustainable future is simply part of who we are.

Our materially important environmental issues:

- Climate change**

We have been progressing our climate related actions and reviewing our risks to ensure we continue to address the climate emergency.
- Resource efficiency**

We remain focused on promoting circular economy principles and production thinking to drive efficiency, eliminate waste, manage water consumption and maximise material reuse.
- Nature**

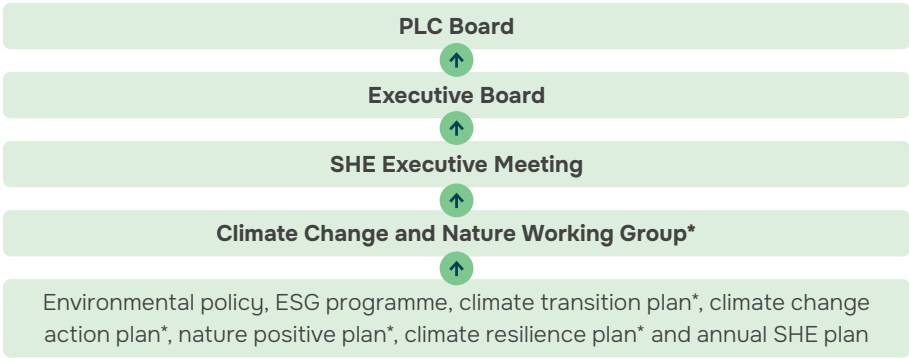
We're determined to improve the natural environment we impact and contribute to nature positive by 2030.

Environmental Management

Managing our environmental performance is key to protecting our planet

Environmental governance

Our environmental performance is monitored by both our PLC Board and Executive Board. The Executive Board oversees our progress against commitments, including performance and stakeholder expectations. It collaborates with other Board committees, such as the Remuneration Committee and the Audit and Risk Committee, to ensure environmental performance is integrated across the business. Our Executive Safety, Health and Environment (SHE) Committee monitors risk and performance monthly, reporting to the Executive Board.



*In development or being updated

The Executive Board is responsible for delivering our annual environmental objectives and long-term targets within our climate change action plan (CCAP) and nature positive plan (NPP), which will be updated and released in 2025.

Within infrastructure development, environmental risks and impacts are diverse and include archaeology, climate change, noise, vibration, water resources, landscape, biodiversity, materials and waste. Our ISO 14001:2015 management system and PAS 2080:2023 verified processes establish clear contract requirements, assurance, training and governance to ensure continual improvement and excellence in environmental management.



Improving the natural environment

The Skanska Costain Strabag (SCS) JV team have recently completed the River Pinn realignment in Ruislip as part of our HS2 project. After months of navigating various challenges, including a wet summer and changing site access requirements, the team successfully celebrated the release of the dams on 8 November 2024, allowing water to flow through its new course. This achievement was made possible by the close working relationships the team developed with key stakeholders and consent-granting bodies, as well as the support of sub-contractor Murlac, who were pivotal in delivering the works and received the SCS Supply Chain Award as a result.

The new alignment includes aquatic features that will enhance biodiversity along the riverbanks. The riverbed now has various levels to encourage macro and micro invertebrates, along with other enhancements to improve ecology, such as embankments for the introduction of aquatic plants and riffles to improve water flow.



Supporting industry decarbonisation

Following on from work in 2024 with Net Zero Teesside Power (NZN Power), Costain's new delivery partner role will see it deliver and manage the engineering, procurement and construction (EPCm) of the Northern Endurance Partnership's (NEP) onshore CO₂ gathering system on Teesside from 2025, and associated utilities for NZN Power. Costain is one of nine leading engineering, procurement and construction contractors selected by NZN Power and NEP to deliver the landmark scheme.

NZN Power aims to be the world's first gas-fired power station with carbon capture and storage, whilst NEP will provide the CO₂ transportation and storage infrastructure for three Teesside-based carbon capture projects: NZN Power, H2Teesside and Teesside Hydrogen CO₂ Capture.

The confirmation to proceed follows Costain's successful completion of the front-end engineering design (FEED) for the carbon capture network and its appointment to deliver the FEED for the East Coast Cluster's hydrogen network.

Environmental management continued

Environmental collaboration

We have embraced the need for collaboration with others to collectively achieve net zero outcomes for our offices, projects and the industry. Our accreditations and memberships demonstrate our commitment to transparency and cooperation.

Upgrading our offices

In line with our commitment to sustainability, we have made significant investments in improving the energy efficiency in our offices.

Our Manchester office underwent refurbishment in 2024, during which we upgraded the building management system and replaced the existing gas and chiller driven heating, ventilation and air conditioning (HVAC) system with a heat recovery variable refrigerant flow (VRF) system. This transition eliminated the need for natural gas and based on the Q4 2023 usage, has already resulted in a carbon saving of 103 tCO₂e. While electricity consumption has increased, our offices continue to be backed by Renewable Energy Guarantees of Origin (REGO) certified tariffs.

Sustainability was a key focus in the fit-out specification of our new London head office at 70 St Mary Axe. We achieved a Royal Institution of Chartered Surveyors (RICS) SKA Gold rating, underscoring our commitment to collaborating with stakeholders to achieve sustainability and environmental excellence. This prestigious rating recognises our efforts to design and build a workspace that meets high environmental standards and supports a healthier, more efficient environment for our team.

Environmental accreditations and memberships

Certified to 2023 standard

'B' rated in 2024

Partner since 2020

Verified in line with ISO 14064 and GHG Protocol standards

Approved near and net zero targets

Member since 2021

Gold level since 2023

1 of 3 targets achieved

Partner since 2015

Signatory since 2021

Business Champion since 2021

Sustainability in action

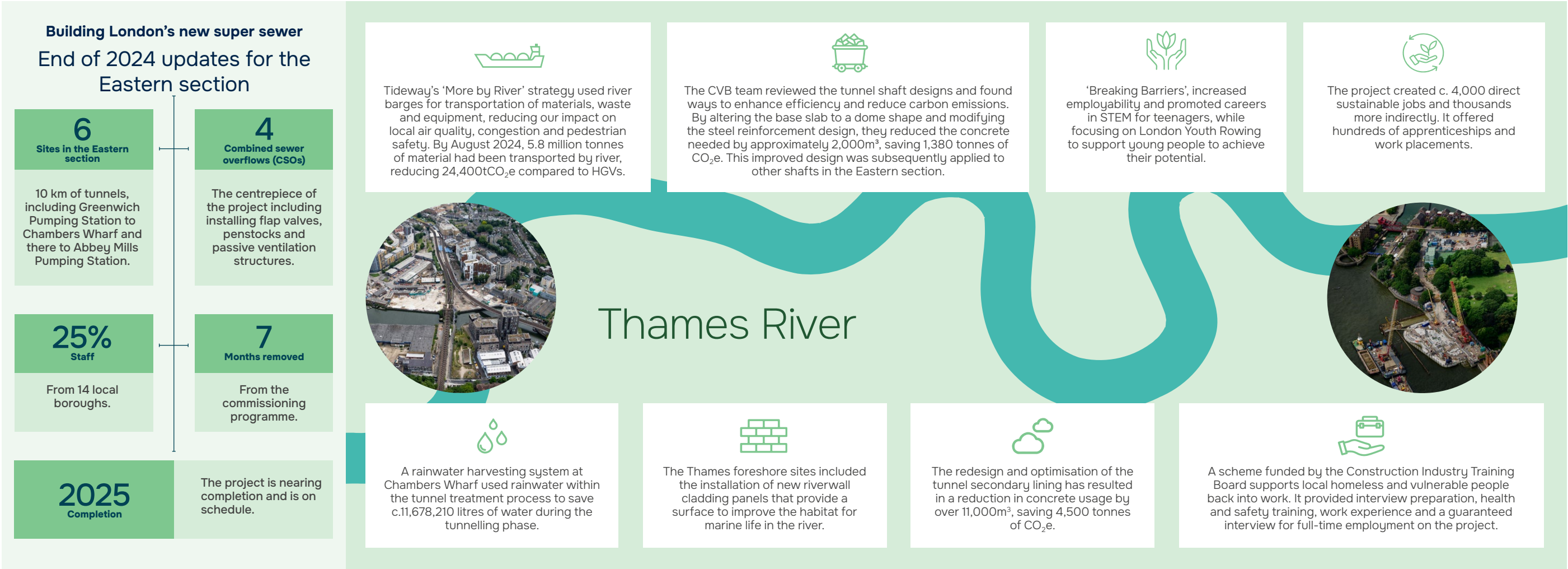
Thames Tideway Tunnel sustainability achievements

Costain, VINCI Construction Grands Projets and Bachy Soletanche JV (CVB) have been working on the scheme since August 2015 and are now working to bring the Thames Tideway Tunnel system into full operation.



