

# ESG Report 2024

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# Letter From The Board

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It is our privilege to introduce PJ Hegarty's Annual ESG Report 2024, reflecting a year of significant progress and renewed ambition for our Company across Ireland and the UK.

As a company at the forefront of the construction sector, we recognise the unique responsibility we hold: to shape a sustainable built environment – one that supports thriving communities, protects our natural resources, and sets new standards for ethical business conduct.

Over the past year, our industry has experienced both challenges and opportunities, as our industry responds to ambitious net-zero targets, evolving regulations, and the growing call for resilient, sustainable infrastructure. Against this backdrop, our Company has accelerated its ESG journey, embedding sustainability into every facet of our strategy, operations, and culture.

We are proud of the progress we have made in advancing our sustainability initiatives. We continuously strive to reduce our environmental impact, support our employees and communities, and uphold the highest standards of ethics and transparency.



#### AMONGST OUR ACHIEVEMENTS THIS YEAR:

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ADVANCING NET-ZERO COMMITMENTS: We have invested in energy-efficient technologies, adopted low-carbon construction materials, and partnered with our supply chain to reduce emissions.



CHAMPIONING THE CIRCULAR ECONOMY: By reducing waste and optimising resource use, we are setting new standards for responsible construction.

#### STRENGTHENING SOCIAL IMPACT:

We have fostered a diverse and inclusive workforce, supported local communities, and maintained an unwavering focus on health, safety, and wellbeing.

#### UPHOLDING INTEGRITY:



We published our inaugural Code of Ethics and Business Conduct, and our Responsible Sourcing Code.

#### LEADING THROUGH COLLABORATION:



By working closely with industry associations and sustainability leaders, we continue to set benchmarks for best practice and regulatory excellence. Our achievements are the result of a shared commitment, by our employees, partners, and stakeholders, to drive positive change. We are particularly proud of the way our teams have embraced our ESG vision, translating policy into action and delivering tangible results on the ground.

Looking ahead, we remain focused on continuous improvement. We will revisit our materiality assessment annually to ensure our priorities reflect emerging ESG risks and opportunities, and we are committed to further strengthening our reporting, stakeholder engagement, and innovation in sustainable construction.

Thank you for your continued trust and partnership. Together, we are building not just structures, but a legacy of responsible growth and enduring value for generations to come.

The PJ Hegarty Board

# Preface to ESG Report

#### **BASIS FOR PREPARATION**

Whilst the Voluntary Sustainability Reporting Standards for non-listed SMEs (VSME) have not formally been adopted by the European Commission, we recognise their growing relevance for the sustainability reporting landscape, particularly for companies like ours that interact with larger organisations that are subject to more stringent sustainability reporting obligations. In preparing this ESG Report, we have therefore recognised the relevance of the VSME and strived to incorporate aspects where appropriate.

The Report covers the Company's principal operations as a main contractor in building and civil construction, having its main and original activities in Ireland and additional sister operations in the United Kingdom. The reporting scope is consolidated, encompassing the PJ Hegarty companies in both jurisdictions. Material sustainability information for the reporting period ending 31 December 2024 is also included, with disclosures aligned to the Company's financial reporting boundaries. Whilst as a private unlimited company our financial information is confidential, we can confirm that we are identified as a large undertaking having regard to each of the three size-identifying thresholds - balance sheet, net turnover, and number of employees.

Basic company information is provided, including the number of employees, NACE sector classification, and relevant sustainability certifications as may apply. The Company's main business activities, key markets, and principal relationships are also outlined.

All disclosures are prepared using the best available data and, where necessary, reasonable estimates are provided.

As PJ Hegarty is committed to transparency, accuracy, and continuous improvement in sustainability reporting we welcome stakeholder feedback on this Report.

# Our Business

## BACKGROUND

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Founded in 1925, PJ Hegarty has a proud heritage, making it one of Ireland's leading building and civil engineering companies. The Company's enduring legacy reflects its dedication to delivering top-tier projects across Ireland and the UK. With offices in Dublin, Cork, Limerick, London, and Birmingham, PJ Hegarty has built up significant resources and expertise.

The Company's primary activity in both Ireland and the UK is undertaking <u>medium and large complex projects</u> in commercial, retail, industrial, healthcare, tourism, pharmaceutical, sports, residential, high tech, as well as institutional buildings, refurbishment, fit-out, and civil engineering works. The primary NACE classification for the works undertaken falls within Section F: Construction, and specifically F41.20 (Construction of residential and non-residential buildings) and F42.99 (Construction of other civil engineering projects).

In addition to technical and plant resources, PJ Hegarty's success over the years is based on sound commercial and management strategies. It is this emphasis, combined with a solid base of traditional craft skills and professional management, that has placed the Company at the forefront of building contractors.

PJ Hegarty offers a full range of construction services, including management contracting, design and build, alliance/partnering, and PPP contracts, in addition to traditional building arrangements. Directly employing over 460 staff, the range of work undertaken varies in type and size from multi-million euro/pound contracts to small and medium-sized projects.

The Company is fully committed to providing a quality service – completing projects to the highest standards, on time and within budget. Our steadfast in our commitment to being a socially responsible and sustainable organisation. PJ Hegarty recognises the importance of how our work contributes to communities and the impact that this has on the lives of its employees, clients, and other stakeholders. The Company's core values include working with integrity, transparency, safety, and making a positive impact in the communities where we live and work, and ourpolicies are aligned with many of the UN Sustainability Goals.



PJ Hegarty is a business that has been certified by ISO under a number of headings including Quality (ISO 9001:2015), Safety (ISO 45001:2018), and Environmental (ISO 14001:2015). The Company also believes it to be appropriate to follow the guidance set forth in ISO 26000 (on social responsibility) as it relates to interacting with the broader community. These ISO certifications ensure the same standards are consistent across our offices, while also allowing us to monitor and improve the quality of service the Company delivers. PJ Hegarty has also held a Safe-T-Cert accreditation since 2004.



## **CORPORATE SOCIAL RESPONSIBILITY - COMPANY MISSION, VISION AND VALUES**

PJ Hegarty's vision remains unchanged — to spearhead efforts toward delivering safe, sustainable, and innovative construction. The Company's efforts draw upon a wealth of experience, working closely with clients to create exceptional projects with a dynamic and diverse workforce. Our Corporate Social Responsibility (CSR) initiatives reflect a dedication to ethical practices, sustainability, and community engagement.

All employees are expected to uphold the highest standards of ethical behaviour and professional conduct. At its core, are our Company values:



#### Safety

Committed to the physical and psychological safety and wellbeing of all our people, clients, partners, and neighbours.



#### Sustainability

We are committed to delivering high-quality construction projects that contribute to a sustainable environment for future generations.



#### **Relationships**

Built on trust, honesty, integrity, and respect with everyone with whom we engage.



#### Inclusivity

We foster a workplace that cares about and values our people, and are committed to being a diverse and inclusive employer.



#### Dedication

We go above and beyond to meet our own and our clients' needs.



#### Forward Thinking

We are innovative, progressive, and proactive in all aspects of our business.

The Company and each of its employees are stewards of the organisation's reputation and values. By embracing the principles above, everyone can contribute to a culture of trust, integrity, and excellence, ensuring the long-term success and sustainability of the Company.

### **SUSTAINABILITY**

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At PJ Hegarty, another important area at the heart of our business practices is sustainability. There is a commitment to being best-in-class regarding sustainability efforts. The Company continuously strives to reduce environmental impacts, enhance social responsibility, and promote ethical business practices. The goal is to lead by example in adopting practices that benefit both the planet and the communities the Company serves.



The Company is actively working to ensure our sustainability initiatives align with the latest reporting requirements, currently being guided by the EU Voluntary Sustainability Reporting Standards for Non-Listed SMEs (VSME). The sustainability team is focused on advancing efforts to report transparently and positively, demonstrating the commitment to responsible business practices. Sustainability is not just a priority – it is integral to the Company's success and future growth.

As part of the commitment to sustainability, PJ Hegarty actively seeks to minimise the environmental impact of its operations. Dedication to environmental management is reflected in the Company's ISO 14001 certification. Protecting the environment is a top priority for the Company and we take a proactive approach to reducing waste, conserving resources, promoting recycling and reuse of materials, and minimising our carbon footprint.

Additionally, the wellbeing of our employees is actively promoted by providing regular health assessments, supporting a healthy work-life balance, and offering access to appropriate support services.

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## **QUALITY**

Quality is a fundamental pillar of the Company's ethos and plays a critical role in our sustained success and reputation for excellence. PJ Hegarty is proud to hold ISO 9001:2015 certification, a globally recognised standard that reflects the unwavering commitment to effective quality management systems and continuous improvement. This accreditation demonstrates our dedication to consistently meeting and exceeding client expectations while adhering to the highest standards of operational excellence.



Our approach to quality is both proactive and meticulous, guided by the principle of 'Right First Time', with the ultimate goal of achieving 'Zero Defects'. This philosophy ensures that every project is executed with precision and care, minimising errors, enhancing efficiency, and delivering superior outcomes to the Company's <u>clients</u>. Central to our success is the recognition that quality is not confined to any single department or function; rather, it is a shared responsibility of every employee across all levels of the organisation, reinforcing a culture of ownership, accountability, and pride in our work.

ESB Project Fitzwilliam

To support this shared commitment, a comprehensive Quality Management System (QMS) has been established to govern how quality is managed across all aspects of the business, from project execution to support functions. This structured framework ensures consistency, alignment with best practices, and a seamless integration of quality into every process and decision.

By embedding quality into every facet of our operations and empowering employees with robust systems and support, the Company ensures that this remains at the forefront of everything we do - building trust, exceeding expectations, and delivering lasting value to clients and other relevant stakeholders.

# PJ Hegarty Sustainability Strategy

Our three main ESG pillars of People, Planet and Product remain central to our ESG strategy. Our ESG pillars are linked to relevant UN Sustainable Development Goals.



# People

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- Health, Safety & Wellbeing
- Human Resources
- Training & Skills Development
- Community Engagement
- Charity Partnerships
- Diversity, Equality & Inclusion



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# Planet

- Carbon Reduction Plan
- Environmental Management
- Water Reduction
- Waste Reduction & Circular Economy
- Biodiversity



6 CLEAN WATER AND SANITATIO

5 LIFE ON LAND

# Product

- Responsible Sourcing
- Lower Carbon Materials
- Digital Approach to Sustainable Construction
- Quality Approach to Sustainable Construction







**DONE FOR 2024** 

Enhance our engagement

with local communities

partnerships annually

through charity

Charity



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**Vehicle Fleet** 30% of vehicle fleet to be EVs

bv 2030 PROGRESSING WELL

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The Company has developed a strategic roadmap to 2030 setting out its ambitions for the attainment of various sustainability targets. These milestones and our progress for the reporting year are captured in the chart below.





# Governance Structure

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At PJ Hegarty, we have established a robust governance structure to oversee ESG matters, with clear roles and responsibilities at both management and board levels. Our ESG governance framework is designed to drive continuous improvement, manage risks and opportunities, and ensure alignment with stakeholder expectations.

This structure, as outlined in the opposite graph, also ensures that sustainability is embedded into decision-making at every level of our organisation, with clear lines of accountability and regular oversight.



As can be seen from the organisational graph, ultimate responsibility for ESG strategy, risk management, and policy approval rests with the Board which has appointed a representative. Our Head of Sustainability reports directly to the Board representative and also works with the Steering Committee (made up of three Regional Directors) and the Sustainability Manager to develop our ESG strategy, oversee implementation, and ensure compliance with relevant standards and regulations.

Our Sustainability Manager leads day-to-day ESG initiatives, coordinates data collection and reporting, and acts as a central point of contact for ESG matters across the business.

