



Awards

Awards 2016

- Construction Investing in Talent Innovation in Recruitment Award Keltbray Group
- Construction Investing in Talent Best In-House Recruitment Team Award –
 Keltbray Group
- Green Apple Environment Global Silver Award Victoria Circle
- · Green Apple Environment Bronze award Queen Mary Viaduct
- Green Apple Environment Bronze award Keltbray Environmental Management
- Building Awards Specialist Contractor of the Year Keltbray Group
- Berkeley Group Best Overall Apprentice Award Ashabur Rahman
- Land Securities Construction Employment Over 30s Construction Award Chantal Wasala
- Land Securities Construction Employment 18–30 Construction Award Keaton Sinclair
- · Rail Staff Life Time Achievement Award Les Blake
 - Skanska's Health & Safety Award Battersea Phase II Tommy Ryan
- · Skanska's Health & Safety Award Battersea Phase II Janos Pal Ursei
- World Demolition Contract of the Year Award (over \$1 million) Demolition at Earls Court
- Construction Enquirer Top Ten Award Best Specialist Contractor to Work For (£25m+ to)
- Green Apple Silver Award for Innovation Bridge 19 at Earls Courtand Architectural
- Construction News Roll of Honour Award Keltbray Group CEO Brendan Kerr
- Construction News Specialist Awards Contractor of the Year (£25m+ to)
- Ground Engineering Contractor of the Year Keltbray Piling
- RoSPA Silver Award Keltbray Rail
- RoSPA Gold Award Keltbray Ltd
- RoSPA Gold Award Keltbray Remediation
- · RoSPA Gold Award Keltbray Environmental Solutions
- · RoSPA Gold Award Keltbray Aspire
- · RoSPA Gold Award Keltbray Piling
- · RoSPA Gold Award Keltbray Environmental Materials Management
- NFDC Award for Demolition Training Commitment Keltbray Training
- Considerate Contractor Gold Award Keltbray Demolition & Civil Engineering, Bartholomew Close
- Mace Contractor of the Month Award Keltbray Demolition & Civil Engineering, Chelsea Barracks
- Considerate Constructors Scheme Performance Beyond Compliance Lillie Square
- Considerate Constructors Scheme Performance Beyond Compliance Keltbray Demolition & Civil Engineering, Earls Court
- Skanska's Health & Safety Award Battersea Phase II Simon Lacey, Keltbray Environmental Solutions
- Skanska's Health & Safety Award Battersea Phase II Jordan Bruce, Keltbray Environmental Solutions
- Skanska's Health & Safety Award Battersea Phase II Rapheal Amoateng Keltbray Environmental Solutions
- Skanska's Health & Safety Award Battersea Phase II George Nolan, Keltbray Environmental Solutions
- Skanska's Health & Safety Award Battersea Phase II Wes Harman, Keltbray Environmental Solutions
- BAM Supply Chain Health & Safety Contractor of the Month Keltbray at Buckingham Green

Memberships 2016

- · ARCA (Asbestos Removal Contractors Association)
- · Association of Railway Training Providers
- · British Safety Council
- · British Council for Offices
- · Builder's Profile
- Chemist on Ca
- Chemwatch
- · CIRAS (Confidential Incident Reporting Analysis System)
- · Constructing Better Health
- · CIOB (The Chartered Institute of Building)
- · CPA (Construction Plant Hire Association)
- FORS (Freight Operators Recognition Scheme) Gold
- · FORS (Freight Operators Recognition Scheme) Silver
- FORS (Freight Operators Recognition Scheme) Bronze
- · Federation of Piling Specialists
- · Institute of Rail Welding
- · Lloyd's Register Quality Assurance Limited
- NDTG (National Demolition Training Group)
- NFDC (National Federation of Demolition Contractors)
- · NFDC Quality Site Audit Scheme
- · The Green Organisation
- · NIA (The Nuclear Industry Association)
- Prince's Trust Construction and Business Services Business Group
- RoSPA (Royal Society for the Protection of Accidents)
- RPA (Rail Plant Association)
- Smartwaste
- · Supply Chain Sustainability School
- UKATA (UK Asbestos Training Association)













Keltbray locations





1 Esher

Keltbray Group

2 Ashford

Keltbray Rail

3 Bathgate

Keltbray Structures

4 Basildon

Keltbray Environmental Solutions, Keltbray Training and Keltbray Aspire

5 Bedfont

Keltbray Plant, Keltbray Rail

6 Birmingham

Keltbray Environmental Solutions

7 Crewe

Keltbray Aspire and Keltbray Training

8 Glasgow

Keltbray Decommissioning

9 London

Keltbray Demolition & Civil Engineering, Keltbray Structures, Konstructive Recruitment

10 Preston Brook

Wentworth House Rail Systems

11 Rugby

Keltbray Aspire

12 Thames Road

Keltbray Haulage, Keltbray Piling, Keltbray Training

13 Thames Wharf

Keltbray Environmental

Keltbray Group is a leading UK specialist business which offers engineering, construction, demolition, piling, decommissioning, remediation, rail, reinforced concrete structure solutions and environmental services.

The company dates back to 1976, employs more than 1,300 people, and is a key player in developing and maintaining Britain's built environment.

Over the past four decades, Keltbray has grown from a small earth and groundworks company to become a £369 million Group of companies that provide a portfolio of specialist services that is unrivalled in the UK.



Message from Brendan



In 2016 Keltbray celebrated its 40th anniversary. From our humble beginnings as a small earth and groundworks company; we have now grown to become a £369 million Group of companies that provide specialist services across the country.

Last year we continued to meet our key performance indicators in terms of financial stability. We grew turnover, whilst maintaining operating margins, working capital and cash. We made significant investment in more modern plant and equipment, and expanded our portfolio of services with the launch of Keltbray Structures, which also gave us a wider national foothold.

We improved our health and safety incident rates and made significant progress in the areas of engagement and wellbeing.

We were voted 'Top Ten Specialist Contractor to Work For' in the Construction Enquirer Awards; a unique badge of honour.