The team managed significant environmental challenges and delivered outstanding social value. Once fully operational, Tideway anticipates that the super sewer will virtually eliminate the harmful effects of sewage pollution on the River Thames through central London. The Thames Tideway Tunnel is the epitome of social value, given that it will clean up the capital's river for future generations of Londoners and was highly commended in the Better Society Awards.

The Legacy team focused on helping ex-offenders, women returners, women into construction and BAME youths into the industry, supporting Tideway KPIs with local borough employment. Environmental successes included the use of the first electric hydrofraise (ground engineering machine) to construct the shaft at Chambers Wharf, along with numerous design changes to reduce carbon emissions. It was awarded Project of the Year and Environmental Project of the Year at the 2024 British Construction Industry Awards (BCIA) in recognition of the outstanding achievements.



Road to decarbonisation

Our progress towards achieving net zero

Throughout 2024, we have focused on developing our climate transition plan and advancing our actions towards achieving net zero. Our updated climate change action plan aims to deliver an accelerated transition to net zero for Costain and our customers.

Climate transition plan and updated climate change action plan

In order to develop our climate transition plan (CTP) and updated CCAP we held workshops with our key discipline stakeholders including procurement, commercial and design colleagues to develop short-, medium- and long-term actions focused on our carbon reduction pathways, climate resilience and interactions with nature.

In 2024, we implemented several actions from our original CCAP, published in 2020. These actions have enhanced our understanding, monitoring and analysis of data and have directed efforts to reduce our emissions.

The aim of our CTP and updated CCAP is to strengthen our commitment to action and accountability for emission reduction. This involves both internal efforts within our operations, guided by our management teams and Board of Directors alongside external collaboration within our supply chain to achieve collective action. In 2024 we reassessed our Group climate risks, particularly the risk of not meeting our net zero target and the necessity for a climate-resilient business. These assessments have informed the development of emission source decarbonisation pathways, which will be incorporated into our CTP scenario analysis and have influenced our updated CCAP. Actions are categorised into five key objectives shown below.

1. Accountable climate leadership



2. Shaping sustainable engineering and design solutions



3. Driving sustainability through our disciplines



4. Delivering best in class low carbon solutions



5. Creating positive collaboration with our value chain

2024 outcomes

Complete quarterly carbon and biodiversity net gain (BNG) assurance assessments of relevant contracts.

Comprehensive reviews were conducted on projects within all sectors, encompassing baseline and data management, carbon management process implementation, stakeholder engagement, sustainable procurement, ecology and BNG management, as well as monitoring and implementation.

35	27	120	5
Deep dives	Good practices	Actions raised	Significant findings

Projects to continue reporting monthly on progress against baseline.

For the third year running our projects reported carbon data monthly, reporting as-built progress against reduction targets and baselines. From 2025 projects will use our carbon tracker allowing for more strategic project-level engagement of data to aid decision making.

28	Improved data
Projects reporting against baseline and targets	collected across our sites and offices

Align our carbon management system to the new PAS 2080:2023 standard.

In 2024 our sustainable engineering team led our update to our carbon management system, revising our processes in line with the new 2023 standard. We successfully achieved verification in November 2024. To find out more about our PAS 2080 update, see page 25 of this report.

Roll out of our updated carbon tracker.

In 2024 our new as-built carbon tracker was developed in-house and trialled on a number of roads, integrated transport and water projects. There is more about this project and it's outcomes on page 25 of this report. This new tool includes:

- 1. A supplier data entry form
- 2. A data depository and automated calculation platform
- 3. A data analytics dashboard

To find out more about our climate transition plan and net zero targets, please see page 41-43 of the annual report.

Road to decarbonisation continued

Making improvements to our carbon management systems

Reflecting on our process to ensure best in class end-to-end carbon management

Throughout 2024 we focused on developing our carbon management system in line with PAS 2080:2023. The principles of the standard have influenced our way of working since our first certification in 2021, laying the foundations to active carbon management across our contracts. 2024 saw a refresh of our approach, led by our sustainable engineering team, aligning to the new standard including the new additional conditions around engagement, measurement and procurement.

We supported the production of the updated PAS and were part of the steering group that developed the original PAS 2080 standard, which we were first verified to in 2021. In 2024 BSI assessed Costain’s processes and integration within our projects and reverified us to the new 2023 standard.

Costain was recognised for demonstrating a strong awareness of carbon management and having robust processes to reduce carbon, which are utilised across all infrastructure projects. The verification demonstrates our commitment to the future of sustainable infrastructure, in addition to managing and reducing carbon emissions from our projects.

42,000
tCO₂e savings identified across our projects

12
new documents published within our new PAS 2080 system

68%
of employees understand what their role is in helping us achieve net zero

Improving our carbon emission reporting

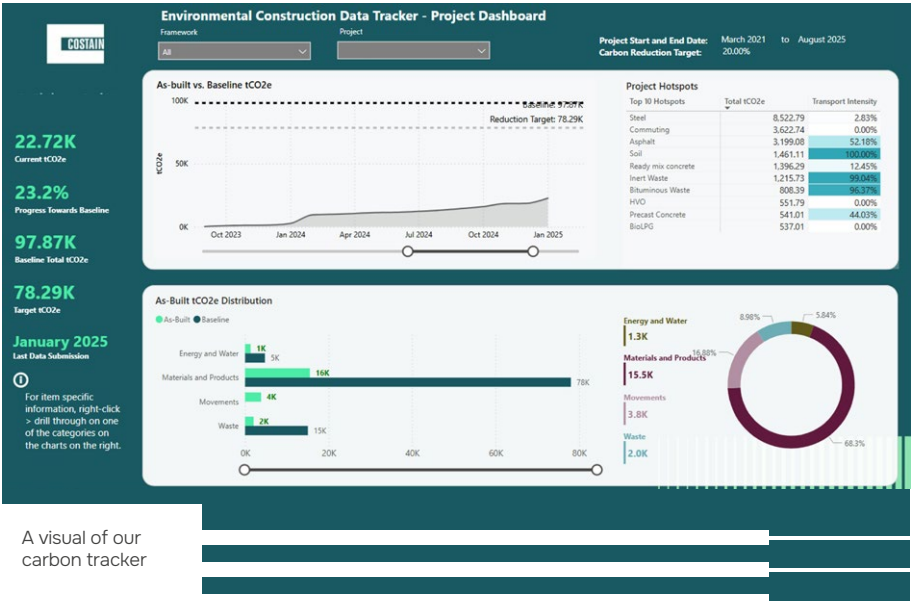
We have successfully developed and trialled a carbon tracker that aims to standardise and improve our carbon emissions reporting across our projects.