The members of the Working Groups assist in integrating ESG objectives into project delivery, site-level performance, and they also support improvement initiatives.

As part of our efforts, we will continue to review the governance structure annually to ensure its ongoing effectiveness and alignment with best practices. It is our aim to ensure that sustainability considerations are integral to our business strategy and operations, driving long-term value creation for all stakeholders.

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# **Double Materiality** Assessment

PJ Hegarty is committed to best-in-class sustainability management and transparent reporting, guided by strong ethical principles and full compliance with all relevant laws. In 2024, we completed a comprehensive double materiality assessment, applying methodologies consistent with the Corporate Sustainability Reporting Directive (CSRD).

Double materiality is a foundational concept in modern ESG and sustainability reporting. It requires organisations to assess and disclose sustainability matters from two perspectives:



#### **IMPACT MATERIALITY:**

How our operations, products, and services, impact people, the environment, and society at large; and



#### FINANCIAL MATERIALITY:

How sustainability-related risks and opportunities (such as regulatory changes, climate risks, or shifts in stakeholder expectations) can affect our Company's financial performance, resilience, and long-term value creation.

A matter is considered material if it is significant from either perspective, or both, ensuring that our reporting is relevant to a broad range of stakeholders, including employees, clients, and the wider community.

# **OUR DOUBLE MATERIALITY ASSESSMENT PROCESS**

To ensure a robust and credible assessment, we followed a structured approach:

#### **IDENTIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES (IROs)**

We mapped our operations and value chain (upstream and downstream) to identify key ESG topics relevant to our business.



#### STAKEHOLDER ENGAGEMENT

We consulted with internal and external stakeholders, including employees, clients, and suppliers, to understand their perspectives on material ESG issues.



#### **PRIORITISATION AND VALIDATION**

Using both quantitative and qualitative criteria, we evaluated the significance of identified topics from both impact and financial perspectives. The results were validated by our ESG Steering Committee and approved by our Board representative.

#### **INTEGRATION INTO STRATEGY AND REPORTING**

The outcomes of the assessment directly inform our ESG strategy, risk management, and the focus areas of this report, ensuring that our resources are directed to the topics that matter most to our business and stakeholders.

# **KEY FINDINGS AND FOCUS AREAS**

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Our assessment identified the following as material topics to our business:

- Climate change mitigation and adaptation
- Resource efficiency and circular economy
- Health, safety, and wellbeing of employees and visitors
- Diversity, equality, and inclusion
- Supply chain responsibility and human rights.

These topics underpin our ESG objectives, policies, and continuous improvement initiatives.

# CONTINUOUS IMPROVEMENT

By voluntarily adopting a double materiality lens and aligning with both the CSRD and VSME standards, we demonstrate our commitment to transparent, reliable, and stakeholder-focused ESG reporting. This approach helps to mitigate the risk of greenwashing, strengthens our accountability, and ensures our sustainability actions are both credible and impactful.

We will review and update our materiality assessment regularly to reflect evolving risks, opportunities, and stakeholder expectations, further embedding sustainability and ethics at the core of our business.





# **ESG** Policies

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PJ Hegarty's policy framework is designed to reduce negative impacts and enhance positive contributions to people and the environment, supporting our transition to a more sustainable and resilient business model.

In 2024, we undertook a thorough review and update of all policies including those related to our sustainability efforts, to ensure that they reflect current best practices, the outcome of our double materiality assessment, legal requirements, and stakeholder expectations. As part of this process, we published our new <u>Code of Ethics</u> and Business Conduct, and our <u>Responsible Sourcing Code</u>, both of which are publicly available on our websites.

Each policy is supported by relevant training and progress is monitored through periodic reviews and stakeholder engagement.

Our ESG policies are living documents, reviewed annually and updated as needed to reflect changes in legislation, stakeholder expectations, and emerging best practices. We are committed to ongoing engagement with employees, partners, and the wider community to ensure our policies remain relevant and effective in delivering positive ESG outcomes.



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\* Can be found on PJ Hegarty's websites (<u>www.pjhegarty.ie</u> / <u>www.pjhegarty.co.uk</u>)

For further details on our practices and future initiatives related to these policies, please see the table in <u>Appendix A</u>, which provides references to relevant sections throughout this Report.

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# Anti-Bribery & Corruption

PJ Hegarty maintains a zero-tolerance approach to bribery and corruption, recognising these risks as critical governance matters. As attested to in our Code of Ethics and Business Conduct, and our Responsible Sourcing Code, we are committed to the highest standards of ethical conduct, transparency, and accountability in all our operations, supply chains, and stakeholder engagements.

Our Anti-Bribery and Corruption Policy applies to all employees, contractors, suppliers, and business partners. The policy clearly defines both 'bribery' and 'corruption' including fraud and facilitation payments and sets out the behavioural expectations for every individual who represents our Company. All forms of corrupt activity are strictly prohibited, whether direct or indirect, and regardless of any local business practice. We have established strong governance mechanisms to identify and address corruption risks within our operations. We maintain robust procurement, contracting, and financial management processes to reduce opportunities for corrupt practices.

We also provide accessible channels for reporting suspected bribery or corruption, including the right to anonymous reports. Whistleblowers are fully protected from retaliation, and any reports received will be investigated promptly and fairly, at all times cognisant of due process.

> Code of Ethics and Business Conduct

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Criminal Courts of Justice

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# Membership Associations

Through our engagement with leading membership organisations, we contribute to and benefit from collective efforts to raise standards in sustainability, safety, wellbeing, diversity and inclusion, quality, and governance. This strengthens our own ESG performance while also contributing to the broader industry's transition to responsible and sustainable practices.

Our membership associations provide tangible value to our business and stakeholders by providing access to cutting-edge sustainability knowledge and tools, as well as facilitating the exchange of best practices and innovative solutions through industry communities and subgroups.

Some of the associations with which we engage include:





PJ Hegarty leverages insights from its association memberships to inform our ESG strategy, risk management, and reporting practices. By collaborating with industry peers, our aim is to help to set higher standards for environmental stewardship, social responsibility, and ethical governance across the construction sector.

Our ongoing engagement with these organisations ensures that we remain proactive in addressing emerging ESG challenges and opportunities, in full alignment with the VSME's principles of transparency, comparability, and continuous improvement.

# People

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## **INTRODUCTION**

#### People are at the core of everything we do.

At PJ Hegarty, we believe that the long-term success and sustainability of our organisation is built on the strength, dedication, and wellbeing of our workforce. In Ireland and the UK, where community spirit, mutual support, and strong social bonds are integral to national life, we are proud to foster a workplace that reflects and celebrates these values.

We view our people not just as employees but as partners in our shared journey. Their skills, creativity, and resilience drive our innovation, shape our culture, and ensure we continue to meet the evolving needs of our clients, stakeholders, and society. As part of our ESG commitments, we are focused on creating an inclusive, equitable, and empowering environment where every individual is supported to thrive.

This means prioritising health, safety, and mental wellbeing; championing diversity and inclusion at every level; upholding human rights across our operations; and investing in learning and development to nurture talent and future leadership. We understand that attracting, retaining, and developing the best people is not just a business imperative — it's a vital part of building a more sustainable and responsible future.



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# Health & Safety

The health and safety of our employees, contractors, and visitors is fundamental to our business and an integral part of our ESG strategy. We are committed to providing a safe, healthy, and supportive working environment across our operations. Our commitment goes beyond legal compliance; we strive to lead the way in influencing industry standards whilst also adhering to all applicable Environmental, and Health and Safety (EHS) laws and regulations.

PJ Hegarty's safety and environmental systems are certified to an ISO 14001 (Environmental) and ISO 45001 (Health and Safety) standard.



SYSTEMS AND PROCEDURES

LEADERSHIP AND COMMITMENT

COMMUNICATION AND COORDINATION

SAFETY BEHAVIOURAL CULTURAL PROGRAMMES

# POLICY AND MANAGEMENT APPROACH

We maintain a comprehensive Health & Safety Policy, reviewed annually, or more frequently as needed, to ensure alignment with evolving best practices and regulatory requirements. Our approach includes:



Fostering a culture of safety where every individual is empowered to prioritise safety, health and wellbeing in their daily activities

Demonstrating an active commitment to safety through strong leadership, decisions, and communication that foster a culture where safety is consistently valued, practiced, and continuously improved.



oč≣ € Implementation of industry-leading safety protocols and procedures

Encouraging open communication and collaboration to identify safety concerns and continually striving to improve overall health and safety performance



Clearly defining roles and responsibilities for health and safety management

Running regular training and awareness programmes for all employees and contractors

Coordinating continuous monitoring and improvement through audits, inspections, and feedback mechanisms

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## **PERFORMANCE REPORTING**

As a result of transparent and non-punitive reporting on key leading and lagging safety metrics, we can identify trends, address risks proactively, and continuously improve our safety practices.

This data-driven approach not only ensures compliance with industry regulations but also reinforces our culture of accountability and care. Our commitment to safety directly supports our broader ESG goals by protecting our workforce, reducing operational disruptions, and demonstrating responsible corporate governance.

# EMPLOYEE ENGAGEMENT AND WELLBEING

We actively engage our workforce in health and safety initiatives, encouraging the reporting of both potential incidents and suggestions for improvement. Our wellbeing programmes address both physical and mental health, providing access to support services, wellness resources, and regular health checks.



# CONTINUOUS IMPROVEMENT

We are committed to continuous improvement in health and safety performance. This includes setting annual targets, benchmarking against industry standards, and integrating new technologies and practices to further reduce risks.

By embedding a culture of safety and wellbeing throughout our organisation, we not only meet our regulatory requirements but also our moral obligation to ensure that every individual on our sites returns home safely every day.

#### INDUSTRY CONTRIBUTIONS

Our EHS team is involved with numerous industry groups, actively contributing to the enhancement of industry standards. Two of the active committees and groups are:



CONSTRUCTION SAFETY PARTNERSHIP ADVISORY COMMITTEE

#### **CSPAC** Standardisation of approach to health and safety management

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# **2024 HEALTH AND SAFETY INDICATORS**



**Training Sessions** delivered to our EHS team, as well as both PJ Hegarty and Supply Chain staff





33,071

Positive and Corrective Safety Observations



1,856

Audits and Inspections



155

**EHS Manager Audits** 



3,006

**Toolbox Talks** 



**684** 

Safety Recognitions Awarded



218

Safety Campaigns



At PJ Hegarty, we have invested in cultivating a strong safety culture where every team member, from site operatives to senior management, is empowered and expected to speak up, stop unsafe practices, and look out for one another. This collective commitment fosters a shared sense of ownership and accountability across the organisation.

PJ Hegarty run many programmes to develop, support, and improve our safety culture. This includes our Safety Behaviour Observation (SBO) programme supplemented with our award-winning Don't Walk By Initiative. Both programmes work together to ensure staff are trained on behavioural safety, safety culture and psychological safety. To share our ethos in this area, we published an article during the 2024 Construction Industry Safety Campaign titled "Growing a Safety Culture with Trust and Respect."

This article can be found on Page 38 of the 'Construction' digital magazine - October 2024, here.

PJ Hegarty run many safety and health campaigns throughout the year. Some examples of these campaigns include the following:

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## **OCTOBER SAFETY CAMPAIGN**

Every October, PJ Hegarty lead the way as Gold sponsors for the Construction Industry Federation Safety Campaign. The objective of the campaign is to promote positive health and safety among Ireland's industry workers with a particular focus in 2024 of managing our critical risks.

During the campaign, our projects and EHS staff organised and delivered several impactful events. We enlisted guest speakers, conducted procedural demonstrations, refresher training events, worker recognition, and more. Notable highlights of the campaign included guest speaker Marian Deasy and PJ Hegarty's own project manager, Gary Dickson.