Over the year we continued to invest in training and development to build our competence. Given my background as an apprentice I am proud we are providing training and job opportunities through this route, including employing the more vulnerable and disadvantaged groups in society.

As part of our commitment to reducing harmful emissions and optimising resources, we have made significant improvements in terms of delivering against our action plan, and are increasingly integrating environmental key performance indicators as part of our contracts to the benefit of all.

In 2016 we won a record 36 awards; spanning a range of accolades for our services, health and safety, human resources, training and the environment. It is fair to say it was a good year!

While we are continuing to grow, indications are a slowdown in demand and an uncertain outlook due to Brexit and potential impact on developments in London. Time will tell, yet we at Keltbray remain optimistic and think we are well placed to weather any potential storms that may lie ahead.

Brendan Kerr
Chief Executive Officer,
Keltbray Group

Eur am.

2016 highlights



2016 Highlight

36% growth in turnover; 34.5% ahead of market



2016 Highlight

Invested £15 million in plant and equipment



2016 Highlight

Climbed 76 places in the Sunday Times Top Track 250 league table



2016 Highlight

Ranked UK top 50 contractor for the first time



2016 Highlight

Won 36 local, national and international awards



2016 Highlight

Launched Keltbray Structures



2016 Highlight

Developed unique wiring unit to halve rail electrification times



2016 Highlight

First to equip trucks with DawesGuard and PeoplePanel safety devices



2016 Highlight

Reduced Accident Frequency Rates by 11%



2016 Highlight

Grew workforce by 20% to 1323



2016 Highlight

Invested £2.4 million in training and development



2016 Highlight

A record one in 13 of employees is an apprentice, intern or trainee



2016 Highlight

Provided jobs for 23 long term unemployed



2016 Highlight

Increased number of women employed by 2.5% to 26%



2016 Highlight

Grew Black, Asian and Minority Ethnic workforce by 4% to 12%



2016 Highlight

Donated 1004 hours of construction training to disadvantaged candidates



2016 Highlight

kWh usage reduced by 14%



2016 Highlight

Supported fundraising initiatives to a value of £291,587



2016 Highlight

Diverted over 99% of our construction waste material from landfill



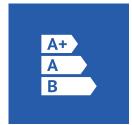
2016 Highlight

Moved 326,000 tonnes of construction material by barge



2016 Highlight

Barging saved 17,000 lorry journeys, 64% ${\rm CO_2}$ and 15% ${\rm NO_x}$



2016 Highlight

kWh per £mill turnover was reduced by 31%

Purpose



Our goal is to make a positive contribution to the world we live and work in

PURPOSE

We at Keltbray are experts in operating in highly regulated environments; making sites ready for and facilitating new developments and infrastructure.

VISION

Our goal is to make a positive contribution to the world we live and work in, and be the best in our sector. We want to be best in class, so customers trust in us to deliver projects safely, on time and budget, and with care for the environment and our communities.

STRATEGY

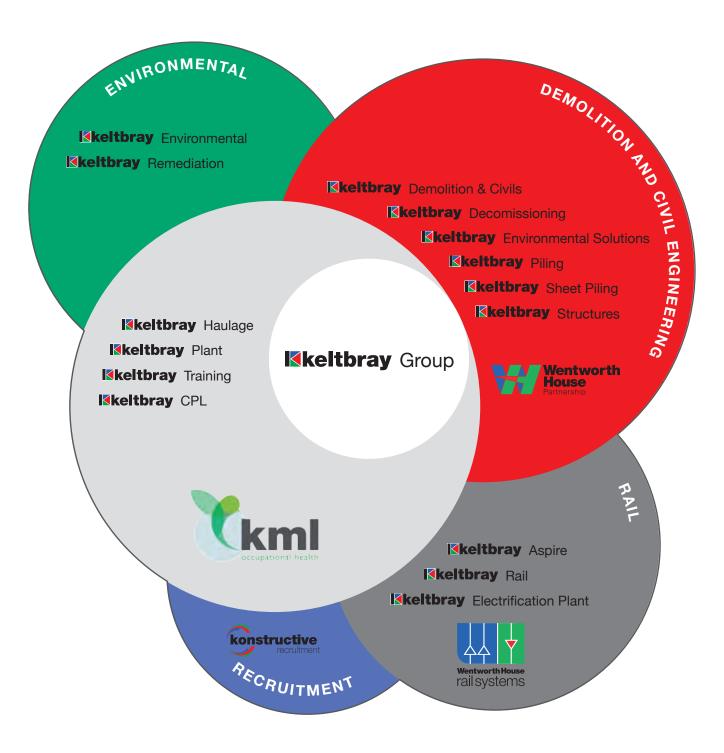
Keltbray is a specialist contractor, which employs, manages and trains its own employees, while investing in high value and specialist plant.

Where possible, we utilise own internal design expertise. This gives the Group the capability to manage projects with a higher risk profile that will provide a return appropriate to the level of investment it is making in resource and capability.

Our in-house capability, which ranges from engineering and design to delivery and training, focuses our business on excellence and providing value to our clients and meet the needs of diverse and complex projects throughout the country.

The projects we get involved with touch our everyday lives in so many ways; from our railway networks to our homes, schools, hospitals and offices, and are essential to the growth of the country, and the well-being of those who live and work here.

Our business



Values

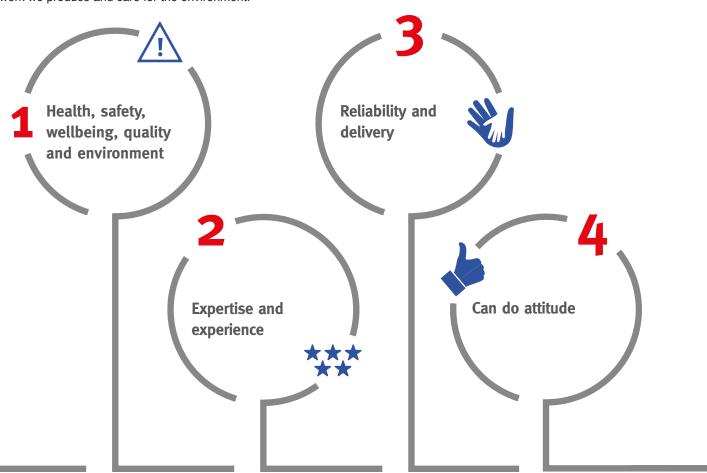
The way we work is underpinned by a set of values, which guide how we work with our clients, suppliers, communities and each other:

1 Health, safety, wellbeing, quality and environment

Everybody has the right to return home safely after each working day. Health, safety and wellbeing are at the forefront of everything we do. We also pride ourselves on the quality of the work we produce and care for the environment.