The tracker aims to provide a standardised approach to capturing, quantifying and visualising as-built data, working in conjunction with the suite of Costain carbon management resources to aid performance, data quality and decision making at both a project and corporate level. This is part of our decarbonisation strategy and will help drive emissions reductions across the organisation and will enable us to increasingly move away from a spend-based model.

The carbon tracker is designed to improve the quality, accuracy and frequency of data reporting through enhanced data analytics and integration with technical baselines.

The system operates by collating project data in a standardised format from materials and resources used on site as well as associated transportation, energy, waste and travel from on-site activities. Data is processed to calculate carbon emissions using a combination of industry carbon factors, assumptions and product-bespoke carbon factors. The output consists of a live project-level dashboard where the as-built footprint and carbon hotspots can be visualised alongside several other metrics to support project-level carbon management.

Carbon ‘hotspots’, materials or activities generating high volumes of carbon emissions, are highlighted to enable project teams to track progress against emissions targets and identify further areas for carbon reduction. Data is benchmarked against a range of industry and government standards so it can be used in broader ESG-related disclosures. The dashboard will enable the project teams to track CO₂e performance versus the baseline and complete data quality assurance with the aid of visuals and KPIs.



A visual of our carbon tracker

“PAS 2080 has provided us with a framework to drive carbon reduction across the organisation and help our customers, contractors and suppliers adopt low carbon best practice and achieve carbon reduction targets. A decarbonised UK will only be achieved through industry-wide collaboration and knowledge sharing, innovation and the continued delivery of best-in-class sustainable infrastructure.”

Gemma Small
Sustainable Engineering Lead

Decarbonising the delivery of our contracts

Heathrow 2.0: supporting sustainable growth



Our purpose is improving people’s lives and as part of Team Heathrow, we are committed to leveraging the investment in Heathrow’s capital programmes to create social, economic and environmental benefits for local communities.

Our Heathrow team successfully applied the carbon and waste hierarchy within the Starlight Point works at our Heathrow Terminal 2 project, showcasing materials reuse, environmental management and carbon reduction principles through sustainable design, demolition and logistics. When tasked with the dismantling of a 307-cabin modular building our team prioritised preserving the integrity of each cabin during dismantling so each one could be reused. A key enabler activity for Terminal 2’s new baggage system, the works also needed to be carefully planned to ensure airport operations could continue unhindered, while ensuring smooth delivery and installation of the cabins at their new site in York. By carefully separating and transporting the cabins as abnormal loads, we achieved significant environmental and economic benefits.

Key Achievements

- We saved 1,535 tonnes of steel and successfully repurposed it as part of our commitment to circular economy.
- We reduced construction time and costs for future projects, improving overall efficiency.
- Whole life carbon savings of 3,644tCO₂e will be achieved from offsite material reuse, waste and material avoidance,
- We generated revenue from cabin sales for the client delivering financial gain.

Project approach:

The team’s strategy throughout the works has been to prioritise reuse by dismantling the assets to maximise circularity.

Virtual Reality (VR) was used to create an immersive environment and test scenarios, including the lift plan, dismantling strategy and approach to removing the modules from the site, streamlining the program before works began. The VR modelling and practice runs were also used to ensure the safe transportation of the modules and successfully navigate challenges related to site location and abnormal load transportation.



To find out more, watch the Starlight Point Film – www.costain.com/insights/2024/starlight-point-film/

Decarbonising the delivery of our contracts continued

Sustainable outcomes through our project lifecycle

Shape and create


By applying a sustainability lens to our design process, we can achieve significant efficiencies. Our integrated approach enables our teams to incorporate low-carbon solutions effectively.

The United Utilities Better Rivers (BR) programme aims to reduce spills from the combined sewer network during storm events. This BR programme will improve the efficiency of the network involving sewer repairs and relining, separating out clean surface water tributaries, increasing network storage capacity by creating online/off-line attenuation capacity and/or raising spill weir levels.

At our Boundary Park project, the existing overflow chamber is located 11 meters below the surface in an urban environment. The initial solution of raising the existing weir would have required significant civil engineering to create safe access for maintenance.

By collaborating with the client, the managed service provider delivery team and our Costain design partners, we proposed an alternative approach. Notably, the reduced scope could:

- eliminate excavation work 11 meters below ground level
- save 12 months on construction time
- save 21,000 kgCO₂e related to materials and
- produce £1.8m construction and material cost savings.




Deliver

Successful delivery of our contracts comes from optimising our on-site operations, aligning or enhancing our construction phase footprint and collaborating with our value chain.

The SMP Alliance, consisting of National Highways and six delivery partners, is working together to enhance safety for vehicle users on all lanes of motorways by improving central reserves and retrofitting emergency refuge areas. Costain, as one of three on-site assembly partners, was required to ensure that the works fell within permitted development status. This subjected the team at our M1 J32-35a, M1 J30-31 and M1 J28-30 projects to the requirements of the LA110 standard, which mandates that at least 70% of all materials procured and waste produced, by weight, must be recycled. Achieving this milestone required significant collaborative effort.

Through technical expertise and collaboration with our supply chain and design partner, Costain became the first partner in the SMP Alliance to meet this standard. Additionally, we supported our Tier 1 peers in tackling the same challenge by providing technical expertise and shared learnings. Our work demonstrates our ability to deliver sustainable low carbon solutions, and underpins our commitment to circularity and the sharing best environmental practices.



Operate and optimise


We support our customers in operating and maintaining their assets, enhancing efficiency and ensuring climate resilience.

Our CHC maintenance and response team manages 21 gritters for National Highways under the Area 14 contract. Each gritter requires 120 litres of hydraulic oil, which takes five hours to empty and remove as waste. Historically, the hydraulic oil was changed every 5 years to maintain the machinery's efficient operation.

To reduce unnecessary waste oil production our team has implemented a new solution. By hiring specialist testing equipment, we can now determine if the oil needs changing, replacing the previous schedule-driven regime.

This will provide the following outcomes:

- eliminate 2,400 litres of new hydraulic and waste oil
- eliminate 1,290 gritter miles
- save 1,020 kgCO₂e and
- save £8,000 in costs.



Resource efficiency

Resource efficiency through production thinking

We deliver sustainable solutions by adopting circular economy principles across an asset’s whole life within the delivery of our projects. We leverage production thinking to enhance efficiency, sustainability and overall project outcomes.

Our approach to combining modern methods of construction with new technologies can significantly reduce environmental impacts through several key strategies.

- 1. Efficient resource use:** optimising materials and resources, minimising waste and reducing the need for raw materials to ensure efficient resource use.
- 2. Lean construction methods:** streamlining processes through lean construction methods, reducing energy consumption and emissions.
- 3. Prefabrication and modular construction:** constructing components off-site using prefabrication and modular construction, which reduces on-site waste and environmental impacts.
- 4. Sustainable materials:** encouraging the use of sustainable materials that have a lower environmental impact.
- 5. Improved project planning:** enhancing planning and coordination to improve project planning, reducing delays, rework and associated emissions.
- 6. Energy efficiency:** implementing energy-efficient practices and technologies to lower the project’s carbon footprint.

To identify circular economy opportunities, we are trialling the use of Soil Link, a materials exchange platform. We will evaluate the success of this system during 2025 in terms of reducing waste and increasing the use of recycled and secondary materials.

Production thinking in action

Costain engineers proactively support our customers by optimising solutions. We achieve this through a collaborative approach, applying production thinking techniques alongside the principles of PAS 2080.

On the TfL Gallows Corner project, Costain and design consultant Pell Frishman identified over 440tCO₂e of carbon savings through effective and efficient design solutions. Working to PAS 2080, the team developed opportunities such as optimised steelwork geometries and sizing and the use of pre-cast concrete.

