

Corporate Social Responsibility Policy Statement

CSR Definition

There are various interpretations of what exactly is meant by Corporate Social Responsibility (CSR). The following is from a government source (www.csr.gov.uk):

“We see CSR as the voluntary actions that business can take, over and above compliance with minimum legal requirements, to address both its own competitive interests and the interests of wider society.”

Essentially, it demonstrates two important attributes:

- Adoption of corporate actions that are greater than just those required by law
- Striking a balance between pure commercial interests and those of the wider community

CSR at McDermotts

At McDermotts our values and culture enable us to balance corporate, ethical and environmental principles with sound business practice for sustainable commercial success. This is specifically addressed through our over-arching value of *“Integrity”* and our *“Strategic Roadmap”* of the 3Ps: People, Prosperity and Planet.



The diagram above shows how CSR at McDermotts is an integral part of our normal operations. The *“Triple Bottom Line”* of People, Prosperity and Planet encapsulates our core Vision, Mission and Values; which are underpinned by KPIs – hard measurables which are regularly monitored, reported and improved upon.

People: Workers/Stakeholders/Communities

Investment in people, both internally within the Company and externally through its supply chain and the wider community, has not only been socially responsible, but also commercially profitable. Through our associated company *“Salutem”* there has been a great amount invested in training and development; and expertise support for SHEQ (Safety, Health, Environment and Quality).

Wherever possible, people are recruited locally to projects. We also take an active interest in supporting local initiatives. Donations are made to both local and national charities. For the last couple of years McDermotts have supported the local homelessness charity, SIFA Fireside; and more recently our employees have raised over £10,000 for Cancer Research.

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The Company's directors are also active in supporting local communities; either as trustees of charities or governors of schools.

Prosperity: Customers/Growth/Leadership/Operational Excellence

Through its focus on customers and greater operational efficiencies, the Company has continued to grow and now operates throughout the UK. Growth and profitability provides the necessary sustainability which allows us to continue to invest responsibly.

Planet: Environmental Management/Waste/Raw Material Consumption

CSR is of particular importance within the construction industry since often what it does has a great impact upon society. The way the built environment is designed and developed shapes the way we live, move, and work. If carried out in a socially responsible way, construction can provide us with many benefits.

We recognise that responsible procurement of materials and services is a vital element of our CSR policy. Wherever possible, McDermotts strives to purchase materials from well managed and sustainable sources. The Company engages with its supply chain to help meet ethical standards – by reducing the use of non-renewable resources and encouraging less environmentally damaging alternatives where appropriate.

This CSR Policy Statement should be read in conjunction with the following policies:

- Business Sustainability Policy Statement
- Health, Safety and Well-being Policy Statement
- Environmental Policy Statement
- Quality Policy Statement
- Information Security Policy Statement
- Business Continuity Policy Statement
- Learning and Development Policy Statement
- Equality Policy Statement
- Sustainable Procurement Policy Statement
- Ethical Code of Conduct Policy Statement

This policy statement may be amended, monitored and added to from time to time and a copy will be available to all employees, contracted staff on site and interested parties through a link on the home page of our website.

A handwritten signature in black ink, appearing to read 'Malcolm McDermott', written in a cursive style.

Malcolm McDermott
Managing Director

Date: January 2018