3 Reliability and delivery

At Keltbray we have a proven track record for successfully delivering projects. Our reliability is the result of careful planning and substantial internal resources that ensure efficient delivery.



2 Expertise and experience

We have vast experience and expertise in the design, delivery and management of sustainable projects and benefit from investment in equipment, training and knowledge.

4 Can do attitude

Our people are determined to facilitate solutions through their 'can do attitude' with intention to deliver and resolve to understand and overcome project challenges.



6 Quality of service

Keltbray provides a quality service by recruiting the best people that we develop. This is complemented by sustained investment in modern equipment and accredited management systems.

Sustainability



We work closely with customers, such as Capco at Earls Court, to develop close relationships with our communities Being the best in our sector includes working towards a sustainable future for our employees, customers and communities, and means delivering industry-leading services and profits that are combined with controlled growth to ensure we have a stable, long-term earnings trend.

FRAMEWORK

As a market leading specialist contractor, we also take our responsibility for contributing value in a responsible way very seriously. Our ambition is to continue to position sustainability at the heart of what we do and in the solutions we provide to our clients, to ensure we run a profitable business underpinned by our guiding values, with a commitment to helping society prosper.

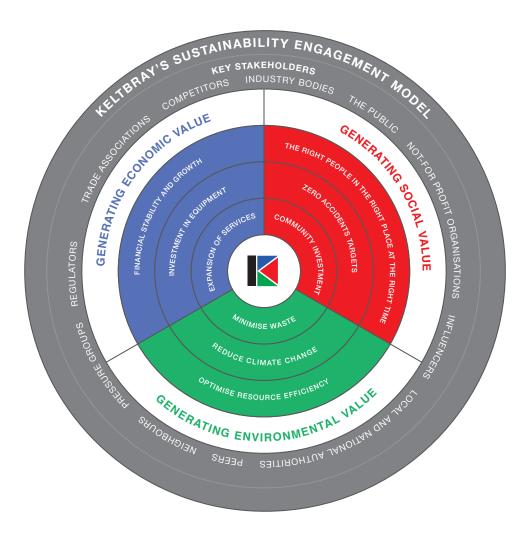
We do this using a framework based on the three pillars of sustainability, including the generation of economic, social and environmental value.

DELIVERY

As part of our commitment to achieving sustainable growth we work closely with employees and partners, such as customers and suppliers, as well as standard setting bodies, regulators and trade bodies:

- · British Standards Institution
- Build UK
- Environment Agency
- Freight Operators Recognition Scheme
- NFDC
- The Health and Safety Executive

See back page for a full list of our memberships.



PROCESS

In line with the Keltbray long-term business plan, objectives are set annually in consultation with operational managers and the Group Board. They are constructed to support our clients' priorities and optimising industry-leading standards:

BREEAM

BRE's environmental assessment method and rating system for buildings

CEEQUAL

Certifying The Civil Engineering Environmental Quality methodology

CSH

Compliance with the Code for Sustainable Homes

SKA

Boosting the low carbon environmental rating for non-domestic fit-outs

LEED

Leadership in Energy and Environmental

Design, a green building certification programme

Code of Conduct Alignment:

- 1 The Supply Chain Sustainability School
- 2 Considerate Constructors Scheme
- 3 Considerate Contractors Scheme

The Managing Directors of Keltbray's operating business units are responsible for legal and ethical compliance, implementation and monitoring of their units' sustainable development performance. This is done with support from a centralised Health, Safety, Quality and Environment function and the Group-wide Training Division.

Keltbray's performance is also independently audited to ensure governance and compliance with internal and external standards.



Generating economic value

KELTBRAY'S GOALS

Financial stability and growth

Expansion of services

Investment in equipment

PERFORMANCE

In 2016, Keltbray's performance saw a 36% growth in turnover; well ahead of the overall construction market, which according to the Office for National Statistics grew by 1.5% compared with the previous year.

For Keltbray, turnover increased from £272.3 million to £369.4 million. Profit before tax increased to £23.6 million from £10.4 million; commensurate with both the higher risk, more complex environments Keltbray works in and the scale of investment in its people and specialist

Scale of investment in its people and
Keltbray is the second largest specialist demolition contractor





equipment to enable it to do so. Across all its three business divisions; Demolition & Civil Engineering, Rail and Environmental Materials Management; Keltbray experienced healthy growth during the year.

Over the 12-month period, Keltbray made more than £15 million investments in plant and equipment; primarily for concrete operations, piling, rail plant and the demolition sectors.

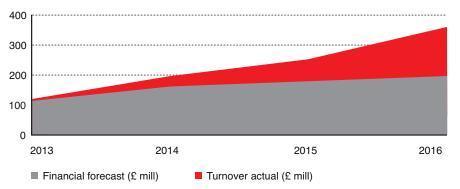
The company also climbed 76 places in the annual Sunday Times Grant Thornton 2016 Top Track 250 league table to be ranked 62nd overall (up from 138th in 2015).

Keltbray comfortably held onto its top demolition contractor position in Europe. This makes Keltbray the second largest demolition contractor in the world.

Keltbray's position was further strengthened in the 2016 top 100 Contractors Table compiled by Construction News (cn100 Top Contractors by Turnover and Margins), where Keltbray broke through the top 50 barrier for the first time; climbing eight places (up from 55th to 47th).