For National Highways M60 Simister Island Interchange, Costain, in partnership with Jacobs and AECOM, has prioritised reusing existing assets within the design, achieving a 15% reduction in emissions from the baseline design. This approach will also reduce land take, reduce impact on biodiversity and be most cost-efficient for the customer.



1,276
employees have completed
production thinking training

£6.7m
in implied efficiencies allowing us to
meet our contractual obligations with
customers

>200
solutions identified to bring
value over traditional methods

Resource efficiency continued

Applying production thinking at Southern Water

Our Southern Water Costain and MWH Treatment (CMDP) JV team have been an integrated part of the production thinking forum which serves as a platform to share best practice implementation of production thinking across Costain projects. Given that the project is subject to multiple Final Enforcement Orders from a regulator, it is imperative to maintain or enhance the current programme position. As AMP8 commences in 2025, the workforce and supply chain will face increased demands, making any measures to reduce onsite construction and labour highly beneficial.

The information shared within the forum has enabled the identification of significant programme savings, cost efficiencies and methods to reduce carbon output, all while upholding the quality of work, which is paramount on a clean water site. Through the application of production thinking methods, the project has achieved a reduction in its carbon footprint by over 30% for temporary working areas and identified more than four weeks of savings for programme-critical activities.

At our Bewl surface water reservoir site, the CMDP team applied production thinking to achieve significant carbon savings. Helical Pile Solutions was approached by the CMDP JV, following their involvement in the early design proposals, to propose a sustainable and carbon-reduced piled solution to support pipe supports on the embankment from the reservoir. The project involved installing 36 helical piles on Bewl dam's 21° embankment.

The team aimed to minimise potential excavation and loadings from heavy machinery as much as possible. The supplier's solution allowed the piles to be augured using a long-reach excavator rather than a traditional piling rig, applying lean construction methods and meticulous project planning. The screw piles were designed and constructed using repurposed circular hollow sections, a by-product of oil drilling activities. This use of sustainable, repurposed materials and construction techniques achieved a 90% carbon saving compared to traditional pile installation.



“We are proud to have been chosen early in the design stage to provide a solution for this project. Our expertise in helical screw piling and collaboration with the CMDP team meant despite challenging conditions, our in-house team completed the work in 8 days, using sustainable materials and innovative techniques to achieve a 90% reduction in carbon emissions.”

Peter Farr
Operations Director, Helical Pile Solutions

Nature and biodiversity

We are committed to contributing to nature positive by 2030, recognising the urgent need to restore nature

We recognise the environmental impact of construction and infrastructure projects and are committed to enhancing the natural environment within and around our projects. Our goal is to help create a cleaner UK with healthier rivers, increased biodiversity and improved habitats.

Nature positive is a global goal set by the Global Biodiversity Framework (GBF) to halt nature loss by 2030, using a 2020 baseline and to achieve ecosystem recovery and stability by 2050. While no single organisation can achieve this goal alone, Costain is committed to contributing to nature-positive outcomes throughout our journey, which will evolve over time. In 2023, we signed the UK Business & Biodiversity Forum’s Nature Positive Pledge and are actively working towards this goal.

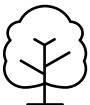




Our strategy

Our nature positive plan (NPP) applies the Taskforce on Nature-related Financial Disclosures (TNFD) Locate, Evaluate, Assess and Prepare (LEAP) framework. This framework helps us identify nature risks in our direct, upstream and downstream operations.

This starts with assessing and identifying our most significant impacts and dependencies. Dependencies include ecosystem services such as rainfall pattern regulation and soil retention and our reliance on raw materials. Our key impacts include disturbances, freshwater use, emissions of pollutants to water and soil and the release of greenhouse gases (GHGs). The scope of our assessment encompasses our entire value chain, with a particular focus on the impact of the materials used in our infrastructure. In 2024, we advanced our efforts to identify the most significant impacts within our supply chain, concentrating initially on suppliers of high-risk materials – those with a substantial impact on nature, which is integrated into our sustainable procurement strategy. The relative impacts of different materials may vary between carbon and nature, but we will seek to address these collectively using the same whole-life framework to identify actions and new requirements.

At the design stage we analyse dependencies, impacts, risks and opportunities to integrate nature-based solutions in place of or alongside grey infrastructure. We worked to achieve biodiversity net gain prior to the regulations being implemented by collaborating with customers and continue to seek opportunities to minimise impact and maximise biodiversity gain. This approach aligns with the 'avoid, reduce, restore & regenerate and transform' (AR³T) framework to manage project delivery and mitigate adverse impacts.

Our road to nature positive

-  Minimised direct impacts by following the mitigation hierarchy and worked with customers to achieve at least a 10% biodiversity net gain (BNG) since 2021.
-  Engaged with the Science Based Targets for Nature, UK Business & Biodiversity Forum and Supply Chain Sustainability School focus groups.
-  Focused on carbon reduction and climate resilience through our climate change action plan, highlighting synergies with nature.
-  Developed a nature strategy with expert validation for the Taskforce on TNFD.
-  Reported initial findings in the 2023 Costain ESG report, aligning with TNFD guidance.



“We have continued to enhance our approach to sustainability risks, adopting a more holistic perspective that acknowledges the complexity, interdependencies and overlaps inherent in these issues.”

Baroness Kate Rock
Board Chair

Nature and biodiversity continued

Environmental risks continue to dominate the risk landscape over the short-, medium- and long-term within the World Economic Forum Global Risks Report 2024. We have identified our risks and opportunities and will build on these to align our Taskforce on Climate-related Financial Disclosures (TCFD) and TNFD disclosures. Nature-related risks are closely linked to climate-related risks, as ecosystems play a key role in emitting and sequestering greenhouse gas emissions and supporting adaptation to a changing climate. As we take action on climate change, we will also consider our impacts on nature to ensure we can seize collective opportunities.

Risks		Opportunities
Policy and legal	<ul style="list-style-type: none">• Policies such as biodiversity net gain may add cost and risk to projects, particularly when offsetting is required.• Policies may limit the use of natural resources such as water for operations, causing delays and cost increases.• Failure to report against TNFD or meet requirements.	<ul style="list-style-type: none">• By developing low-impact alternatives such as Nature-based Solutions (NbS), we can proactively prepare ourselves to scale up our offering in different transition scenarios. This can help us to remain competitive in a rapidly changing market and position ourselves as a leader.
Market	<ul style="list-style-type: none">• We rely on a wide range of inputs, such as raw materials which are mined or manufactured and may have associated impacts on nature degradation or pollution into the environment.• Many of our materials are sourced within the UK and the EU where there is higher certainty over sustainability credentials, however, products sourced outside of Europe may be constrained by resource scarcity, social injustice, or lack of transparency on impacts on nature.	<ul style="list-style-type: none">• By driving our sustainability standards for products and services on all projects, we can gain a competitive advantage over peers by being a partner who can offer solutions to customers’ nature-positive goals.• Private sector investment in nature is likely to grow, generating and increasing the likelihood of new opportunities.
Physical	<ul style="list-style-type: none">• Pressures on water consumption because of water scarcity particularly during summer months could potentially result in delays and increase project costs.• Physical climate risks will also drive an increase in insurance costs and what is insurable.• Pressures on ecosystem services can lead to the depletion of essential materials and resources required for use within the construction industry such as timber, concrete, steel, fuel etc. Availability of materials may be depleted and costs may increase.	<ul style="list-style-type: none">• We have identified opportunities to support existing customers’ infrastructure to incorporate NbS and provide climate change resilience.
Technology	<ul style="list-style-type: none">• Nature-based solutions could emerge as the go-to ‘technology’ driven by customers and skills and knowledge will be in short supply.	<ul style="list-style-type: none">• We are already upskilling and developing employees to meet customer needs. We have also identified key supply chain members with active nature strategies and those that are contributing towards being nature positive.• There is an opportunity to develop a geographic information system (GIS) mapping tool for the identification of high-risk areas leading to an opportunity for us to advise customers on risks and how to implement mitigation hierarchy as well as leading to nature restoration.
Reputational	<ul style="list-style-type: none">• Where the impact of construction on nature cannot be mitigated, this could result in negative public relations.• Unclear strategy, limited knowledge and skills means we may not be able to deliver against the mitigation hierarchy and meet customer needs.	<ul style="list-style-type: none">• Changes in perception concerning a company’s actual or perceived nature impacts, including the consequent impacts on society and engagement of stakeholders.• There is an opportunity to become a leader within the industry to bring positive reputation to development projects and support winning new business.
Liability	<ul style="list-style-type: none">• Legal implications of not complying with soon-to-be-expected mandatory TNFD reporting and/or fines for non-compliance with BNG legislation.	<ul style="list-style-type: none">• Through the strategic transformation of business models, products, services, markets and investments that actively work to halt or reverse the loss of nature, including the implementation of conservation, restoration and NbS.