# Gary's Story

As part of the safety campaign, we focused on raising awareness around hand safety. Gary, a PJ Hegarty Project Manager, shared details of a serious hand injury he sustained in 2011 while working on a fishing trawler. His story serves as a powerful reminder of the importance of hand safety and the need to never take it for granted.

WATCH VIDEO

# Marian Deasy

Marian Deasy - an advocate for construction site safety who is the mother of Lorcan Deasy, a young man who had been working on a construction site in Co Mayo in 2018, and who tragically lost his life in a workplace accident involving a fall from height - was invited to visit several PJ Hegarty sites as part of our safety campaign.

Marian spoke about Lorcan and the devastating effects a workplace fatality can have on a family and community. The talk was highly impactful and emotional for all who attended and is a stark reminder of the importance of safety when working at height.

HOW DID IT HAPPEN?

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## **DECEMBER SAFETY FOCUS**

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Every year, PJ Hegarty launches our December Safety Focus campaign. The objective of our December Safety Focus Initiative is to reinforce safety awareness and prevent accidents during a time when risks may increase due to weather, fatigue, holiday distractions, or year-end deadlines.

Our 2024 December Safety Focus Campaign highlights essential safety messages that emphasise the making of right choices to ensure safety at work, on the road, at home, and for the overall health and wellbeing of staff.

Hegarty Building Contractors	December Safety Focus Staying Safe and Giving Back
Make Smart Choices in the Lead up	WEEK: C1 State Choices for for fair dark, 1/ anapt (broucher binding reads): In Conseling a device and whether the dark binding and also there are also and an also bind the dark binds and also and also binds and and also and also and also and also and also and also also and also and also binds and also also also also also also also also
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Our Safety Visual Standards, implemented across all sites, are clear visual communication tools that illustrate and reinforce the health and safety practices required throughout our operations. The visuals are designed to be simple, universally recognisable, and immediately apparent, thereby crossing the language barriers so that workers who speak different languages or are new to the site can easily identify required practices. Some examples of these include:





## NISO AWARDS

We were proud to maintain our two awards at the 33rd Annual National Irish Safety Organisation (NISO).

The awards highlight our unwavering commitment to health and safety and reflect the collective efforts of our team and partners.



Higher Distinction Award Consistent High Achiever Award

# Health & Wellbeing

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The health and wellbeing of our employees, contractors, and all those who interact with our sites is fundamental to our success and sustainability, and our commitment in this area extends beyond mere compliance. We foster a culture where physical safety, mental health, and overall wellbeing are actively promoted and protected.

Over the past year, we have implemented a range of targeted initiatives and continuous improvement measures to support our people, reduce risks, and create a supportive working environment. Some of the actions taken include:



# WORLD MENTAL HEALTH DAY

We welcomed guest speaker Sinéad Bradbury, a nutritionist and health expert, to one of our sites for World Mental Health Day. Sinéad spoke about all the aspects that contribute to overall health and wellbeing, from healthy eating, exercise, and taking time for self-care.



## MEN'S HEALTH WEEK

For Men's Health Week 2024, we actively engaged our teams to raise awareness about men's health and promote healthier lifestyle choices. The overall aim was to heighten awareness of preventable health problems for males of all ages, support men in engaging in healthier lifestyle choices, and encourage the early detection and treatment of health difficulties.



## MEN'S HEALTH WEEK

Our annual Men's Health Campaign is growing each year with increased engagement and involvement from our staff and supply chain.

## **ANNUAL STEPS CHALLENGE**

For the month of February, we encouraged staff to join our annual Steps Challenge.

As always, the challenge was enthusiastically embraced, with **187 staff members** across our Irish and UK projects actively involved. The objective of the challenge was to promote physical activity, wellbeing, and team engagement following the holiday season, when people may feel sluggish or have adopted less healthy habits over the festive season.

The challenge generated so much interest that it became a popular topic of conversation in the site canteens and offices throughout the month of February. Together, staff amassed over **46 million steps**, equivalent to circling Ireland's coast **10.5 times** within just **28 days**.

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Project staff from our city-centre sites took part in the Pieta Darkness Into Light walk, making their way through the heart of Dublin at sunrise to raise awareness for suicide prevention and mental health. The event held deep personal meaning for many participants, as countless lives have been touched by the impact of suicide. Through this collective effort, we aim to help break the stigma surrounding mental health and encourage those who are struggling to seek the help and support they need.



# HEALTH SCREENING

At PJ Hegarty, we work with the Construction Workers Health Trust (CWHT), who provide health screening to workers on our construction sites.

During the 15-minute one-to-one sessions with an occupational health nurse, workers received blood pressure tests, a full cholesterol screen (hdl, ldl, and triglyceride), a diabetes test (hba1c test not blood sugar), height, weight, and body mass index, heart health advice, cancer awareness, and dietary advice.



# MAKE IT VISIBLE CONSTRUCTION LIGHTHOUSE CLUB

PJ Hegarty was delighted to host representatives from the Lighthouse Charity as part of the #MakeitVisible campaign on two of our construction projects during 2024. The Lighthouse Construction Industry Charity provides emotional, physical, and financial wellbeing support to the construction community and their families across Ireland and the UK, operating a free 24/7 helpline with expert advisors.

PJ Hegarty is a long-standing partner and supporter of the charity. During their visit to our two construction sites, representatives from the charity shared their personal experiences of dealing with mental health challenges, which gave our team the confidence to share their stories and reach out for wellbeing support.

# Training & Skills Development

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Training and development is a crucial component of PJ Hegarty's success. All training conducted is designed to enhance employee skills, knowledge, and performance while aligning with the Company's strategic objectives.

The comprehensive approach to training and development aims to create a culture of continuous learning and growth, ensuring that the workforce remains adaptable, skilled, and motivated in an ever-changing business landscape. By investing in the training and development of our employees, we aim to create a highly skilled, engaged, and productive workforce that drives the organisation's success and supports individual career growth.

#### CPD/CAREER DEVELOPMENT

PJ Hegarty is committed to fostering Continuous Professional Development (CPD). Where employees are required to complete a designated number of CPD hours annually, depending on their role and level, we record these hours on the Company's training system.

05 | APPENDICES

#### MANDATORY

Mandatory training covers essential health, safety, environmental, and key policy areas such as Health, Safety, and Wellbeing, DEI, Data Protection, Anti-Bribery and Corruption, and Cybersecurity. Site-based employees must also complete additional safety training before starting on-site.

# AREER PARTIES POLICION POLICIO

#### **ROLE-SPECIFIC**

Role-Specific training is tailored to an employee's specific role within the organisation, designed to help them achieve their objectives or meet the requirements of specific projects.

# CAREER AND LEADERSHIP DEVELOPMENT

We offer a wide range of training programmes to support employee development and ensure industry compliance. Career progression may involve additional role-specific training and leadership development, typically discussed during the annual appraisal process.



On average, the number of hours of training received per employee in 2024.

# Community Engagement

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At PJ Hegarty, we believe that our impact should extend beyond the workplace, positively influencing the communities where we live and work. Our commitment to social responsibility drives us to give back in meaningful ways, ensuring our contributions create lasting change.

During 2024, we focused on strengthening community connections, supporting local and regional initiatives, and investing in future generations through education. From sponsoring charitable events to actively participating in local projects, we continually sought opportunities to make a difference. These efforts reflect our dedication to fostering a stronger, more connected society.

Empowering the next generation is also at the heart of our community engagement. Through educational outreach programmes, we provided students with insights into the construction industry, inspiring them to explore rewarding career paths and equipping them with the knowledge to succeed.

We are proud to play an active role in shaping a brighter future, one initiative, one partnership, and one community at a time.



#### PULLING TOGETHER FOR THE COMMUNITY

In 2024, PJ Hegarty was the gold sponsor for the first Ronald McDonald House Vintage Fire Truck Pull. PJ Hegarty team members formed one of fifteen teams taking part to raise €39,000 for this wonderful charity. Ronald McDonald House currently accommodates and supports twenty families of seriously ill children every night in Children's Health Ireland at Crumlin. For 20 years they have been "home" to over 5,000 families across the island of Ireland.



#### **RUN IN THE DARK**

In November 2024, several staff from our Cork and Limerick offices participated in the Run in the Dark joining 3,000 runners in Cork City. By participating and supporting this event, they have helped raise funds for paralysis research and the pursuit of a cure.



#### EGGS FOR THE COMMUNITY

We donated 2,253 Easter eggs to fourteen schools, charities, and food banks in the communities near our projects across England, Scotland, and Wales.



#### **COMMUNITY TREE PLANTING**

As part of a group of volunteers, PJ Hegarty helped the Stepping Stones Forests project to plant over 8,000 trees and shrubs in Tymon Park. This mini woodland, made up of native species and planted using the Miyawaki method, will play a significant role in improving biodiversity in the area, mitigating climate change, and improving air quality next to the busy M50 motorway.



#### **CHRISTMAS IN THE COMMUNITY**

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Celebrating the meaning of Christmas, our team organised a toy drive in aid of Birmingham Children's Hospital. The team also participated in the distribution of the gifts to the boys and girls.



#### **PROMOTING CONSTRUCTION IN THE COMMUNITY**

We sponsored STEAM-in-a-Box programmes in schools in Dublin and Cork to help inspire and promote early hands-on learning and skills. STEAM provides a box of activities, lesson plans, materials, training, and support services.



#### **COOKING FOR FAMILIES**

We were delighted to be involved again in the Cooking for Families programme with Ronald McDonald House Charity, which provides support to families who are taking care of sick children.



**Charity Challenge** Supporting The Crann Centre



#### **CYCLING FOR CRANN CENTRE**

PJ Hegarty staff participated in a "spinathon" event hosted by Savills for The Crann Centre to support their great work in providing lifelong solutions for adults, children, and families living with neuro-physical disabilities such as spina bifida, cerebral palsy, spinal cord injuries, and more.





#### **CPR SKILLS IN THE COMMUNITY**

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We participated in the Irish Heart Foundation's Hands for Life programme which provides members of our team with lifesaving skills that can be used in the community. Anyone in the community with these skills can potentially double the chance of survival for a person who may be having a cardiac arrest.



#### **CORK GIVING TREE**

We had the privilege of delivering the collection of toys, books, teddies, and vouchers donated to our Giving Tree from our staff to the Cork University Hospital (CUH) Charity. The gifts were presented to the CUH Charity and the nursing staff of the CUH Children's Ward, who work tirelessly to care for sick children. Our Giving Tree was a huge success, with over 80 gifts donated.



#### THIRD-LEVEL COLLEGE SITE VISITS

Third-year civil, structural, and environmental engineering students from University College Cork visited one of our major Cork projects. For many of the students, this was their first time on a construction site, which presented an invaluable opportunity to see theory put into practice around site establishment, site EHS, earthworks, substructures, and superstructures.



#### **POBALSCOIL NA TRÍONÓIDE SKILLFEST '24**

We were proud to sponsor the debut Pobalscoil na Tríonóide, SkillsFest '24. This innovative event brought together secondary schools from East Cork and West Waterford, putting the spotlight on vocational skills in areas such as construction, information technology, engineering, art, hair & beauty, home economics, and design & graphics. This was an opportunity for students from different schools to connect, share, and compete, showcasing their skills.

# Charity Partnerships

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Our commitment to social responsibility is grounded in a genuine desire to make a meaningful difference, not only in the communities where we work but in the lives of individuals who need it most.

In 2024, we donated to a diverse network of charitable organisations spanning healthcare, homelessness, child welfare, mental health, and international humanitarian relief. Our contributions were guided by a values-driven approach and reflect causes that matter deeply to both our staff and wider stakeholder community.