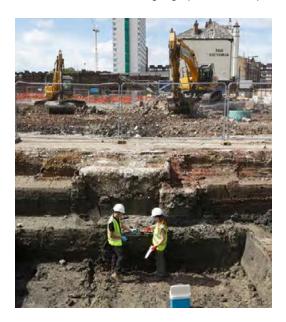
There was further good news in the 2016 top geotechnical league table, compiled by Ground Engineering Magazine, where Keltbray Piling was one of the biggest improvers, as it moved up from 16th to 12th position. Meanwhile, Keltbray Sheet Piling made its first entry into the top geotechnical league table at a very respectable 16th place.

Keltbray Group turnover



DEMOLITION AND CIVIL ENGINEERING

This stream, which is the UK market leader in demolition, groundworks and piling operations, while also providing integrated engineering design, sheet piling and asbestos management, experienced strong growth (2016 turnover of £248 million, up 23% from 2015). This was largely driven by the Piling businesses and Keltbray Environmental Solutions. In August 2016 the reinforced concrete structures business named Keltbray Structures was launched and has boosted Keltbray's service offering and geographical reach, particularly in Scotland.



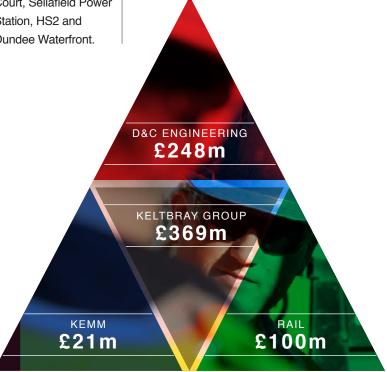
Keltbray Remediation successfully secured its biggest ever contract at The Timberyard development for Lendlease in Deptford Keltbray's Demolition & Civil Engineering (D&C) business continued to develop its range and skill sets by operating in highly regulated environments and successfully delivering complex projects at London Bridge, Earls Court, Sellafield Power Station, HS2 and Dundee Waterfront.

RAIL

Keltbray's Rail business is a UK market leader in rail overhead line electrification design and build, and provides civil engineering and piling works on the rail network. It also supplies electrification and other plant to the rail industry. After many projects were put on hold by the industry in 2015, this business stream regained its projected growth in 2016 (2016 turnover of £100 million up 85% from 2015) by securing frameworks and long-term contracts for Crossrail, Great Western Mainline and Network Rail, although the sector margins remain challenging due to budgetary pressures.

ENVIRONMENTAL MATERIALS MANAGEMENT

This business specialises in the management and remediation of contaminated materials and also saw strong growth (2016 turnover of £21.4 million (up 30% from 2015). Key contracts secured included the treatment of construction waste from the Thames Tideway Tunnel and remediation works at the Timberyard Deptford and Crossness Sewage Treatment Works.







EXPANSION

Last August, Keltbray launched a reinforced concrete business named Keltbray Structures to strengthen its capability and services portfolio to provide demolition, groundworks, piling and concrete structures solutions as integrated or standalone services.

Chief Executive of Keltbray Group,
Brendan Kerr, said: "Keltbray Structures
will complement and expand our existing
portfolio and help us to further develop our
expertise and differentiation in line with market
demands. With our financial resources behind
it, I believe there is considerable scope for
increasing the service offering and profitability
of our business through this development, and
give us a better geographical reach to other
parts of the UK, including Scotland."

"Keltbray Structures will complement and expand our existing portfolio and help us to further develop our expertise and differentiation in line with market demands."

Keltbray Structures secured its first standalone contract a month after launch at the new Waterfront Apartments on Riverside Drive in Dundee for H&H Properties UK. This six-story post tension concrete frame superstructure was completed ahead of schedule and on budget, as part of Dundee's award winning Waterfront £1bn regeneration project. Keltbray Structures has since secured other contracts in Scotland and London.

"The road/rail SRS/ZECK wiring unit is the only one of its kind in the UK, and halves the time it takes to install conductors for rail electrification."



EQUIPMENT

As part of the more than £15 million Keltbrav invested in equipment and technology in 2016 to ensure our people have access to modern tools with the latest safety features, Keltbray last year developed a unique overhead line electrification wiring unit that provides increased safety, efficiency and productivity to the

UK's national electrification programme.

The road/rail srs/zeck wiring unit is the only one of its kind in the UK, and halves the time it takes to install conductors for rail electrification. This saves manpower and equipment, and enables us to reduce possession time and minimise track closures to the benefit of rail companies and passengers.

Keltbray also took delivery of a UK's first Chinese LiuGong high reach excavator, eight large LiuGong excavators and eight Skidsteers. These have improved acoustic performance and are supplied with enhanced safety equipment, including additional guards, work lights and 360 degree all-around vision camera systems. They have also reduced fuel consumption by 5 to 8% due to their fuel-efficient engines and turbo-chargers.

SAFETY

In 2016 Keltbray was the first company to invest in a brand new safety device fitted to its tipper trucks to save the lives of cyclists, pedestrians and other vulnerable road users.

The DawesGuard™ is a revolutionary patented safety system that creates a shield across the danger zone between the axles of large vehicles. In the event of a collision it prevents a person going into the danger zone and significantly reduces the risk of serious or fatal injury.



Keltbray was also first to equip its vehicles with the Dawes PeoplePanel™. These panels are specifically made of a specialist grade of tough shatterproof plastic that are fitted over existing under-run bars to reduce the risk of entanglement of clothing or bicycle parts.

"Keltbray has been fantastic supporters of our design and are seeking to improve the road safety of their tipper fleet with innovative new technology as part of their commitment to road safety."

Dawes Highway Safety Managing Director, James Dawes

KELTBRAY'S GOALS

Zero accidents

Having the right people in the right place at the right time

Supporting our communities

Generating social value

In 2016 we increased our emphasis on wellbeing and behavioural safety by encouraging our people to take more ownership for near miss and close call reporting, with improved leadership from our supervisors and managers, and support from our qualified HSQE team.

This included the implementation of a tailored and improved training and development programme for our supervisors to ensure we have a better, more robust and objective assessment and development process within our operating areas. Our work on the implementation and further development of this continues during 2017, with particular emphasis on awareness of our top operational risks.