Nature and biodiversity continued

Managing nature improvements on our projects

We work hand in hand with our customers to manage and minimise our impacts, while striving to create a lasting social, economic and environmental legacy for local communities.

Our 2025 safety, health and environment plan integrates data collection for direct operations, focusing on gathering comprehensive materials and water data from our projects. We are committed to enhancing on-site environmental management to minimise incidents that impact nature and ensure exemplary management of water resources and discharge.

We plan to enhance our geographic linformation system (GIS) capability, we are developing how we map our direct operational locations, providing a complete picture of their impacts and identifying high-impact value chain operational locations. This data will support business decision-making by pinpointing where we need to apply the nature mitigation hierarchy and where to exceed it, adopting the AR³T Action Framework as outlined by the Science Based Targets for Nature (SBTN).

Our plan includes developing a biodiversity accounting framework, recognising that nature-related opportunities can only materialise through proper biodiversity accounting. This involves continuous monitoring of risks and setting appropriate targets to demonstrate performance.

71%
of employees believe Costain
does enough to protect the
environment

100%
of relevant contracts
have biodiversity net
gain plans



Biodiversity benefits on the A1 Birtley to Coal House scheme

As part of the National Highways' A1 Birtley to Coal House road improvement scheme, woodland clearance was conducted under the Angel of the North sculpture to enhance its visibility. This reduced biodiversity so an opportunity to undertake compensatory woodland planting was identified and delivered at Beggars Wood. Over one hectare of woodland was planted, improving the area's biodiversity and the project resulted in a biodiversity uplift from 3.06 to 5.90 units.

The new habitats created as part of the wider A1 Birtley to Coal House road improvement scheme are benefiting several species. Additionally, the project has constructed multi-species crossing points to assist the movement and safety of animals like otters, badgers and reptiles.

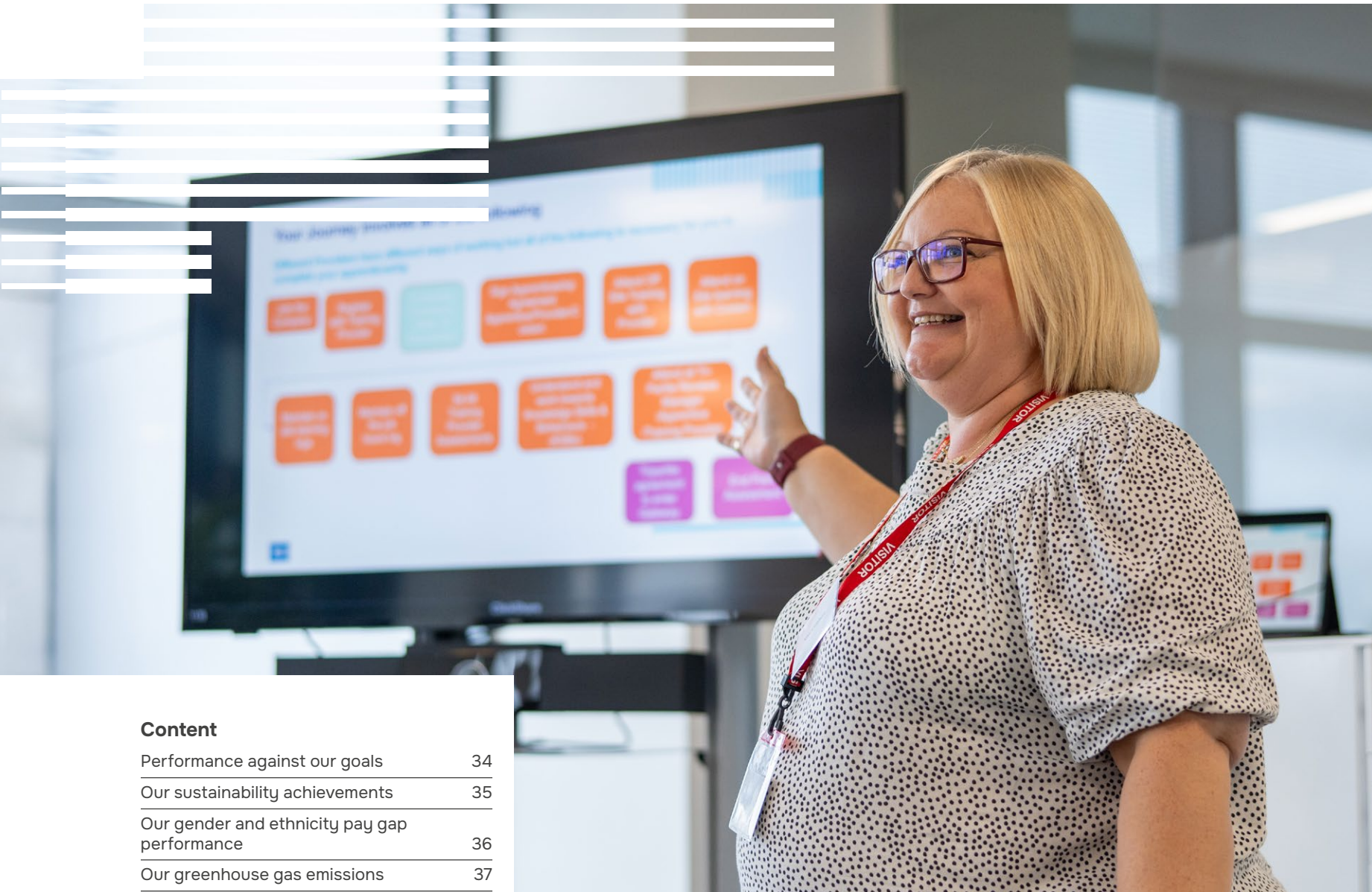


Perfect bat habitat success on Cornwall's A30 road upgrade

As part of the National Highways' A30 Chiverton to Carland Cross upgrade, a bespoke bat house was constructed near the new dual carriageway in early 2022. Following extensive planning with Cornwall Environmental Consultants Ltd, Costain built the insulated house with specially designed crevices and open flying spaces to accommodate various species.

Two years later, lesser horseshoe bats have been found roosting in their new home, made from locally sourced Cornish stone and slate. Activity from brown long-eared, common pipistrelle and myotis bat species has also been recorded. Along with a number of bat and bird boxes installed along the 8.7-mile section of road, the new building is providing a valuable roosting site to protect and preserve the various bat species.

Performance



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We’re driving a more prosperous UK with improved productivity and greater resilience to climate change. Strong, sustainable financial and ethical performance, with predictable, best in class delivery, is a key part of creating a sustainable future.