Over the past year, we supported multiple charities across Ireland and internationally, with funding distributed to organisations such as:

<b>FOCUS</b> Ireland	Ba rnardos		pieta	ISPC		Make-A-Wish.	DEPAUL Homelessness has no place
Children's Heath Four Da Da Tion Heat Inters: Haid-Constit Europative Coloring Realing	Friends of the Elderly Ireland	<del>رچ</del> debra	cross ∱care	Cork Simon Community	Single Sublin Community	ONE IN FOUR Ending the trauma of childhood sexual abuse	R M H C Ireland
Our Lady's <b>Hospice</b> & Care Services	∷ Vision Ireland	Society of St, Vincent d e Paul	SAMARITANS	THE Alzheimer Society of Ireland	G©AL	Inicef Contract of the second	CORK University Hospital
preventing homelessness	Merchants Quay Ireland Homeless & Drugs Services	Lighthouse	MEDECINS SANS FRONTIERES	Walk and a second secon	Birmingham Children's Hospital Charity Doing more for sick kids	Portiaoise Action To Homelessness	AS I AM IRELAND'S AUTISM CHARITY

## **DONATION BREAKDOWN**



We are grateful for the opportunity to contribute to these organisations' life-changing work and remain committed to supporting those who are creating lasting impacts in our communities and beyond.

# Diversity, Equality & Inclusion

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At PJ Hegarty, we remain steadfast in our belief that diversity, equality, and inclusion are fundamental to who we are, not only as an employer but as an industry leader. Our DEI journey is one of meaningful action, guided by strategy, collaboration, and the commitment to building a workplace where everyone feels they belong.

# **INVESTORS IN DIVERSITY AND INCLUSION**

During the reporting period, we proudly retained our Silver recognition from the Irish Centre for Diversity and submitted our application for Gold accreditation, a major milestone in our ongoing DEI journey. This achievement reflects the tangible progress we've made in fostering a more inclusive workplace and our unwavering commitment to continuous improvement.



# OUR THREE-YEAR DEI STRATEGY

In 2024, we implemented our three-year DEI strategy, a structured roadmap developed by our DEI Steering Committee with representations from across PJ Hegarty's departments and geographic locations.

The strategy was published in December 2024 and will be reviewed annually to track progress, respond to changing needs, and ensure it remains relevant and impactful.

Our strategy is guided by three core goals:

#### IMPROVING THE OVERALL DIVERSITY OF THE ORGANISATION

We are committed to increasing diversity across all levels of the business, particularly female representation, and diversity of thought, culture, and background. We continue to refine our recruitment, hiring, and onboarding practices to reflect this goal, aligning with industry-wide targets to achieve 25% female representation by 2030.

# ✓ BECOMING A LEADING INCLUSIVE ❑ ORGANISATION

From policies and processes to culture and communications, inclusion is embedded throughout PJ Hegarty. We aim to be a renowned employer where every individual is valued, supported, and equipped to succeed.



We are committed to bringing about broader change, sharing our DEI learnings with clients, partners, and the wider community, and encouraging shared responsibility across our network.

# STEERING COMMITTEE AND EMPLOYEE RESOURCE GROUP

Our DEI Steering Committee which is led by a PJ Hegarty Board Director, continues to guide our strategy and monitor implementation across offices and construction sites. In 2024, we also expanded employee engagement by establishing an Employee Resource Group (ERG), giving employees a space to share their perspectives, celebrate differences, and contribute ideas that enhance inclusivity across the business.

# LEADERSHIP DEVELOPMENT AND TRAINING

We launched a structured DEI Leadership Training Programme, featuring a series of sessions on topics such as Neurodiversity in the Workplace and Bias-Free Mindset training. This Programme will evolve into a two-year rolling development initiative starting in 2025.

We also expanded training across the Company in 2024, to cover some DEI topics, including:



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Unconscious Bias Training for senior leadership



<u>A</u>

Leadership Training for site supervisors and managers

Emotional Intelligence Development

A Supply Chain DEI Webinar, hosted in partnership with the Irish Centre for Diversity, introducing inclusive principles to our extended network





# **CELEBRATING PRIDE**

We marked Pride Month 2024 with coffee mornings across our offices and sites, celebrating individuality and allyship. We also hosted educational webinars to explore the importance of intersectionality and belonging — reinforcing our support for our LGBTQ+ colleagues and community.

# DEI POSTER AND TOOLBOX TALK CAMPAIGN

Our sitewide DEI poster campaign continued in 2024 where campaign infographics were displayed on all site notice boards, covering key inclusion topics such as:



Gender Equality

Inclusive Language and Leadership





 FREDIE: Fairness, Respect,
Equality, Diversity, Inclusion and Engagement

LGBTQ+ inclusion

Race and Ethnicity Inclusion

These infographics act as everyday reminders of our shared commitment to creating a respectful and inclusive work environment.

To underscore the importance of DEI in the workplace, a corresponding toolbox talk took place involving all site staff, including supply chain staff, to coincide with each poster topic.



# GOLD SPONSORSHIP OF CIF INTERNATIONAL WOMEN'S DAY

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We are the proud Gold Sponsors of the CIF's International Women's Day Summit and we remain vocal advocates for gender equity in construction. In 2024, our Head of HR, Jan Glynn, spoke on the Inspiring Inclusion panel alongside industry leaders, while Director, David Casey, and member of our DEI Steering Committee, pledged our Company support for encouraging young people to consider careers in the built environment.



International Women's Day

## **COPE FOUNDATION**

Our Cork team partnered with Midleton Distillery to deliver a Shomera structure for the COPE Foundation, which supports over 2,800 children and adults with intellectual disabilities and autism across Cork. PJ Hegarty contributed time and materials for the new foundation, helping create a calm, inclusive space for ageing residents seeking relaxation and privacy.



## WALK PEER PROGRAMME

We continued our partnership with the WALK PEER Programme, hosting site visits in Dublin and Cork for students from special education schools. Participants gained first-hand insight into careers in construction and trades. Several students are now on a pathway toward apprenticeships in carpentry and plumbing, following their engagement with our teams.

WALK PEER Programme lead Enda Murray described PJ Hegarty as *"exemplary* role models in the field of effective management and teamwork towards a more diverse and inclusive workforce."





# FAIRNESS, INCLUSION AND RESPECT INITIATIVE

In the UK, our teams participated in Fairness, Inclusion and Respect (FIR) discussions throughout July, hosting cultural lunch events to celebrate heritage and encourage open conversations around religion, beliefs, and inclusion.

## **DEI WEBPAGE LAUNCH**

In 2024, we launched a dedicated <u>DEI page</u> on our website. The page highlights our Investors in Diversity journey, outlines our policies and initiatives, and features our DEI vision and values. It provides a transparent, engaging look at how we're working to build an inclusive workplace from the inside out.



# Our 2024 Gender Pay Gap Metrics

## **GENDER PAY GAP HOURLY PAY**

The gender pay gap in hourly pay shows the mean and median hourly full-pay earnings of females and males in PJ Hegarty. The figures represent difference in female earnings expressed as a % below male earnings.

#### Mean Gender Pay Gap

24%

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Median Gender Pay Gap

35%



9	Men	
	100%	
2	Women	
	100%	

## **BONUS GENDER PAY GAP**

The figures represent bonus payments to females expressed as a % lower than bonus payments to males.

Mean Bonus Gender Pay Gap



0%

Median Bonus Gender Pay Gap

## **BENEFIT IN KIND**

Proportion of individuals who receive a Benefit in Kind.





PAY
<b>QUARTILES</b>
<b>BY GENDER</b>

QUARTILE	MEI
Upper Quartile	90%
Upper Middle Quartile	92%

E	MEN	WOMEN
artile	90%	10%
dle Quartile	92%	8%

QUARTILE	MEN	WOMEN
Lower Middle Quartile	82%	18%
Lower Quartile	66%	34%

## HOW WE ARE CLOSING THE GAP

#### ATTRACTING TALENT

To ensure we attract more women into our business and create a pipeline of women leaders for the future, we have attended female focused STEM recruitment events and participated in the All-Ireland STEM Passport for Inclusion programme.

#### **STUDENT OUTREACH**

To overcome the gender diversity challenges faced by the construction sector, PJ Hegarty plays its part in encouraging more young women to consider a future in the industry through in-person talks and Q&A sessions at secondary-level schools within our communities.

#### DIVERSITY

PJ Hegarty was awarded Silver in the Investors in Diversity in March 2023, reinforcing our commitment to increasing our DEI agenda within our teams. We have embarked on our 'Journey to Gold', which we hope to achieve in 2025.

#### TRAINING

PJ Hegarty provides a range of DEI-focused training throughout the calendar year, which forms part of our DEI communication strategy, including Unconscious Bias, Leadership and Emotional Intelligence training.

#### RECRUITMENT

We review job descriptions to ensure the language used is inclusive and gender neutral. Through our DEI journey, we continually improve our interview process, ensuring diverse panels to help eliminate bias and disrupt homogenous thinking.

#### POLICIES

We have a host of family-friendly policies in place within PJ Hegarty to support our workforce, such as maternity leave, adoptive leave, paternity leave, parents leave, bereavement and compassionate leave.

#### WELLBEING

The health and wellbeing of all our staff is paramount to us and is supported by our Work-Life Balance, Remote Working and DEI policies. We also hold events and campaigns throughout the calendar year focusing on mental and physical health.



# Planet

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# **INTRODUCTION**

The Earth's climate has shifted. Many people already deal with the consequences of global warming, such as intense heat, wildfires, and flooding. The experts' primary message is straightforward: act immediately to curb the escalating effects of climate change. At PJ Hegarty, we are acting now to reduce our impact on the planet's climate.

To evaluate our 2030 and 2050 carbon reduction targets, we have collaborated closely with the Science Based Targets initiative (SBTi). Our plan for achieving net zero in 2050 outlines the essential actions we will take to fulfil our responsibility to mitigate and adapt to climate change.



Energy and Greenhouse Gas (GHG) Emissions:

We track our energy consumption and report Scope 1 (direct), Scope 2 (indirect), and Scope 3 (value chain) GHG emissions in accordance with the GHG Protocol. For 2024, our total GHG emissions were:

SCOPE 3:

SCOPE 1: **1,104**tCO<sub>2</sub>e

SCOPE 2: 433tCO2e **75,572**tCO<sub>2</sub>e

**TOTAL:** 78,843tCO2e


## **SCOPE 1**

70% of our Scope 1 GHG emissions come from the fuel we directly purchase for our plant and generators. To reduce emissions from these sources, we have developed a three-pronged approach of efficiency, electrification, and alternative fuels. A key milestone in 2024 was our <u>transition from diesel to HVO fuel</u> for site plants and generators across Ireland. This shift played a significant role in achieving a 43% reduction in our Scope 1 & 2 emissions compared to our 2019 baseline.

## **SCOPE 2**

Scope 2 GHG emissions are the indirect emissions from the electricity we use. To reduce these, we analyse the electricity consumption of our projects, offices, and plant departments and retrofit low-energy use products and adapt our ways of working to avoid unnecessary electricity consumption. We annually review opportunities for implementing renewable energy initiatives to decrease our Scope 2 emissions, such as the addition of our 29.5 kW PV array to our <u>Dublin Plant Yard</u> and the deployment of the DeCarbonator PV Cabin on a project in Dungourney, Co. Cork.

## **SCOPE 3**

Scope 3 GHG emissions account for around 95% of our carbon footprint and are those that arise in our value chain. These emissions come from the goods and services we purchase from our supply chain. Whilst we do not have direct control over this significant emissions source, we do have influence on our supply chain and subcontractors. Therefore, as a first step in tackling Scope 3 emissions, we launched a responsible sourcing workstream in 2023, which continued into 2024. A key component of this initiative was a series of three <u>Training and Awareness Workshops</u> we arranged in Dublin, Cork, and the UK, engaging over 65 participants from our key supply chain and subcontractor network.