HEALTH AND SAFETY

The health, safety and wellbeing of the workforce remain the construction industry's biggest challenge and Keltbray is no different. Our directors remain dedicated to ensuring this challenge remains at the forefront of everything the Group does, and so we continue to work towards a zero accidents target to ensure everyone goes home safe after every working day.



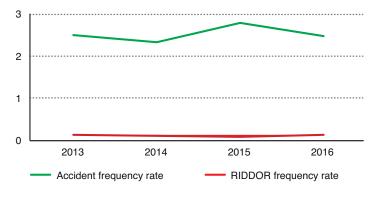
Despite challenging conditions, Keltbray successfully completed the piling contract at The Dumont on time and zero incidents Combined with this is the ongoing focus on managing activities to mitigate against any longer term health issues being created.

KEY OPERATIONAL RISKS

- 1 contamination
- 2 driving
- 3 falling materials
- 4 moving plant
- 5 service strikes
- 6 working at height

While Keltbray made significant improvements towards achieving zero accidents, it remains work in progress. In its goal to drive down incident rates by 10% across the Group during the year, Keltbray succeeded in reducing Accident Frequency Rates by 11%, and so exceeded this target. However, the riddor rate was short of the target of 0.072 and increased to 0.12.

Keltbray Group accident and incident rates



ENGAGEMENT

Our Workforce Engagement programme, which since its introduction in 2012, has worked to enhance understanding, communications and feedback amongst our people, continues to bridge our HSQE and Training functions, and has been expanded to become a key element of our risk reduction strategy by empowering our people to challenge unsafe behaviour.

Another positive outcome has been a near doubling of near miss/close call reporting, which means there is now a greater level of awareness in this area amongst our people.

On the rail side, we have integrated behavioural safety with our health and wellbeing within the Thrive programme to support the staff on their health and wellbeing journey and create a warning mechanism to reduce risk with regards to stress, fatigue and safety critical fitness to work issues.



Keltbray aims to help employees stay healthy and enjoy a good worklife balance

WELLBEING



To complement our Workforce Engagement initiatives, Keltbray has a dedicated inhouse health and wellbeing business, KML Occupational Health, which undertakes checks of all new starters and looks after our people throughout their career with Keltbray.

Based on the 1,457 checks carried out last year, KML has developed targeted workshops to help manage risk, both physical and emotional. These open up the opportunity for discussing lifestyle habits as well as stress and fatigue, which can then be addressed as part of a wider dialogue about health and wellbeing with the help of professional health care specialists.

After securing the accreditation for Achilles RISQ in 2016, KML is now able to support the entire Group, including Keltbray's rail businesses, and has strengthened its team to meet the increasing demand from both Keltbray's growing team as well as from external clients.

It is now a key priority to secure the SEQOHS accreditation for occupational health physiotherapy and in order to provide end to end care across the Group and further build Keltbray's competitive edge as an innovative leader with established internal occupational health provision.



OPPORTUNITIES

Our employees are selected based on their 'can do' attitude and ability to do the job irrespective of gender, sexual orientation, marital status, age, ethnic origin, religion or disability.

Last year Keltbray provided direct employment for 1,323 people; growing its workforce by 223 (up 20% in 2016 compared to 13% in 2015); with a further 1,000 people working for Keltbray on a contracted basis. The Group was named 'Top Ten Specialist Contractor to Work For' in the Construction Enquirer Awards, where more than 11,000 votes were cast by the industry.

Over the year Keltbray continued to build on the foundation of the rigorous training and development of its staff. At the core of our business is the belief that anyone, with the correct attitude and aptitude should be given the opportunity to fulfil their potential, be that at entry or management levels.



Keltbray runs regular development days for its many graduates, trainees and those on graduate chartership programmes from across the Group

DEVELOPMENT AND DIVERSITY

In 2016 Keltbray invested over £2 million in training and development to build on the Group's competence and expertise and be fit for future growth. This was largely delivered through in-house, accredited training centres. Key to this has been the recruitment of and investment in young people to plug the skills shortage gaps in our industry.

2016 continued to see a growth in opportunities across the Group. The Graduate Development Scheme had 52 participants,

while 41 new apprentices were employed to mark Keltbray's 40th year. This means we now have a total of 60 apprentices across the Group, and that one in 13 of Keltbray's people is an apprentice, intern or trainee.

As part of Keltbray's commitment to train the next generation, most of Keltbray's apprentices have been recruited through Community Engagement programmes. Keltbray also works in partnership with a number of charities and not-for-profit organisations, including The Prince's Trust, Construction Youth Trust, Diversity Works Mayor of London Programme, The Cardinal Hume Centre and Bounce Back, to get disadvantaged people into meaningful work and training. In 2016 Keltbray was recognised with two Construction Investing in Talent Awards for the innovative way the training and recruitment teams work in partnership with charities and prisons to reach and provide training and work opportunities for these disadvantaged groups that are otherwise so hard to reach.

In 2016 this scheme saw Keltbray provide jobs and opportunities for 23 local or long term unemployed candidates. This means we now have 35 people working with us on these programmes across the Group.

Attracting the best skills and talent from all parts of society is one of the biggest challenges Keltbray faces, and while we have succeeded in attracting a number of young people taking up apprenticeships and traineeships, Keltbray is still falling short of widening the talent pool to tap into the real diversity that exists in this country, both in terms of female and ethnic minority capacity.

However, we did make some progress during 2016 when we increased the number of women employed by the Group by 2.5% to 26% (nonsite based) and Black, Asian and Minority Ethnic workers by 4% to 12%, which is well above the 8% national average.

COMMUNITY INVESTMENT

In addition to our contribution to training and development, Keltbray worked with the Group's local communities through donation of training, volunteering, CO₂ offsetting and many charitable fundraising initiatives; working with clients and not for profit organisations, such as Museum of London Archaeology (MOLA), The Prince's Trust, The Lord Mayor's Appeal, The Snowden Trust, Crash, Action Medical Research, Movember and Macmillan Cancer Support, local food banks and many more.