Further information on our performance:

Performance against our goals

We have progressed against our nine goals during 2024 and provide an overview of our initiatives against these.

Our greenhouse gas emissions


We have seen further reductions in our carbon emissions following progress against our climate change action plan.


Our gender and ethnicity pay gap performance


We continue to progress initiatives to address our gender and ethnicity pay gap and monitor trends in our data.

Performance against our goals

Activating our purpose

<div></div> <div>People</div> <div>Creating a positive lasting legacy for our people and communities</div> <div>Being a responsible business is not just about delivering a sustainable product or service, it is also considering the social impact of how we operate and the impact on our stakeholders.</div>	
2030 goal:	Progress:
A psychologically safe workplace with an engaged, thriving and representative workforce	We have achieved Times Top 50 for Gender Equality and Disability Confident Leader status in 2024. We are also developing our action-based inclusion plan for 2025. In 2024, we achieved our highest engagement survey response rate of 75% and our joint lowest accident frequency rate of 0.03.
Through the duration of this strategy our solutions and social value programmes will improve over one million lives	We launched our new social value plan in 2024 and have procured a new social value tool to enable us to track our social value metrics more efficiently across projects. In 2025, we're launching our Costain 160 challenge to encourage more people to use their volunteering days to deliver social value.
Eliminating harm in all we do	Our lost time incident rate for FY 24 was 0.11 compared to FY 23: 0.12 due to our continued focus on driving improvements in our leading indicators including workforce engagement and targeted assurance activities, which are contributing to our ambition of eliminating harm across all our activities.

<div></div> <div>Planet</div> <div>Safeguard our planet's future</div> <div>We are focused on creating a more sustainable world by ensuring our projects and programmes deliver sustainable infrastructure through low carbon engineering, efficient use of resources, following circular economy principles and incorporating resilience to climate change.</div>	
2030 goal:	Progress:
Net zero carbon by 2045	We have started developing our climate transition plan to better set out our journey to net zero through low carbon engineering, efficient use of resources, following circular economy principles and incorporating resilience to climate change. We continue to work with our supply chain to develop low carbon solutions such as low carbon materials.
Contribute to nature positive by 2030	We have developed our nature positive plan, setting out how we will contribute to nature positive by 2030. This will be released in 2025.
30% reduction in water use from operations compared against a 2023 baseline	We have enhanced our water data collection and expanded the scope of our baseline for 2023/24. This includes recording potable water use, as well as abstractions and discharges to the environment.

<div></div> <div>Performance</div> <div>Deliver strong sustainable, financial and ethical performance for our stakeholders</div> <div>Our approach to being a responsible business is underpinned by a commitment to maintain high standards for corporate governance.</div>	
2030 goal:	Progress:
Our stakeholders rate us as an ethical company	We have seen our external ESG ratings improve this year, our ISS score has increased from a C- to a C, and we have been invited to take part in the corporate sustainability assessment run by S&P Global. Our considerate constructor score in FY 24 was 46/50, compared to the industry average of 41/50.
30% of revenue from 'green' projects	In 2024 Costain were awarded the Green Economy Mark by the London Stock Exchange, recognising that >50% of our revenue derived from green revenue in line with the FTSE Russell Index. Costain being only one of two organisations in our industry to achieve this.
Right first time	We have been working to improve the leading indicators associated with construction defects as part of our 'right first time' ethos. This data will be used to drive positive change in our delivery, improving safety, driving out waste and reducing our carbon.

Our sustainability achievements

Demonstrating our commitment to sustainability

Underpinned by our values and behaviours, we continue to deliver pioneering and sustainable solutions that transform the performance of the infrastructure ecosystem.

We continued to focus on delivering our contracts in the most sustainable way possible, ensuring we maintain our strong health and safety performance and continue to support a healthy, engaged and thriving workforce. This year we have seen this recognised with a number of accreditations, which celebrate the progress we have made towards becoming a more responsible business and looking after our people.

Our focus on continuous improvement resulted in our ESG ratings improving, with notable improvements across all ratings for our climate strategy and contribution to environmental outcomes on our projects. We also saw new ratings from MSCI and S&P Global as well as receiving our first Green Economy Mark.

A very good company to work for

Best Companies carry out our engagement survey every year, so we can hear our employees' views on what it's like to work at Costain.

The feedback they share determines our people priorities, by recognising and celebrating those things that we are doing well and helping us to understand what we might be able to do to be better.

In our 2024 survey we achieved an impressive response rate of 75% and retained our one star 'Very Good' rating.





Disability Confident Leader

Costain has become a Disability Confident Leader in recognition of its commitment to improving accessibility within the organisation.



Green Economy Mark

Costain has obtained the London Stock Exchange's Green Economy Mark, highlighting the sustainability and environmental benefits delivered through its services.



Times Top 50 Employers for Gender Equality

Costain has been recognised by The Times and Business in the Community as taking a proactive approach to tackle inequalities in the workplace by creating action plans to address disparities in areas ranging from pay to progression.



RoSPA

Our energy and defence teams have been awarded the Patron's award the highest possible accolade after achieving 33 consecutive Gold awards.



S&P Global ESG Score

In 2024, we completed our first S&P Global Corporate Sustainability Assessment (CSA). Our disclosure based ESG score is 49/100, with a strong environmental score and above the industry average.



ISS ESG score

We continue to achieve a good rating from ISS, achieving a C rating in 2024.



MSCI

In 2024 we received our first MSCI ESG score. We achieved an AA rating, demonstrating our commitment to being a responsible business.



CDP score

For our 2024 CDP submission, we maintained our B rating, with improved scoring and a higher benchmark.

Our gender and ethnicity pay gap performance

Addressing our pay gaps

Gender progress

We have seen an increase in our 2024 gender pay gap of 2.2% year-on-year. We believe this is related to the increase in women joining the business in the lower quartile through our apprentice and graduate schemes, leading to a substantial growth in the proportion of women in the lower pay quartile. This snapshot in time is not reflective of the action we are taking towards gender equity which we expect to contribute to a sustainable reduction in our gender pay gap in the medium-term.

In 2024, we enhanced our entitlements for maternity, paternity and carer's leave beyond the industry norm. We ran our second cohort of empower, our programme to address female progression and we have implemented a new job architecture and career framework to improve the transparency of progression pathways. In recognition of our progress and action Costain were recognised as a Times Top 50 Employer for Gender Equality in 2024.

While the increase in our gender pay gap is disappointing, it does not undo the steps we have taken this year towards equality and equity. Over 50% (57%) of our Board and 50% of our executive team is female. We are delighted to see an improvement in the gender diversity of our wider leadership population to 20% female and to 38% for the senior leadership team (2023: 33%).