Rebar and concrete represent our largest source of Scope 3 emissions. In 2024, we achieved significant reductions by selecting more sustainable alternatives in collaboration with our design teams and clients. For example, the use of low-carbon concrete mixes contributed to a reduction of 5,433 tCO<sub>2</sub>e. Building on this success, we now include sustainable alternatives such as high GGBS-content concrete and low-GWP or high-recycled-content-rebar, as a standard feature in all our project tender submissions.







# CLIMATE SCENARIO PLANNING

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Current projections indicate global temperature increases are likely to exceed the Paris Agreement's aspirational 1.5°C limit, with median estimates suggesting 2.0 - 4.0°C of warming by 2100 under existing policies and emissions trajectories. To stress test our operations against these ranges, PJ Hegarty conducted our inaugural climate scenario analysis in 2024 where we evaluated and identified future risks and opportunities applicable to our business.

#### POLLUTION AND RESOURCE MANAGEMENT

We implement best practices to minimise air, water, and soil pollution across all our sites. Our waste management strategy prioritises reduction, reuse, and recycling. As a result of this, we diverted 96% (3,898 tonnes) of our construction and demolition (C&D) waste from landfill. Water consumption is monitored and reduced through efficient technologies and awareness campaigns rolled out on our sites. We continually seek ways to reduce the number of skips removed from our sites, working closely with clients and project teams. In 2024, we strengthened our waste management and monitoring system by collecting extensive data from each of our sites. This has provided us with focus areas for improvement in 2025 and 2026 - another important step toward our goal of achieving 100% waste diversion from landfills.





#### CIRCULAR ECONOMY AND BIODIVERSITY

Our approach to circularity continues to evolve, with a focus on key materials and identifying opportunities to trial circular economy solutions on live projects. An example in 2024 was the use of several tonnes of locally sourced, fully recycled steel on our <u>project in South Wales</u>, UK.

Also in 2024, we actively monitored and measured our environmental performance in accordance with ISO 14001, setting clear targets and objectives to drive ongoing improvement. Where feasible, we collaborate with clients to mitigate or eliminate the negative effects of recent developments on biodiversity.

# 2024 Carbon Footprint

Having completed our carbon footprint assessment for 2024, our calculations were then validated by a specialist consultant in accordance with ISO 14064-3.

## TOTAL GROUP EMISSIONS (TCO2e)

	2019	2020	2021	2022	2023	2024
Scope 1	2,967	4,708	2,967	4,338	3,767	2,839
Scope 2 (Location)	628	875	600	249	352	433
Scope 2 (Market)	559	655	447	244	352	433
Scope 3	125,553	78,866	49,588	89,344	60,708	75,572
Total	129,148	84,449	53,164	93,931	64,827	78,843

## **EMISSIONS INTENSITY BREAKDOWN**

	2019	2020	2021	2022	2023	2024
Revenue (€M)	435	560	375	501	433	571

	2019	2020	2021	2022	2023	2024
Direct (S1 & S2)	8.26	9.97	9.54	9.16	9.51	5.41
Indirect (S3)	288.63	140.83	132.23	178.33	140.20	130.54
Total	296.89	150.80	141.77	187.49	149.72	135.95

## **SUMMARY**

In 2024, we saw a decrease in emissions intensity of 8% across the organisation in comparison with 2023.

reduction in emissions  $43^{\circ}$ 

intensity Scope <u>1 & 2</u> reduction in emissions 5.6% intensity Scope 3

In 2024, we achieved a **25%** reduction in Scope 1 & 2 emissions, compared to 2023.

reduction in Scope 1 & 2 | IRE

reduction in **Scope 1 & 2 | UK** 

Steel rebar/mesh (42%) and concrete (25%) were our largest Scope 3 emission source.

96%

of our total emissions are Scope 3 emissions, with the remaining 4% made up of Scope 1 & 2 emissions, consistent with previous years.

In 2024, Scope 3 emissions increased by 24.5% compared to 2023, primarily due to the increase in the number of projects undertaken in 2024 and the related increase in the purchase of goods and services. As stated earlier in this Report, we are actively collaborating with our value chain to find ways to reduce our Scope 3 emissions.



# Carbon Reduction Plan Process

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We have aligned our carbon reduction targets with the SBTi, a global body enabling businesses to set ambitious emission reduction targets in line with the latest climate science. Targets are deemed 'science-based' if the climate science accords with the objectives of the UN Paris Agreement - limiting global warming to 1.5°C above pre-industrial levels.

In 2024, we began implementation of several decarbonisation levers specifically aimed at reducing our Scope 1&2 and Scope 3 emissions. From analysing our 2024 carbon footprint, we have started to see the impact of these and will continue to explore other levers which will help us realise our ultimate target of achieving net zero carbon emissions by 2050.



# **CASE STUDY 1** Transition to HVO

We achieved our target in 2024 to transition from diesel to HVO for all PJ Hegarty-owned plant in our Irish operations:

<b>P</b>
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Total HVO purchased: 579,241L

Carbon savings in comparison to diesel: 1,626 tCO2e

This saving is equivalent to **53%** of our total Scope

1 & 2 emissions.

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This demonstrates our commitment to a renewable and sustainable future and marks an important step in helping us achieve our SBTi Scope 1 & 2 emissions targets for 2030 and 2050.





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# CASE STUDY 2 Clondalkin Plant Yard PV Array

We added to our PV array by investing in a 29.5 kW system for our Dublin Plant Yard in 2024. This brings our total PV array to 43 kW. Our annual yield from both systems in 2024 was as follows:

Dublin Office (13.5 kW system)	10,434 kWhr (installed in 2021)
Dublin Plant Yard (29.5 kW system)	16,268 kWhr (installed in May 2024)
Total	26,668 kWhr

This is equivalent to a saving of 26.7 tCO<sub>2</sub>e. This commitment helps reduce our Scope 1 & 2 carbon emissions every year and, by exporting renewable excess electricity back to the grid in evenings and weekends, will contribute to Ireland's environmental targets.



# IDL Dungourney

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Irish Distillers Ltd (IDL) Dungourney is a site 9 km north of Midleton, Co. Cork.

This site was selected to serve as a best-in-class sustainable project. Our aim was to pilot and implement initiatives that showcase what can be achieved when sustainability is prioritised in site welfare and logistics.

This case study will allow us to share our findings and demonstrate to clients, design teams, and internal project teams what can be achieved on future projects.

## **DECARBONATOR PV CABIN**

While our preference is always to power sites using mains electricity, data collected since we began monitoring energy consumption in 2022 shows that 60% of our projects rely on generators for part or all of their duration. As a result, generator use accounts for an average of 70% of our Scope 1 & 2 emissions.

For the IDL project, we decided to trial a bespoke method of powering our sites fed from generators to reduce our fuel consumption and associated carbon emissions.

Our typical site power arrangement is to use generators sized to deal with large peak loads in the morning and lunchtime hours to operate 24/7. This results in the generator running inefficiently for most of the time. By using the DeCarbonator PV Cabin, our aim was to decrease the size of the generator and reduce the run time and associated fuel consumption required to power our site welfare and office facilities.





The DeCarbonator PV Cabin was delivered and made operational in September 2024, and its impacts include:



The unit was operational from September to December 2024. Due to reduced generator run time during this period, 35.7 tCO2e carbon was saved.

We engaged with a renewable energy solution provider to develop a unit adapted for this project and future sites. The key features of the unit when discussing our requirements as part of concept design with the provider were:



A 20 foot cabin incorporating 7.0 kW solar PV system and 48 kWhr battery storage



Ability to deliver 50 kVA of instantaneous power and to operate in conjunction with a generator and/or mains power



Solar PV system to reduce generator runtime during generation hours and deliver excess power to battery storage if available





Unit to have an integrated energy control system capable of remote energy monitoring and control/adjustment





Unit to be plug-and-play and capable of deployment on multiple sites

An energy management system was installed in 17 cabins onsite. This system, which was crucial to the success of the DeCarbonator PV Cabin, shut off power to cabins at nighttime and weekends when it was not required. It is also fully adjustable and capable of being tweaked at any time to suit the requirements of the site management team.

Close collaboration between our sustainability team, the site management team, and the renewable energy provider was a **key aspect of the success** of this



As this is a plug-and-play cabin, our intention will be to deploy it on future sites once this project is complete to successfully continue carbon reductions across our projects.

## WATER WELL

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A borehole well water supply was installed to serve the site compound at IDL Dungourney offering a more sustainable solution given the compound's remote location. This approach avoided the extensive civil works required to connect to the Irish Water network, significantly reducing potential impacts on local biodiversity and carbon emissions.

The borehole was drilled and made operational in one day and has met the required water supply requirements for 70 site workers and staff for the duration of the project.

As an additional enhancement, purification and UV filters were installed on the supply from the well coupled with piped water dispensers using compostable cups. Over the life of the project, this will result in the reduction of

175 18.9L plastic bottles



This initiative has also led to health and wellbeing benefits, with workers and staff complimenting the quality of drinking water provided on the site, which has encouraged better hydration of the workforce and thereby enhanced their general wellbeing.





# Dublin Office Atrium Upgrade

In 2024, we completed renovation works at our Dublin office, including a major upgrade to the entrance atrium. A new timber structure was installed, featuring high-performance glazed screens.

The atrium was constructed using a low-embodied carbon timber frame with energy-efficient glazing, which maximises solar gain while minimising heat loss - significantly reducing the operational energy demand of the reception area.



An overheating analysis was conducted by a specialist consultant to help select the most suitable heating and ventilation system for the space. Following a review of the results of this analysis, underfloor heating and high/low level natural ventilation via automatic operating vents were chosen as the optimal solution for the space.

A highly efficient LED lighting and control system was also installed in the new atrium. A highlight of the lighting installation was the real-life moss fitting installed in the waiting area. The specially preserved moss in this fitting absorbs moisture from the space all year round and acts as a natural acoustic treatment for this area.



# Climate Scenario Analysis

Our decarbonisation plan is aligned with the SBTi pathway for limiting global warming to 1.5°C above pre-industrial level. However, over the course of 2023 and 2024, it became apparent that the national and global outlook for achieving this target was unrealistic. To begin preparations for the uncertainty that lies ahead, we conducted a climate scenario analysis assessment to understand how PJ Hegarty might perform in future climate states outlining potential future risks and opportunities for the business. The reference year for all scenarios used was 2023, and the different scenarios we chose to use as part of the analysis were:

#### PHYSICAL SCENARIO 1: Middle of the Road: 2°C World

Moderate implantation of climate policies and carbon reduction measures, still leading to global temperature increase of 2.7°C by 2100.

#### PHYSICAL SCENARIO 2: Avoid at All Costs: 4°C World

Little or no efforts made to mitigate climate change. Global temperature increase of 4.4°C by 2100.

### TRANSITIONAL SCENARIO 1: Orderly Transition to Net Zero

Global net-zero emissions by 2050 due to strong coordinated climate action driven by green finance funding. Global temperature increase of 1.5°C by 2100.

#### TRANSITIONAL SCENARIO 2: Disorderly Transition to Net Zero

Global net-zero emissions by 2050, but delayed implementation of strong policies from all nations after 2030 resulting in regional disparities in climate policy.

Our assessment considers both physical risks (e.g. extreme weather, rising temperatures, and heatwaves) and transition risks (e.g. market and regulatory shifts towards low-carbon materials). Additionally, the analysis highlights strategic opportunities in climate adaptation and low-carbon construction for our business.