Keltbray regularly takes part in Exchanging Places events to raise awareness of road safety amongst cyclists and other vulnerable road users

KNOWLEDGE TRANSFER

Keltbray donated 1004 hours of construction training to disadvantaged candidates via charities and community groups to help them gain work and training opportunities.

We also provided free training to raise asbestos safety awareness and help prevent more tradespeople in the UK from dying from diseases caused by exposure to asbestos fibres as part of the 2016 'Train Safe, Work Safe, Keep Safe' campaign launched by the UK Asbestos Training Association's (UKATA), of which Keltbray is a member.

Keltbray participated in a number of other industry-wide educational initiatives, such as working to achieve a world-leading education for all young people in science, technology, engineering and mathematics (STEM), the Build UK and CITB's Open Doors initiative, which offers those looking for a career in our industry the opportunity to visit construction projects and discuss skills and roles needed on 'site. We also worked with the National Citizen Service (NCS); a government-funded programme designed to build skills for work and life and giving young people the chance to volunteer in their communities.

During the year Keltbray continued its commitment to improving safety amongst vulnerable road users through education, such as the Construction Logistics and Cycle Safety (Clocs) programme and Exchanging Places initiative, where we joined forces with the City and Metropolitan Police as well as a number of clients to host events across London, and invited cyclists into the cab of our HGVs to see road positions from our drivers' perspective.





Keltbray provided 23 volunteers to help transform the 2000 Community Action Centre

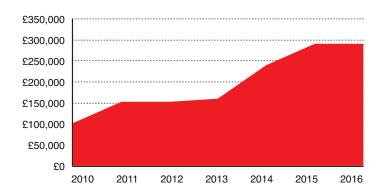
VOLUNTEERING

In 2016 Keltbray's people from across the Group volunteered to help transform the 2000 Community Action Centre in Deptford. As part of our commitment to the communities in which we work, they joined forces with Lendlease to spruce up the community centre, which is located near

The Timberyard, where Keltbray Remediation secured its biggest ever contract.

The 2000 Community Action Centre is a local hub for people in the nearby Pepys Estate and surrounding area and was in need of a makeover, and so our volunteers spent the morning washing down the walls, removing carpets and clearing furniture, so the afternoon could be devoted to painting. Keltbray also joined forces with client Mace to volunteer at Wood Lane Community Centre, which is adjacent to the BBC Television Centre regeneration project to carry our general maintenance, including the cleaning of outdoor surfaces, unblocking of slot drains, painting of gates, hanging of shelves and equipment hooks and the reviving of planters with new soil.

Charity support £



Senior Construction Manager for Mace, David Ivory, said: "We are grateful to Keltbray for their team's assistance and for supporting the Mace Volunteer Day with their own volunteers. All in all, it was a very successful and worthwhile day."

FUNDRAISING

Throughout the year Keltbray supported fundraising initiatives to a value of £291,587. This included support for Crash, The Lighthouse Club, Springboard Opportunities and many other not for profit organisations and initiatives.

On the back of Keltbray's partnership with Museum of Archaeology for London (MOLA) at sites, such as St Bartholomew's, where significant buildings and artefacts have been recovered, Keltbray is supporting MOLA to extend their social impact using the Timetruck. This mobile event space gives a wider audience, including school children; local business and the elderly, access to hands-on experience of archaeology, learn new skills and discover, care for and experience their local heritage.

"Throughout the year Keltbray supported fundraising initiatives to a value of £291,587. Including support for Crash, The Lighthouse Club and many other not for profit organisations."

To mark Keltbray's 40th anniversary, Keltbray commissioned a hot air balloon, which in 2016 made numerous flights to raise funds for charities, such as The Lord Mayor's Charity Appeal and the Wiltshire and Thames Valley Air Ambulance Services. Across the Group, our people joined in with Movember by sporting real as well as fake moustaches to raise awareness of and funds to help prevent men dying prematurely from testicular cancer, mental health and suicide.



We also supported a group from Keltbray Aspire, who joined forces with Crossrail Anglia colleagues from Costain, DTS and Network Rail to walk the length of Crossrail; from Reading in the west to Shenfield in the east. The threeday, 100-mile challenge, which took in all 40 Crossrail Stations raised nearly £10,000 for Macmillan Cancer Support.

Keltbray's hot air balloon has made numerous flights to raise funds for charities



BOUNCING BACK

Keltbray's Chantal and Keaton were last year recruited through the Land Securities
Community Employment Programme and went on to be recognised in the 2016 Land Securities
Construction Employment Awards. While
Chantal Wasala, who joined Keltbray as a Traffic
Marshall at Earls Court after seven years of unemployment, was presented with the aged over 30 award, Keaton Sinclair, who started working for Keltbray Piling six months ago won the aged 18–30 award.

"Coming to work, earning money again; I just feel more independent now and it's changed not just my life, but my family's too!" Keaton, who is an ex-offender, was presented with the award for his dedication to gaining a place on the FPS Piling Apprenticeship and for his commitment to turning his life around. He is looking forward to becoming a mentor for recently released ex-offenders, to offer support as they begin the same journey he started on.

Chantal Wasala says that getting this job has changed her life: "Coming to work, earning money again; I just feel more independent now and it's changed not just my life, but my family's too!"

SPONSORED NIGHT



As the preparations for Christmas got underway, some of Keltbray's people decided to highlight the plight of the 185,000 people who are homeless in the UK.

They joined the homeless charity Robes in their sponsored night under the stars and raised more than £3,000 for the winter night shelters the charity runs at 22 church venues for the homeless people in South London.

"Although I came prepared and had a good sleeping bag, it was bitterly cold and difficult to sleep, which gave me plenty of time to think of those who have to do this every night."

More than 150 people took part and slept on the pavement outside Southwark Cathedral for the night. Amongst them were Demolition & Civil Engineering Project Manager, Kevin Gold (pictured middle), Site Supervisor, Algirdas Bucas (right), Development Manager, Claire Coombs (left) and Graduate Assistant Project Manager, Lukasz Wawrzynowski, who said:

"Although I came prepared and had a good sleeping bag, it was bitterly cold and difficult to sleep, which gave me plenty of time to think of those who have to do this every night.