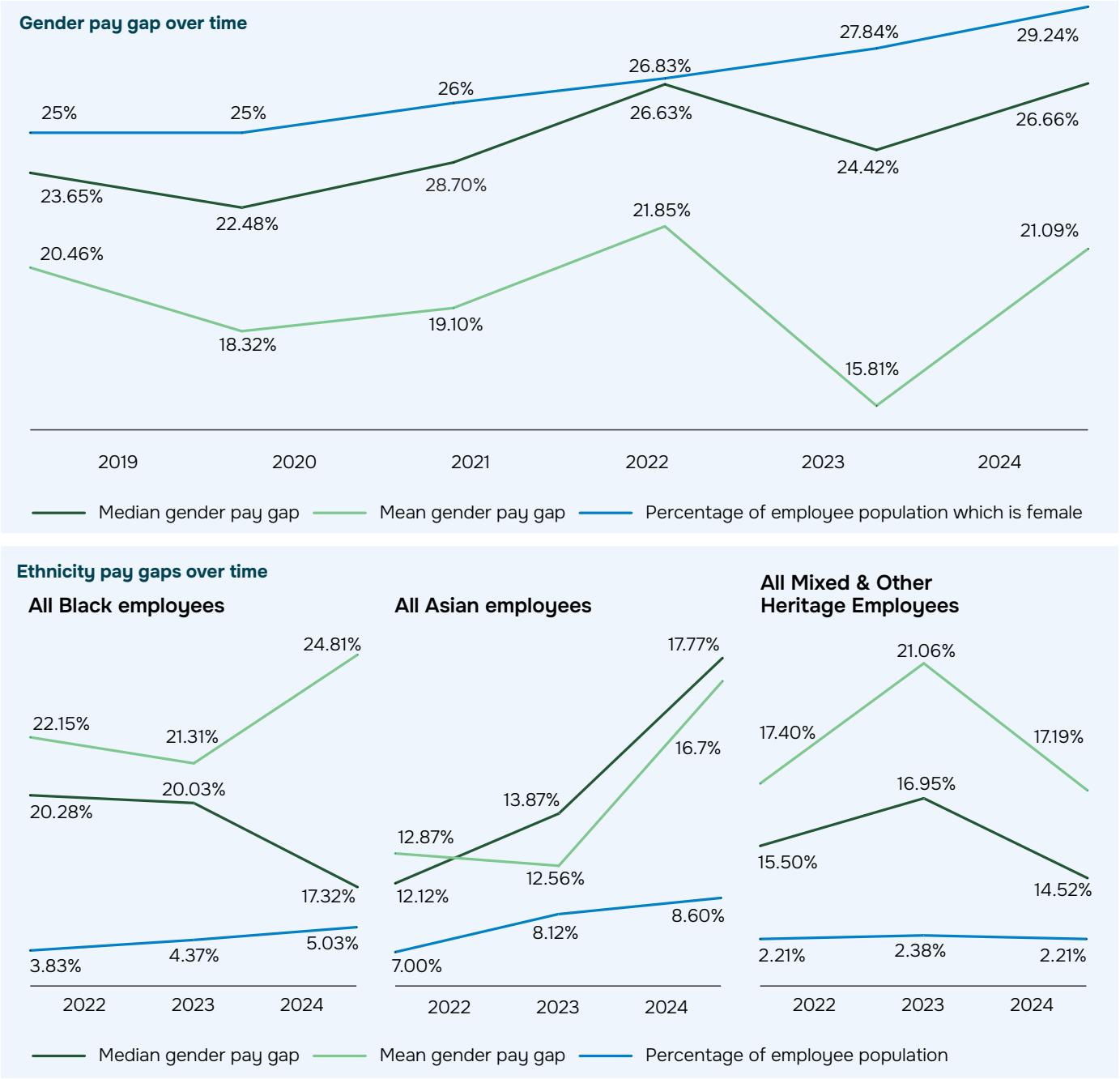
Ethnicity progress

Costain is committed to being a diverse and inclusive employer. Transparency is core to this and that is why we voluntarily publish our ethnicity pay gap data.

For 2024 we are reporting decreases in our ethnicity pay gaps by 2.71% for Black colleagues and 2.43% for Mixed Heritage and Other Heritage ethnicity colleagues. We have seen a 3.9% increase in the pay gap for Asian colleagues and we believe this increase is due to a reduction in Asian representation in the upper pay quartile.

Different pay gaps between different ethnic groups imply varying experiences of progression and reward. Over the last two years, we have run listening circles with different ethnic groups to understand these experiences. As a result of the listening circles, we now review our annual salary review and promotion data through ethnicity lenses, added features to the salary increase process to interrupt potential line manager unconscious bias, used anecdotal experiences as part of senior leader allyship training and used the feedback to inform the actions in our 2025 inclusion plan.

Gender and ethnic diversity in management and leadership have been made a business priority by embedding progress into senior managements' long-term incentive plans.



Our Greenhouse gas emissions

Overview

In 2024 absolute emissions reduced by 1% year-on-year but increased by 0.3% compared to our 2021 baseline. However, when normalised by turnover (tCO₂e/£m) emissions reduced by 9% compared to our 2021 baseline. While we know there is significant work to do to reduce emissions in line with our net zero pathway (see below) to meet our near-term and net zero targets, we are pleased to report two consecutive years of year-on-year emission reductions.

Our efforts to reduce direct emissions are progressing well, with a combined reduction in Scope 1 and 2 emissions of 8% from the previous year and 55% from the base year. Scope 3 continues to be our largest emission source, with purchased goods and services accounting for 95% of overall emissions. The three largest hotspots within Scope 3 are subcontractor activities, concrete and steel.

We have further integrated our hybrid approach to Scope 3 accounting, with the development of our carbon tracker. We are enhancing the use of primary data sources, providing a comprehensive view of emissions and enabling targeted actions to minimise hotspots.

Scope 1: direct emissions and removals

We saw a 2% reduction in Scope 1 emissions in 2024 compared to 2023, following our year-on year reduction trend within our direct operations over the past few years. We have achieved a 59% reduction in Scope 1 emissions since our 2021 base year. Hydrotreated vegetable oil (HVO) constituted 68% of our fuel mix, a decrease from the previous year.

We maintain that HVO is a transitional fuel and continue to integrate low carbon alternatives into our energy mix. In 2025, we will release our updated energy transition hierarchy and minimum plant standards, with a focus on increasing the use of low carbon alternatives.

Natural gas emissions were reduced by 43% from the previous year due to decreased consumption as we undertook property upgrades and relocated three of our offices. Upgrades to the heating system in our Manchester office have eliminated the need for natural gas, ensuring that all office energy needs are now met by renewable energy certificate-attributed electricity tariffs.

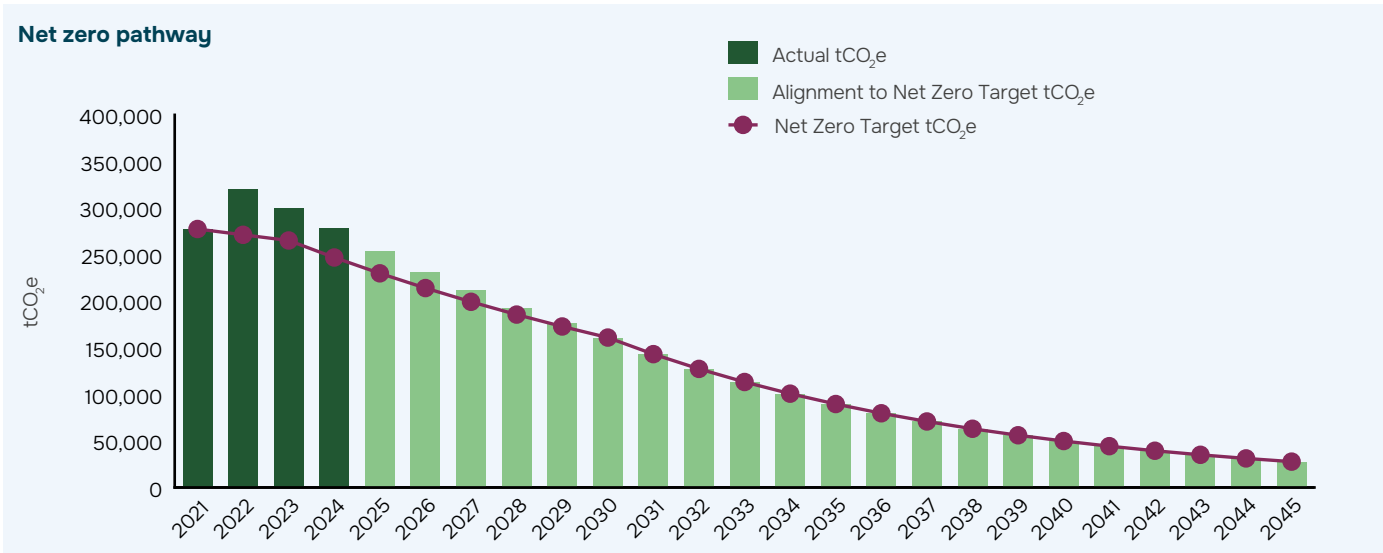
98% of our company car fleet now consists of ultra-low emission vehicles (ULEVs) as part of our ongoing fleet decarbonisation transition. Our focus in the coming year is to transition our company vans, 4x4s and HGVs to low carbon alternatives.