## **KEY FINDINGS INCLUDED:**

## **1** PHYSICAL RISKS:

Flooding and increased heatwaves could require adjustments in building designs and operational practices. The report indicates that these risks, while significant, are manageable due to proactive integration into project planning and cost structures.

## **02** TRANSITION RISKS:

Challenges such as supply chain disruptions and adaptation to low-carbon material demand are anticipated but mitigated through a robust decarbonisation plan, vendor collaborations, and policy advocacy.

# **03** OPPORTUNITIES:

By leading in climate-resilient and low-carbon construction, PJ Hegarty can expand into new markets, including retrofits, flood defences, and net-zero building projects. We have included more detail on the results of our climate scenario analysis risks and opportunities within <u>Appendix C</u> to this report.

# Environmental Management

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Our approach to environmental management is founded on a commitment to transparency and ongoing improvement. In fulfilling these commitments, we take into account both current and anticipated legislative requirements including both the basic and comprehensive modules of the VSME. This ensures that, as a Company, we can meet the expectations of our clients, other stakeholders, business partners, and regulators.

Our environmental management practices are designed not only to meet legal requirements but also to anticipate evolving stakeholder expectations and industry best practices. Through structured data collection, target setting, compliance monitoring, and regular performance review, we aim to minimise our environmental footprint, contribute to a low-carbon economy, and create long-term value for our Company and the communities in which we operate.

## WATER REDUCTION

PJ Hegarty recognises that responsible water management is essential to sustainable construction and environmental stewardship. We are committed to reducing our water footprint, optimising water use across all operations, and supporting the preservation of local water resources. We also play a significant role in the Irish and UK construction industries in promoting sustainable and efficient use of water.

We incorporate water-saving principles into the planning of site logistics associated with all our projects and our offices. This includes preparing a water-saving action plan that identifies areas where water consumption is highest and implementing actions that can be taken to reduce this. This includes regular leak detection and maintenance to minimise losses.

For all our site operatives, we provide training that demonstrates the type of actions that can be taken to reduce onsite water consumption. Keeping track of all progress made so that problem areas can be identified is critical to the success of each water-saving action plan.





Installing water meters is a great way to monitor this progress. For this reason, we have made it mandatory for all new projects from 2024 onwards to include water meters, which are monitored monthly.



Our target for 2030 is to reduce potable water usage intensity by 50% against our 2026 baseline. We review our water management practices annually, set measurable targets, and engage relevant stakeholders to ensure our approach remains effective and responsive to changing conditions. Our efforts support not only regulatory compliance but also our broader commitment to environmental responsibility and sustainable growth.

# Waste and Circularity

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Effective waste management and the adoption of circular economy principles are central to our sustainability strategy and operational excellence. We have implemented robust processes to track, reduce, and, where possible, segregate waste across all our construction activities while maximising resource efficiency and minimising environmental impact.

Our waste reduction initiatives focus on preventing waste generation at source, promoting recycling, and responsibly disposing of materials that cannot be reused. Working together with partners and suppliers, we look for creative ways to recycle materials and lessen our impact on landfills.

## **WASTE MANAGEMENT**

PJ Hegarty's waste management practices include systematic waste segregation, recycling and reuse, and hazardous waste controls.

In 2024, these site waste management practices resulted in the successful recycling of 1,658 tonnes of fully segregated skips of rubble, metal, gypsum, plastics, and wood to our waste partners' processing facilities. We also diverted 96% (3,898 tonnes) of our construction and demolition (C&D) waste from landfill.

We began tracking the amount of each waste stream we create on our projects across our business in 2022. We are using this information to identify areas for improvement across our business to help reduce our waste generation on sites.



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#### WASTE COMPOSITION BY YEAR



### **DIVERSION FROM LANDFILL**



#### **KEY OBSERVATIONS:**



The amount of mixed C&D skips we used increased, with a decrease in the amount of metal and wood skips

The amount of plasterboard and dry mixed recycling (DMR) skips has increased, which is a positive result

A big focus area for us in 2025 is to increase the awareness of our site teams and subcontractors on waste segregation on our sites

## **CIRCULAR ECONOMY**

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We are making strides in our management of resource use by prioritising, where possible, the procurement of recycled and recyclable materials and promoting reuse. Circularity is a conscious consideration in the planning and execution of our projects, with a particular focus on increasing the recycled content in construction materials and packaging and collaborating with suppliers and partners to close material loops and reduce reliance on virgin resources.

It is PJ Hegarty's belief that circularity should not be viewed as an add-on but as a central pillar of our business strategy, driving innovation, resilience, and long-term value creation.



# Drax Power Station, Hirwaun, South Wales

We continually evaluate ways to apply circular economy principles across our projects. Reinforcing steel typically comprises between 20-45% of our annual carbon footprint, making it a key focus area for carbon reduction. As part of our commitment to sustainability, we actively propose lower-impact alternatives to clients. One such example of this is the Open Cycle Gas Turbine project in Hirwaun, South Wales. For this UK-based project, we engaged with a local steel supplier to source 600 tonnes of rebar with the following features:

- The rebar supplier manufactured its steel from 100% recovered ferrous scrap sourced from within the UK. Due to the addition of the required minerals to obtain the right quality of steel, the recycled rate reduced slightly to 98%.
- The manufacturing plant used to create the steel and cut and bend the rebar sections before delivery to the site was based in South Wales near the project.

#### BY CHOOSING THIS SUPPLIER, THE FOLLOWING SAVINGS WERE OBSERVED:

- (QQ) 600 tonnes of locally sourced scrap material was re-used for the project
- 270 tCO2e saved by not using material sourced from outside the UK
- **1,352 tCO**<sub>2</sub>**e** saved by not using material sourced from outside Europe produced from Iron Ore

This case study demonstrates the carbon savings that can be achieved by using locally sourced recycled products for our projects.



# Biodiversity

As a main contractor, we recognise our responsibility to protect and enhance biodiversity on all project sites, and we therefore systematically assess and manage our direct and indirect impacts on biodiversity throughout the construction process. We regularly review our biodiversity practices in light of any new legislation, stakeholder expectations, and industry guidance. Our goal is to continually enhance our positive contribution to local ecosystems.

As biodiversity is vital for maintaining the health of ecosystems and the services they provide, we are committed to protecting local flora and fauna throughout our construction projects. This commitment includes conducting thorough environmental impact assessments prior to project initiation to identify sensitive habitats and species. We then strive to minimise disturbances through careful planning and implementation of protective measures.

#### **ACTION AREA**

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#### **EXAMPLE ACTIVITY**

Pre-Construction	Review ecological surveys, plan mitigation (with experts where necessary)
🛱 Site Management	Restrict access, prevent pollution, protect habitats
Wildlife Protection	Pause work if wildlife found, seek expert advice as appropriate
Restoration and Enhancement	Support native planting, create wildlife features
Subcontractor Engagement	Communicate protocols, require compliance
Monitoring and Reporting	Track incidents, report on biodiversity measures

Each year, we engage with our colleagues throughout the Company to complete initiatives to help improve local biodiversity.



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# Tree Planting Tymon North, Dublin

In March 2024, team members from PJ Hegarty volunteered to support the Stepping Stones Forests project to plant 8,000 trees and shrubs in Tymon Park. The ambitious two-day planting event saw volunteers work alongside John Kiberd of Stepping Stone Forest, Dodder Action, Cairde Pháirce Thigh Motháin — Friends of Tymon Park, South Dublin County Council, and many more to help achieve the mini woodland project's goal. The Company also donated equipment to support other community volunteers.

Planting trees forms part of our ESG strategy and is linked to UN Sustainable Development Goals 12 Climate Action and 11 Sustainable Cities and Communities. This mini woodland, made up of native species and planted using the Miyawaki method, will significantly improve biodiversity in the area, mitigate climate change, and improve air quality next to the busy M50 motorway.





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# Men's Shed Bug Hotels

As part of our 2024 initiatives to support biodiversity and the local community, we partnered with Ballinora Men's Shed to create bug hotels for our projects across our Irish Southern Region.

These bug hotels provide a safe resting place for insects during their travels, especially during winter, thereby supporting the pollination cycle and biodiversity in general.

The Company was delighted to donate to the Ballinora Men's Shed, a community-based project where men come together to learn, share skills, and make long-lasting friendships.



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# Biodiversity Webinar, Biodiversity Week

To launch National Biodiversity Week 2024, we held a webinar hosted by Professor Jane Stout, Vice President for Biodiversity and Climate Action at Trinity College Dublin.

The week is dedicated to connecting people with nature, raising awareness about the importance of biodiversity, and inspiring action to help protect it.

During the webinar, Professor Stout shared valuable information about biodiversity loss and its drivers, as well as insights into how we can positively impact local and national biodiversity.



Learn more at <u>www.biodiversityweek.ie</u>



# Product

## INTRODUCTION

PJ Hegarty's approach to its 'Product Pillar' reflects a commitment to responsible sourcing, innovation, and quality throughout the construction lifecycle. We prioritise transparency and traceability in our supply chain, with a view to obtaining materials that are ethically sourced and meet our environmental and social criteria. Leveraging Building Information Modeling (BIM) and digital technologies, we embed sustainability and compliance into every project phase, enhancing collaboration, regulatory alignment, and lifecycle performance.

This section of our Report highlights our digital strategies, showcases case studies of sustainable construction, details our robust quality management systems, and celebrates industry recognition and awards, demonstrating our dedication to delivering products that advance environmental responsibility, social equity, and governance excellence.

Our focus on innovation extends as much as possible to the adoption of advanced construction methods and materials that reduce environmental impact while maintaining the highest standards of safety and durability. By collaborating closely with clients, suppliers and industry partners, we continually seek out low-carbon alternatives, recycled content, and circular economy solutions that minimise waste and maximise resource efficiency. These efforts not only support our clients' own sustainability goals but also contribute to the broader transition toward a greener built environment.

We aim to ensure that every project is executed to the highest ethical and environmental standards, translating design intent into tangible results through skilled project management, quality assurance, and transparent stakeholder engagement. Our commitment to continuous improvement is reflected in regular performance reviews, third-party certifications, and a culture of accountability, ensuring that every product we deliver upholds our values of sustainability, quality, and social responsibility.



Salesforce Tower Dublin

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Responsible Sourcing Code

# Responsible Sourcing Update

As a tier-one contractor, we are committed to the responsible sourcing of materials, ensuring sustainability, ethical procurement, and compliance with industry standards to minimise environmental impact and promote social responsibility across our supply chain. During the reporting period, we further enhanced this area from 2023, with the publication of our <u>Responsible Sourcing Code</u> in Q3 2024. This Code outlines the ethical, environmental, and social expectations for our supplier and subcontractor networks, ensuring that our value chain is fundamentally clear on the standards of integrity, sustainability, and transparency required if these companies want to work with us.

Amongst other things, the Code mandates fair labour practices, human rights protection, environmental responsibility, and transparency in business dealings. All suppliers and subcontractors are required to adhere to these principles, with regular monitoring, reporting mechanisms, and corrective actions to uphold accountability and continuous improvement.

PJ Hegarty's suppliers are primarily based in Ireland, the UK, and Europe. The relevant countries are deemed low risk for human rights abuse potential, but we are all times cognisant of where our suppliers source their products and materials (geographically) and who their supply chain partners might be. Therefore, we acknowledge that there may be a risk of human rights abuses further down the supply chain, considering that manufacturing, metal and material refinement, as well as mining industries, have a theoretically high human rights abuse potential. However, we strive to ensure meaningful impact on the deeper supply chain through effective use of certification schemes such as sourcing FSC and PEFC wood products, or the CARES Sustainable Constructional Steels (SCS) Scheme, along with effective and targeted supply chain auditing. In 2024, our procurement teams in Ireland and the UK held ESG education and awareness training workshops with our key suppliers and subcontractors. In these workshops, we highlighted our proactive approach to responsible sourcing as well as discussing priority topics identified from the outcome of the <u>double materiality</u> questionnaire that had been completed by the key members of our value chain. This included topics such as carbon footprint, product EPDs, and a sectoral overview on human rights, working conditions, and modern slavery.