"The Robes Project relies on 500 volunteers and needs £210k to provide food, shelter and advice for the homeless in this area during the winter months."

THOUGHT LEADERSHIP

In 2016 Keltbray's Lifting Operations Manager, Steve Leyton, was invited to take part in a British Standards Institute committee to support a rewriting of the BS 7121-3. This is the 'Code of practice for safe use of cranes – Mobile cranes', which dates back to 2000 and needed updating.

Steve (pictured below) has been working on the code jointly with seven other UK industry experts to ensure the new Code is better fit for purpose: "Having a place on the Committee gives us the chance to influence future standards and be first to adopt them to ensure we continue to improve standards and stay at the forefront of the industry. There have been a number of developments in the field of lifting technology and risk management since 2000. The old Code was ambiguous and open to interpretation, so our job was to make the Code more prescriptive to reduce risks and optimise the safe planning of mobile crane operations," explained Steve.



"Having a place on the Committee gives us the chance to influence standards."

Generating environmental value

KELTBRAY'S GOALS

Reduce harmful emissions to air

Supply zero waste to landfill by 2020

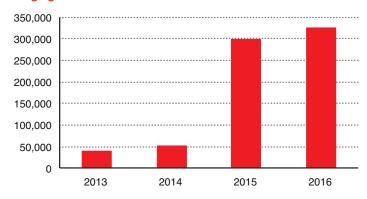
Optimise resource usage

At Keltbray we are committed to minimising the impact we have on the environment, and focus on optimising resources, improving air quality by reducing harmful emissions to air and reducing waste to landfill.

WASTE REDUCTION

The construction and demolition sector is the largest contributor of waste in the UK. The 2008 Strategy for Sustainable Construction found that over 25 million tonnes of construction, demolition and excavation waste ends up in landfill every year. To help combat this trend, Keltbray has a division, Keltbray Environmental Management, which is dedicated to sustainably moving construction, demolition, excavation waste up the waste hierarchy. This is achieved through robust treatment processes at our strategically located Wharf sites in Central London. Here hazardous and non-hazardous materials are recovered and recycled.

Barging of recovered materials



Our barging saved 17,000 tipper truck movements in 2016

Our treatment processes mean we are able to divert over 99% of waste material we take in from landfill. Material can then be reused in other projects such as creating new landforms, golf courses or in restoration projects. Just from our London Bridge site in 2016 alone, we removed a total of 27,500 tonne of track ballast, hazardous and non-hazardous soils that were treated and diverted from landfill. Once treated, the material was ready for use at suitable restoration sites, while the concrete was crushed at our treatment facility and sent for reuse to provide a base layer for building.

This type of development diversion is particularly important in London, where very few hazardous landfills remain. This can again lead to substantial haulage requirements and emissions, as well as hefty landfill taxes for companies like us.

Our investment in treatment facilities means we can treat hazardous soils with a range of contaminants using chemical, biological and physical treatment, depending on requirements.

As a business Keltbray moved 326,000 tonnes of construction material by barge to restoration sites located approximately 25 miles down the Thames. This saved around 17,000 tipper trucks movement, and generated 64% less $\rm CO_2$ and 15% less $\rm NO_x$ than a fully loaded euro 3 compliant 8 wheel tipper truck.

By carrying materials by barge, we also reduced congestion, noise and improved road safety.



AIR QUALITY

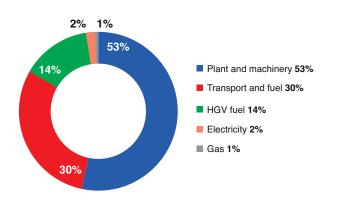
Keltbray uses an online system, which is externally verified, to track our carbon footprint, reduce emissions and paperwork. Transparent reporting enables us to pinpoint and focus our efforts on reducing carbon generation in those areas of the business that have the most potential for improvements.

As part of our ESOS energy audit scheme, we now measure energy use across the Group, and identify opportunities where reductions in consumption can be made in the areas of our: Buildings, Transport and Industrial processes.

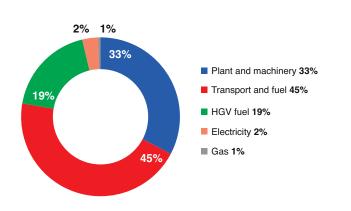
As per our ESOS commitment, we have now implemented energy auditing, and develop annual improvement plans based on the findings from the external energy assessors and the evaluation and assessment of the energy consumption for each of the business units within the Group.

Given the nature of our business, plant and machinery as well as transport and fuel consume over 90% of our total energy requirement.

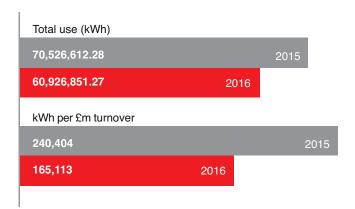
2016 energy use (kWh)



2016 energy cost (£)



Energy consumption



Our 2016 targets were therefore very much focused around the improving fuel performance. This has meant fitting telematics devices to our fleet of nearly 1,000 cars, vans and HGVs in order that we may monitor fuels consumption and develop key performance indicators and fuel reduction targets. We have also continued to make progress towards our goal of reducing company car emissions, and by the end of 2016 89% of our company cars fleet were below 150 grams of CO₂ per kilometre.

In 2016 we continued the monthly energy monitoring in our buildings and introduced energy management plans to meet company targets set. Going forward we will continue to strive towards these targets with the help of our people, who we are addressing through a number of energy campaigns to raise awareness and change behaviours.

The result of our 2016 efforts was a reduction in kWh usage of nearly 14% despite Keltbray's significant growth, while usage per £mill turnover was reduced by 31% (see charts on page 30).

Going forward, it is a key goal for 2017 to continue to improve energy reporting, consumption and cost, through general awareness and targeted and widened training for our nominated Energy Champions.