Scope 2: indirect emissions from imported energy

We reduced electricity consumption across our offices and projects in 2024, leading to a 32% reduction compared to 2023. This was primarily a result of a change in energy intensive activities on our sites. Despite a continued increase in company electric vehicles (EV’s) we have achieved a 14% reduction in Scope 2 emissions compared to our base year (2021). We have seen EV related emissions increase year on year, now making up 21% of our electricity impact. We offer extensive charging facilities at our offices and sites, 100% of which are served by REGO backed tariffs.

Scope 3: upstream and downstream activities

Despite a 1% reduction compared to 2023, we have seen a 3% increase against the base year. We account for eight of the 15 Scope 3 categories, with purchased goods and services (PG&S) remaining our largest hotspot, making up 96% of Scope 3 emissions. For the past four years we have used supplier sourced CO₂e data for direct material and transportation emissions into our category 1 and 4 emissions. In 2024 we incorporated project-sourced data, which together now covers 32% of our PG&S emission sources, helping us transition to a greater proportion of primary data. Our three largest Scope 3 sources are; subcontractor activities, concrete and steel. Our focus remains on collaborating with our supply chain, mobilising low carbon contracts, incorporating low carbon alternatives and utilising a ‘use less’ focus across all our activities.



2024 emissions				
Scope	2024 tCO ₂ e	2023 tCO ₂ e	2022 tCO ₂ e	2021 tCO ₂ e
Scope 1: direct emissions and removals	4,771.60	4,875.62	6,426.24	11,560.91
Scope 2: indirect emissions from imported energy	888.07	1,298.69	958.16	1,032.28
Scope 3: upstream and downstream activities	272,558.44	275,181.00*	313,337.23*	264,879.32*
Total tCO ₂ e	278,218.10	281,355.00	320,721.62	277,472.51
Scope 1 and scope 2 tCO ₂ e	5,659.67	6,174.31	7,384.40	12,593.19
Total emission intensity tCO ₂ e/£m	222.38	207.64*	225.64*	243.31*
Out of scope tCO ₂ e	7,842.77	10,855.00	9,870.00	1,206.00

*Restated figures for 2021, 2022 and 2023 based updated methodology approach. See page 43 of our 2024 annual report and Account for more details.

Our emissions data has been independently verified and certified by Toitu carbonreduce programme, aligned to the GHG Protocol Corporate Accounting and Reporting Standard (2015) and the international carbon reporting standard ISO 14064, Part 1:2018. 100% of our emissions are incurred in the UK. Where Costain operates in a joint venture, we have divided emissions proportionately in line with our equity share of each contract.

The following Scope 3 categories are not included in our reported footprint as they are not relevant or have limited materiality to Costain’s operations: downstream transportation and distribution, processing of sold products, use of sold products, end of life treatment of sold products, downstream leased assets, franchises and investments. For SECR compliance, please see our Data book.

About this report

This report highlights our approach to being a responsible business through governance, material issues, strategy and performance during the 2024 financial year (1 January 2024 to 31 December 2024), unless otherwise stated.

Our approach

This is our annual Sustainability Report, published 8 April 2024.

Any data reported in this report will have taken into consideration and have had applied the appropriate attribution before disclosure, with Costain applying an equity share approach. Where we operate in a joint venture we account for Costain's proportionate equity percentage of the measure, unless stated otherwise.

We may occasionally mention activities that occurred before or after the reporting period, when this helps provide a clearer picture of our performance.

We have included case studies as examples of our ESG programme in action. The report covers Costain Group activities. It does not include activities or performance of our suppliers, contractors or partners, unless otherwise noted.

To provide better transparency and disclosure reporting, we have separated out our ESG disclosures into our Data Book. This includes our GRI and SASB reporting.

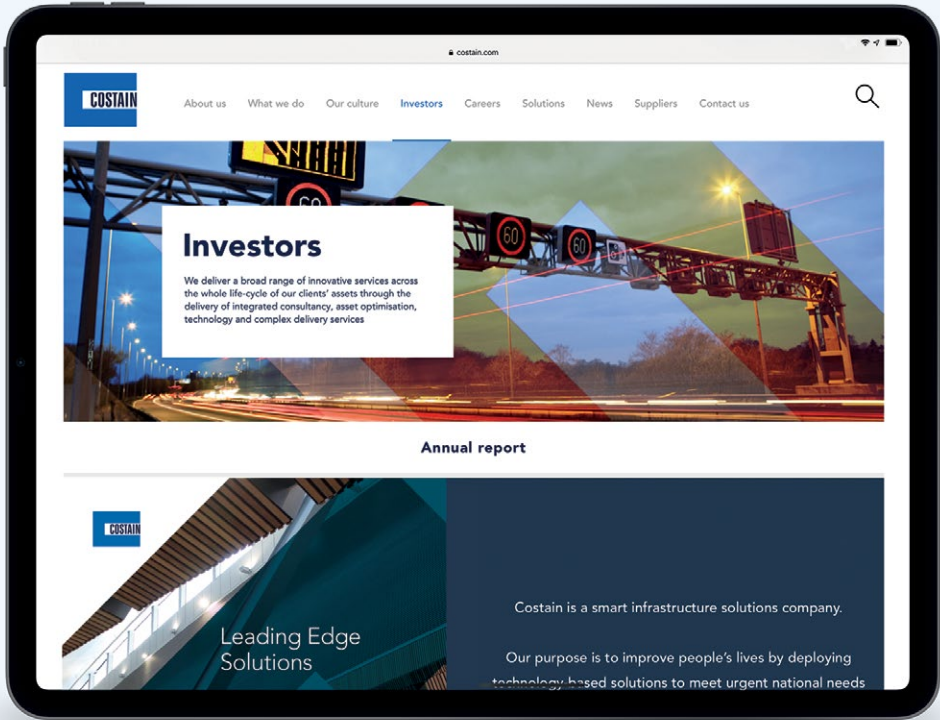
Assurance

Costain commissions Achilles to undertake limited assurance on three KPIs:

- greenhouse gas emissions, which is calculated in line with the GHG Protocol and is third-party accredited by Achilles in accordance with Toitū carbonreduce scheme and ISO 14064-1
- gender and ethnic diversity of Costain's leadership population and
- volunteering hours.

For safety, health and environment (SHE) data, our internal assurance function performs validation assessments across our contracts, ensuring the integrity of our data and that our rigorous standards for SHE management are upheld.

In addition, compliance with internal policies is a key responsibility of our internal audit function and is regularly discussed by both our Audit and Risk Committee and Executive Board.



We welcome your views


Costain is committed to engaging in dialogue with all its stakeholders.

We are actively encouraging feedback on our Sustainability Report and welcome any views you may have.

To provide feedback, or request additional information, please email: corporate.responsibility@costain.com.

Our 2024 Group Annual Report can be viewed at: www.Costain.com/investors

Useful links

 Find out more about Costain visit our website pages:

- Costain.com**
- Costain.com/investors**
- Costain.com/about-us**
- Costain.com/insights**