With 96% of PJ Hegarty's carbon footprint attributed to purchased goods and services, the workshops were an important step in our mission to reduce our Scope 3 emissions.

Our supply chain partners let us know that they found this training and awareness sessions very helpful and intuitive.

A few comments received were:

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We can confirm that we attended the 'ESG Training Day' workshop in Carrolls Quay Cork, and following on from same we have set about engaging with our Own Supply Chain whom I might add have started their own journey and are delighted to partner up with ourselves likewise. We found the Day itself very informative and it has certainly given us the focus to start this whole process for our Company in a meaningful and helpful way to both ourselves and our Supply Partners.

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The PJ Hegarty event at their Davitt Road Head Office in Dublin was a really insightful look at the steps they are taking on sustainability and gave us a clear sense of where we, as suppliers, can play a part in supporting their supply chain journey.

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I had the privilege of attending an ESG event hosted by PJ Hegerty & Sons, where they showcased their commitment to GHG savings and sustainability policies. As a supplier of HVO, I was impressed by their proactive approach and comprehensive coverage of Corporate Social Responsibility, integrating environmental, social, and governance factors into their business strategies. One key learning I took away was the importance of innovative practices and collaborative efforts in achieving sustainability goals. As part of our planned initiatives for 2025, we intend to visit several key supplier premises to audit and assess compliance with relevant policies, our Responsible Sourcing Code, and the standards outlined in our Code of Ethics and Business Conduct. In addition, our programme includes issuing compliance questionnaires to our entire supply chain. The responses will help identify potential high- and medium-risk categories and inform our strategy for future audits and monitoring visits.

## **RESPONSIBLE SOURCING ACTION PLANS**

Looking forward, our purchasing and procurement teams are working on a number of initiatives, including:



Expanding the use of personal protective equipment made from recycled content across our operations.



Increasing direct engagement and auditing of first-tier, second-tier, and subsequent suppliers, including manufacturers and raw material extractors.



Exploring the use and extension of HVO or other sustainable alternative fuels to other parts of our business.



Collaborating with existing supplier networks to identify and source more environmentally sustainable alternatives across all current spend categories.



Auditing the full supply chain of all wood panel products such as plywood, MDF and OSB, back to the manufacturer.



Ensuring the ongoing rollout of the Responsible Sourcing Code to all new suppliers and subcontractors.



Supporting our value chain in embedding robust processes and checks around human rights, including labour rights and modern slavery, throughout the wider supply chain.

# BIM/Digital Approach to Sustainable Construction

In 2024, PJ Hegarty continued its commitment to leveraging digital technologies as a key enabler of sustainable and efficient project delivery. Building on our established foundations, we expanded the integration of digital solutions to support enhanced planning, safety, coordination, and delivery across all projects.

Our dedicated digital team continues to evaluate, test, and implement technologies that align with our sustainability objectives. Recent developments have included our participation in the Irish Green Building Council's Lifecycle Carbon Assessment (LCA) <u>pilot project</u>, continued advancement in digitising safety processes and procedures, and enhanced real-time tracking and reporting through improved digital dashboards. These innovations have contributed to measurable gains in efficiency, reduction in rework, and minimisation of waste.



Effective information management remains central to our approach. Our BIM processes remain fully aligned with ISO 19650 standards and continues to be accredited by the British Standards Institution. In 2024, we strengthened our focus on early identification of client information requirements and further embedded information management best practices across our teams.

Digital construction solutions will remain central to PJ Hegarty's delivery strategy, supporting our wider ESG commitments and enabling continuous improvement in how we plan, build, and operate the built environment.





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# Data Analytics/ Power BI

PJ Hegarty continues to move beyond traditional reporting methods like spreadsheets, static PDFs, and disconnected data logs. By adopting digital solutions, our digital technologies team has created interactive dashboards that empower our project teams with data-driven decisions supporting sustainable construction practices.

Our projects have extensively used dashboards for monitoring procurement, commercial progress, and site productivity. Integrated data from schedules, procurement trackers, and cost management systems offer a live overview of project health.

These dashboards allow for easy comparison of planned versus actual progress, identification of delayed packages, and tracking of procurement lead times' impact on critical path activities.

As projects evolve, the dashboards are continuously updated to meet changing needs, such as new visualisations for subcontractor performance and variation trends. This adaptability ensures our teams always have relevant and actionable insights.



# IGBC Indicate Project

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PJ Hegarty was invited to participate in the IGBC Indicate project - a pilot initiative marking the first step toward developing a national life cycle assessment (LCA) methodology through the creation of validated LCA data for buildings.

	Welcome	Action 198 Develop at	s embodied carbon bu	Ading rating cal		adology
• · · · · · · · · · · · · · · · · · · ·	de assessment (LCA) of commercial/non-commercial developments	Steps Necessary for	Proposed Output	Timeline	Lead	Key
using a standardised method in line with the E The use of this standardised approach will ena Furthermore, the methodology includes checks When reporting the total embodied carbon figu	U Levels) Framework indicator 1.2 and the ISO standard EN15978. bie direct comparisons both against benchmarks and between projects. For consistency of reporting, completeness and data quality scring re. International Standard EN15978 and the the guidance provided in	Delivery Examine life cycle analysis and embodied carbon emissions in buildings to compare the use of sustainable materials	Publication of Life Cycle Analysis report	Q2 2023	SEAI	DECC. DECC.
matorial costs should be included in the assess defined in the Level(s) scope to be reported, at the background data used.	val 3 indicator 12 should be followed, and a minimum of 55% of insert. This temptatia allows the beakdown par building slowned as ong with a measure of the completeness of the report and the quality of tages, including planning, tender, and as-built, with the data quality	Design a calculation methodology for the overall embodied carbon emissions in buildings using typical construction materials	Standard Calculation Methodology	Q2 2024	SEAJ	DECC, SEAL, IGBC, RIAL NSAL DHLGH, EPA
increasing as the design bacomes increasingly are used for materials at the early design stage before a supplier is known. These generic figur tab. Once particular products have been specil will improve the accuracy of the assessment at	Tradiciduated R is recommended that generic or typical carbon factors is forces of the dictincey of material use and as a consistent figure es are used in this advolutor and can be found in the Martelial Data field, calculations should be updated using producespecific EPDs - this with the data quality vocans Garantic factors are taken from the National 0) and the linverstory of Carbon and Energy (ICE) databases. Further	Develop a database of all construction materials and their embodied carbon emissions	Database developed subject to review of Construction Products Regulation	Q3 2004	SEAJ	DECC, SEAI, IGBC, RIAL NSAI, DHLGH, EPA
carbon dats from specific EPDs can be added depending on the data source (specific EPD, in Embodied carbon figures are calculated for Up 81-5, C1-4), enabling the separation of constru-	to the table in the Material Data tab and and a Qi score allocated	Publish a draft embodied carbon emission building Rating scheme, similar to the existing Building Energy Rating system	Embodied Carbon Rating System	Q2 2025	SEAI	DECC, SEAL, IGBC, RIAL, NSAL, DHLGH, EPA
reporting Whole Life Carbon (A1-5, B1-5, C1-4	if reporting only Upfront Carbon (modules A1-5) but shall be included if ) since a deconstruction scenario vill indicate what happens to carbon	Publish software to calculate embodied carbon emissions in buildings	Sofbrare Release	Q4 2025	SEAU	DECC, SEAL, IGBC, RIAL, NSAL, DHLGH, EPA
beneficial aspects of the design are also visible In order to claim a rating against the bandings	<ol> <li>Module D should be reported separately to ensure that feares alongside lifecycle emissions. Offsetting is not included.</li> <li>In the EmbodiedOverview tab, the gross results for a project should be use of complements and data quality, and publicly displayed on a</li> </ol>	https://www.gov.ie/en/pu	blication/6223e-clir	nate-action-p	lan-2021/	

As part of this initiative, the IGBC developed and distributed a preliminary LCA methodology to project participants. PJ Hegarty applied the methodology to assess the embodied carbon of a previous commercial project. The results were shared with the IGBC, and the anonymised data was included in the Indicate Project publications.

This experience provided valuable insights into the LCA process, deepening our understanding and capabilities in this area. The outcomes of the LCA data collection were published in Q2 2024 as part of the IGBC's Indicate Report.



# Digitising Safety

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In 2024, PJ Hegarty continued its journey to implementing digital solutions to enhance safety processes, boosting responsiveness and site safety culture. Our EHS team streamlined plant and equipment onboarding and permit management to support sustainable construction practices. Digitalisation replaced inefficient paper-based systems, offering real-time insights that reduce waste, downtime, and improve operational efficiency.

Digital tools managed plant and equipment onboarding, verified operator competencies, and issued permits swiftly. This ensured only approved machinery entered the site, with clear records for inspections and servicing.

Power BI dashboards visualised collected data, providing a live view of equipment status and upcoming permit renewals. This helped identify underutilised or unnecessary equipment for timely off-hiring and better resource allocation, reducing environmental impact.

By embedding digital solutions into plant and permit processes, the project team enhanced not only safety and efficiency but also made tangible progress toward more sustainable construction - ensuring smarter, leaner, and more accountable use of site resources.





# Quality Approach to Sustainable Construction

At PJ Hegarty, we recognise that true sustainability is built on a foundation of <u>quality</u> that extends beyond traditional compliance. Our structured approach elevates quality as a performance standard, ensuring that every project is delivered with efficiency, durability, and environmental responsibility at its core.

Quality is a key pillar of our business strategy, influencing every decision and action to uphold the highest standards of excellence while reinforcing our commitment to Environmental, Social, and Governance (ESG) principles. By integrating quality into our sustainability initiatives, we not only enhance customer satisfaction but also drive long-term value creation for all stakeholders.



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We are proud to hold ISO 9001:2015 certification, a globally recognised benchmark that reflects our unwavering commitment to effective quality management systems and continuous improvement. This accreditation demonstrates our dedication to consistently exceed customer expectations while maintaining the highest levels of operational excellence.



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# 'RIGHT FIRST TIME' – A SUSTAINABLE APPROACH TO QUALITY

Our 'Right First Time' philosophy ensures that work is completed to the required standard from the outset - minimising defects, reducing rework, and preventing unnecessary material and energy consumption.

By integrating cutting-edge digital technology and innovation, we optimise construction processes to achieve greater precision, efficiency, and environmental responsibility.

# A CULTURE OF OWNERSHIP, ACCOUNTABILITY, AND INNOVATION

At PJ Hegarty, quality is everyone's responsibility. We equip our teams with the tools, training, and support needed to drive quality, fostering a culture of innovation, accountability, and proactive problem-solving. When our teams take ownership of quality outcomes, they actively contribute to a high-performance culture where excellence is the standard. We encourage transparency, collaboration, and continuous learning, celebrating achievements that demonstrate our commitment to quality excellence.