PROTECTING THE ENVIRONMENT

Keltbray's growing reputation and capabilities in the environmental arena has led to an increase in our engagement with projects where environmental protection is a key consideration. This includes Thames Tideway, also dubbed 'The Super Sewer', which will significantly improve the quality of water in the Thames, and where engineers from Keltbray's in-house engineering consultancy, Wentworth House Partnership, are engaged to assess existing river walls, sewers and other assets.



Keltbray Sheet Piling has developed flood management capability

Keltbray Sheet Piling has also secured a number of flood management contracts on behalf of the Environment Agency on the River Nene at the Northampton Washlands, for Natural Resources Wales in Crindau Pill, Newport and at Flood Prevention Schemes in Aberdeen and Perthshire to conserve sites and ensure the interests of wildlife access, flood management, farming and leisure interests are met.

Meanwhile, at Victoria Circle in London Keltbray optimised the overall environmental performance of works, through the re-use of 53,000 tonnes of demolition material in the latter project stages; to backfill the basements and in the construction of piling mats. This eliminated waste to landfill, saved 5,400 vehicle movements and the associated carbon emissions, and eased congestion in this already busy area of London.

CASI



At the 2016 Green Apple Environment Awards, Keltbray won three awards



GREEN EXCELLENCE

In 2016 Keltbray won a Green Apple Award in the Building and Construction category for Regeneration of the Queen Mary Viaduct site in East London, where Keltbray and Network Rail were rewarded for the good environmental practice and social achievements on site. The scheme gained particular praise for implementation of sustainable practices, including the recycling of construction material, minimising waste, the creation of a 'green roof' to encourage bio-diversity and the reduction of carbon emissions associated with the project.

Land previously designated for parking is also being used for neighbourhood allotments; providing a sustainable benefit for the local community while also increasing habitat for wildlife and improving biodiversity. Project Manager at Keltbray, Phil Bromley, said: "We seek to employ the highest standards in environmental practice in line with our company's long-term commitments, including the aim of supplying zero waste to landfill by 2020. This development has not only helped us on our way towards this target, but now serves as an example of best practice to the wider industry."

"We seek to employ the highest standards in environmental practice including the aim of supplying zero waste to landfill by 2020."

CARBON OFFSETTING

At Earls Court, where Keltbray is working on one of the biggest regeneration developments in Europe, Keltbray offset 102 tonnes of CO₂ from their workforce's commute during 2016 by working with children from two schools in London. These schemes, which were verified by an independent carbon offsetting scheme developed by Carbon Footprint Ltd. and involved tree planting at the Queenswell Infant and Nursery School in Barnet and at Bishops Douglas Secondary School in East Finchley. A variety of trees were planted in the school grounds with help from the children.

"The staff visiting the school were so enthusiastic, and it was fantastic to see the pupils involved in supporting our school community."



"We are extremely grateful for the trees donated to Bishop Douglass School by Keltbray. The staff visiting the school were so enthusiastic, and it was fantastic to see the pupils involved in supporting our school community. We look forward to seeing the trees grow," said maths teacher at the school, Paula Gant.

INNOVATION



Keltbray Rail has developed a new and unique mobile batching plant for concrete foundations works on railway projects.

The Volumetric plant is track mounted on a road rail trailer and can deliver one cubic metre of the desired concrete mix design in three minutes with no waste. It is the first of its kind in the UK and carries the concrete ingredients unmixed in separate compartments, and blends these according to the mix design. It also has an adapted auger shoot that can rotate 180 degrees for easy despatch of the concrete into the foundations.

"It can deliver one cubic metre of the desired concrete mix in three minutes with no waste."

It also saves having to open up a fixed off site batching plant facility to produce relatively low volumes, thus making the whole process more efficient.

PERFORMANCE INDICATOR

Sustainability targets at a glance

ECONOMIC SUSTAINABILITY



2016 TARGET

Target £328 million turnover

PROGRESS MADE

Target exceeded by 36% to £369 million

2017 TARGET

Grow turnover sustainably to £400 million



2016 TARGET

Expansion of services

PROGRESS MADE

Launched Keltbray Structures and expanded Keltbray Sheet Piling to Scotland and the North East

2017 TARGET

Grow service portfolio and reach



2016 TARGET

£15 million investment in innovative solutions and new plant that improves efficiency and safety, while reducing environmental impact

PROGRESS MADE

A number of Keltbray 'firsts' such as a new safety device for vulnerable road users

2017 TARGET

Increase opportunities for growth through research and innovation, and by developing a creative culture

ENVIRONMENTAL SUSTAINABILITY



2016 TARGET

Reduce 80% of company car emissions below 150gco₂/km to increase efficiency and reduce fuel

PROGRESS MADE

Target exceeded by 9%

2017 TARGET

Reduce fuel and energy use for plant, machinery and energy required in offices by 4% per £100 million Group turnover



2016 TARGET

Reuse and recycle where possible and minimise waste to landfill

PROGRESS MADE

Progressing towards target

2017 TARGET

Achieve 96% non-contamination waste diversion from landfill being measured during 2017

SOCIAL SUSTAINABILITY



2016 TARGET

Drive down incident rates by 10% across the Group

PROGRESS MADE

AFR reduction exceeded by 11% while the riddor rate was short of the target of 0.072 and increased to 0.12

2017 TARGET

Drive down incident rates by 10% across the Group



2016 TARGET

Provide 60,000 hours of training and development to maximise potential

PROGRESS MADE

Exceeded target by 22% to 73,200

2017 TARGET

Provide 60,000 hours of training and development to maximise potential



2016 TARGET

Provide 605 hours for disadvantaged candidates (as defined by local needs) and seek to increase diversity, including women and Black, Asian and Minorities

PROGRESS MADE

Target exceeded by 35% to 1004 hours. Increased the number of women employed by the Group by 2.5% to 26% (non-site based) and Black, Asian and Minority Ethnic workers by 4% to 12%



2016 TARGET

Establish formalised volunteering events and a Keltbray Foundation to develop charitable, Group-wide initiatives to improve impact

PROGRESS MADE

Target met

2017 TARGET

Implement measurement of charitable impact across the Group





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