# CONTINUOUS IMPROVEMENT FOR A SUSTAINABLE FUTURE

At the heart of our quality system is an unrelenting focus on continuous improvement and innovation. We proactively assess and refine our processes to enhance efficiency, minimise waste, and extend the lifespan of our structures. By implementing rigorous quality control measures, adhering to industry-leading best practices, and leveraging advanced technologies, PJ Hegarty delivers:



Superior life cycle value for clients



Stronger, more resilient local communities



A reduced environmental footprint

# Sustainable Concrete and Rebar

Concrete and rebar are consistently the largest contributors to our annual carbon footprint. In 2024, 25% of our annual carbon footprint was concrete, and 42% was down to rebar and mesh used on our projects. Taking targeted action to reduce emissions from these carbon-intensive materials is a key aspect of our 2030 ESG roadmap. By choosing more sustainable alternatives for concrete and rebar steel in 2024 we saved a total of:

5,433 tCO $_2$ e by GGBS for CEM II/A-L Cement in the concrete mix, and

922 tCO2e reduction using rebar with a low GWP and high recycled content

#### The combined saving of 6,355 tCO<sub>2</sub>e is equivalent to:

- 8% of our total carbon footprint
- 1 year CO<sup>2</sup> absorption of:
- 180,868 trees
- 2060 cars
- 1,413 3 bed homes

Achieving these considerable reductions in carbon was made possible by working in collaboration with our design teams and clients and early involvement of our supply chain partners. Now as a standard offering to our clients when tendering projects, we always offer a sustainable alternative for carbon-intensive construction materials, such as rebar and concrete. The intention of this is to give our clients the option of reducing the environmental impact of their projects and, in turn, helps us achieve our SBti carbon reduction targets.



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# **CASE STUDY 12**

# Thrust-resisting socket joints

At PJ Hegarty, we continuously seek innovative, low-carbon solutions that enhance both environmental performance and construction quality.

A highlight from 2024 was an initiative that involved replacing traditional concrete thrust blocks in pipeline construction with thrust-resisting socket joints. This approach offered several clear environmental and practical advantages:

Reduced Concrete Consumption

Less Excavation and Environmental Disruption

Better Performance in Challenging Ground Conditions

**Reduced Material Waste** 

As we move forward, we will continue to explore and adopt new technologies, materials, and processes that help minimise embodied carbon, reduce waste, and conserve natural resources.



# **CASE STUDY 13** Bluetooth **Concrete Sensors**

We continuously work with our supply chain and client stakeholders to find ways of reducing the amount of concrete we use on our projects by embracing new, innovative technologies. In 2024, we worked in conjunction with the designer of a post-tension slab on one of our projects to use Bluetooth sensors to calculate concrete strength using the standardised ASTM C1074 maturity method.

This approach removed the requirement for early-age cube break testing, which offered the following savings:

#### 440 concrete cubes

Reduction in CO<sub>2</sub> emissions for a testing facility collecting cube 200 samples

Reduction in waste and disposal of concrete samples after testing

#### This equated to a saving of 0.6 tCO<sub>2</sub>e.

Building on the success of this trial, our goal for 2025 is to extend this approach to all new projects.





## **CASE STUDY 14**

# Fresh Approach to **Concrete Sampling**

As part of our ongoing efforts to reduce Scope 3 emissions, we evaluated the potential of switching our concrete cube sample sizes from 150mm to 100mm moulds. Although 150mm cubes are commonly specified in project documentation, our review of the relevant standards confirmed that this size is not technically required for the typical concrete mix designs used across our projects.

After receiving approval from the structural engineer on two of our projects in 2023, we changed over to 100mm cube moulds for the duration of these over an 18-month period. Whilst this was a relatively small change, it did mean that less concrete was required for both projects:

21 m<sup>3</sup> of concrete in total was saved

Three less concrete wagons on the road, delivering concrete to and from these projects

Reduction in waste and disposal of concrete samples after testing

#### This equated to a saving of 6.3 tCO<sub>2</sub>e.

Our aim is to continue this approach on all new projects in 2025. This approach provides another solution to reduce Scope 3 emissions to help us achieve our SBTi targets for 2030.



# Awards

Recognition through industry awards is a testament to the high standards we uphold across our projects and operations. These accolades reflect the dedication of our teams, the strength of our partnerships, and our commitment to delivering excellence, innovation, and safety at every stage.

In 2024, we were proud to receive the following awards:



## IRISH CONSTRUCTION INDUSTRY AWARDS 2024

 Contractor Tourism & Hospitality Project of the Year – Midleton Distillery Experience



- Higher Distinction Award
- Consistent High Achiever Award





Irish Construction Excellence Awards 2024 Winner

## IRISH CONSTRUCTION EXCELLENCE AWARDS 2024

- Commercial Over €20m Spencer Place
- BIM Excellence over €50m ESB Project Fitzwilliam

IRISH CONSTRUCTION INDUSTRY AWARDS 2024

# Appendix A - Practices & Initiatives Related to ESG Policies

Description of practices, policies and future initiatives for transitioning towards a more sustainable economy.

ESG TOPIC	RELEVANT POLICY*	WHERE TO FIND INFORMATION ON PRACTICES RELEVANT TO ESG TOPICS AND POLICIES
Climate Change	<ul> <li>Climate Change Policy</li> <li>Code of Ethics &amp; Business Conduct</li> <li>Environmental &amp; Sustainability Policy</li> <li>ESG Roadmap</li> <li>Training</li> </ul>	Pages 14, 36-37, 39-44, 46-47, and 54
Pollution	<ul> <li>Environmental &amp; Sustainability Policy (including Pollution Prevention Policy)</li> <li>Environmental Management Systems</li> <li>Training</li> </ul>	Pages 9, 12, 15, 38, 49, and 53
Water and Marine Resources	<ul> <li>Environmental &amp; Sustainability Policy</li> <li>Environmental Management Systems</li> <li>Training</li> </ul>	Pages 9, 10, 12, 15, 38, 45, and 48
Biodiversity and Ecosystems	<ul> <li>Environmental &amp; Sustainability Policy</li> <li>Environmental Management Systems</li> <li>Training</li> </ul>	Pages 9, 11, 12, 15, 38, 45, and 53-56
Circular Economy	<ul> <li>Environmental &amp; Sustainability Policy</li> <li>Waste Management Policy and Systems</li> <li>Training</li> </ul>	Pages 7, 9, 10, 11, 12, 15, 38, 49-52, 57, 61, 64, 66, and 68
Own Workforce	<ul> <li>Employee Handbook</li> <li>Code of Ethics &amp; Business Conduct</li> <li>Health &amp; Safety Policy</li> <li>Modern Slavery Policy</li> <li>Data Protection Policies</li> <li>Modern Slavery Policy</li> <li>Protected Disclosures Policy</li> <li>Work-Life Balance Policy</li> <li>Environmental &amp; Sustainability Policy</li> <li>DEI Policy (plus anti-discrimination policies)</li> <li>Human Rights Policy</li> <li>Health &amp; Safety, and Environmental Management Systems</li> </ul>	Pages 6, 7, 9, 10, 11, 12, 14, 15, 16, 18-19, 24-26, 31-35 and 66

# Appendix A - Continued

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ESG TOPIC	RELEVANT POLICY*	WHERE TO FIND INFORMATION ON PRACTICES RELEVANT TO ESG TOPICS AND POLICIES
Workers in the Value Chain	<ul> <li>Code of Ethics &amp; Business Conduct</li> <li>Responsible Sourcing Code</li> <li>Protected Disclosures Policy</li> <li>Human Rights Policy</li> <li>Modern Slavery Policy</li> <li>Quality Assurance Systems</li> <li>Supplier Workshops/Training Sessions</li> </ul>	Pages 9, 10, 11, 12, 14, 15, 16, 19, 32, 37, and 58-60
Affected Communities	<ul> <li>Community Engagement Policy</li> <li>Community Engagement Initiatives</li> <li>Training</li> </ul>	Pages 5, 6, 9, 10, 15,17, 27-30, 35, 48, and 54
Business Conduct	<ul> <li>Code of Ethics &amp; Business Conduct</li> <li>Responsible Sourcing Code</li> <li>Anti-Bribery &amp; Corruption Policy</li> <li>Employee Handbook</li> <li>Quality Management</li> </ul>	Pages 3, 5-9, 11, 12, 14-16, 58-60, and 65-66

\*The Policies listed in the table above may not be the entire suite of policies embedded into PJ Hegarty's business. Policies listed have been included given that they refer to sustainability-related matters.

# **Appendix B - Carbon Metrics**

#### **SCOPE 1, 2, 3 EMISSIONS INVENTORY**

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		2019	2020	2021	2022	2023	2024
	Natural Gas	24.2	23.1	27.7	28.0	26.2	30.2
	Kerosene	76.3	56.7	60.8	48.0	45.8	43.4
	Diesel (For Generators)	2,130.2	3,918.2	2,313.4	2,769.0	3,144.2	1,997.2
6 A	Diesel (Transport)	661.8	637.7	496.5	1,249.0	252.5	642.2
Scope 1	Petrol (Transport)	72.0	66.6	74.9	237.0	263.2	95.2
	Electric (Transport)					3.641	3.434
	Rented Accomodation	2.7	2.9	2.9	4.0	24.9	-
	Biodiesel - HVO	-	-	-	3.0	6.1	24.6
<b>6</b> 0	Electricity (Location)	628.4	875.1	600.0	249.0	352.4	432.7
Scope 2	Electricity (Market)	558.7	655.9	447.0	244.0	352.4	432.7
	Air Travel	20.7	19.6	14.0	23.0	45.4	46.1
	Business Travel	16.2	3.1	3.0	2.0	1.9	2.0
	Waste	947.0	947.5	514.0	422.0	197.2	1,113.7
Scope 3	Water	1.9	6.9	0.8	10.0	4.2	1.9
	Purchased Goods & Services	120,999.0	77,507.0	48,586.0	88,535.0	58,819.6	72,628.1
	Upstream Energy Emissions	-	-	-	-	1,263.0	1,258.9
	Capital Goods	3,568.0	382.0	469.0	353.0	349.3	247.9

#### YEAR ON YEAR SCOPE 1, 2 AND 3 BREAKDOWN

	2019	2020	2021	2022	2023	2024
Scope 1	2,967	4,708	2,976	4,338	3,767	2,839
Scope 2 (Location)	628	875	600	249	352	433
Scope 2 (Market)	559	655	447	244	352	433
Scope 3	125,553	78,866	49,588	89,344	60,708	75,572
Total	129,148	84,449	53,164	93,931	64,827	78,843

### SCOPE 1, 2 & 3 EMISSIONS BREAKDOWN



## SCOPE 1 AND 2 DIRECT EMISSIONS BREAKDOWN



# Appendix C - Climate Scenario Analysis Risks & Opportunities

#### Financial Significance and Likelihood Matrix



#### Definition of Time Horizons

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TIME HORIZONS						
Short Term	Medium Term	Long Term				
0 - 5 Years	5 - 10 Years	15+ Years				

#### **Risks and Opportunities**

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ТҮРЕ	DESCRIPTION	CATEGORY	FINANCIAL SIGNIFICANCE	LIKELIHOOD	TIME-HORIZON
Risk	Impact to projects due to increased adverse weather conditions (flooding/storms).	Physical – Acute	Low	More Likely Than Not	Medium
Risk	Increased temperature overall in Ireland affecting building practices.	Physical – Chronic	Low	More Likely Than Not	Long
Risk	Increased frequency of sudden heatwaves affecting labour productivity.	Physical – Acute	Low	More Likely Than Not	Long
Risk	Inability to meet client demands due to workforce being under-skilled in climate matters.	Transitional – Market	Low	Possible But Less Likely	Short
Opportunity	Become a leader in low carbon construction and the contractor of choice for multinationals building projects w/ carbon budgets.	Transitional – Market	Low	Possible But Less Likely	Long
Opportunity	New types of projects that support the transition to a low carbon economy (e.g. more flooding defence projects).	Transitional – Market	Medium	More Likely Than Not	Long
Risk	Unable to transition to low carbon options at the pace needed.	Transitional – Market	Medium	Highly Likely	Long
Risk	Insufficient capacity in the supply chain due to lack of availability of resources.	Transitional – Market	Medium	Highly Likely	Short

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