

SUSTAINABILITY REPORT 2021



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About this report

This report covers information and data from 2020 and 2021. Mercury is working towards preparing its sustainability report in line with the Global Reporting Initiative (GRI), the global best practice standards for sustainability reporting. This year it has used GRI-2 (General Disclosures 2021) standard as a basis for the report structure and a reporting index has been included to help the reader find relevant content.

1. A MESSAGE FROM EOIN VAUGHAN

MERCURY'S CEO



The past two years have been rather tumultuous. The global pandemic has had a profound impact on all aspects of our business, and in every market where we operate. But in these challenging times, just as our company entered its 50th year in business, the team has adapted and responded extremely well. Demand for new Data Centres and semiconductor fabs, the backbone of our digital economy, as well as the new hybrid way of working, have continued to increase. All combined, I am pleased to say the company once again experienced growth, **thanks to the efforts of all our employees and contractors having demonstrated the true meaning of “Brave” and “Dynamic” values under the circumstances.**

brave
dynamic

Following the COP26 summit, a recent UN science report sent what may be the starkest warning yet about impacts of climate change on people and the planet. In parallel, it is now evident that the global pandemic has also had a disproportionate impact on young and lower-income elements of our society, aggravating pre-existing inequalities. We owe it to our clients, to our staff, and to the communities we live in to do what is in our power to address these social and environmental issues.

For this reason, we launched in 2020 Mercury's Responsible Business Plan "Our Planet, Our Duty". Since then, we have put in place the necessary governance to oversee and drive our significant investment in numerous initiatives aimed at transforming Mercury into a sustainable employer, generating a positive impact on our ecosystem and our communities while continuing to keep our employees safe. This first Sustainability Report intends to demonstrate – with full transparency – not just our commitment but our actions and performance on this journey. **It is "our duty" to achieve our sustainability objectives!**



2. A MESSAGE FROM JO-ANN GARBUTT

**MERCURY'S SUSTAINABILITY
DIRECTOR**



As part of our Beyond50 Strategy, we identified four key ambitions, we call them our Sustainability Duties, upon which we are building a meaningful action plan to progress on our journey.

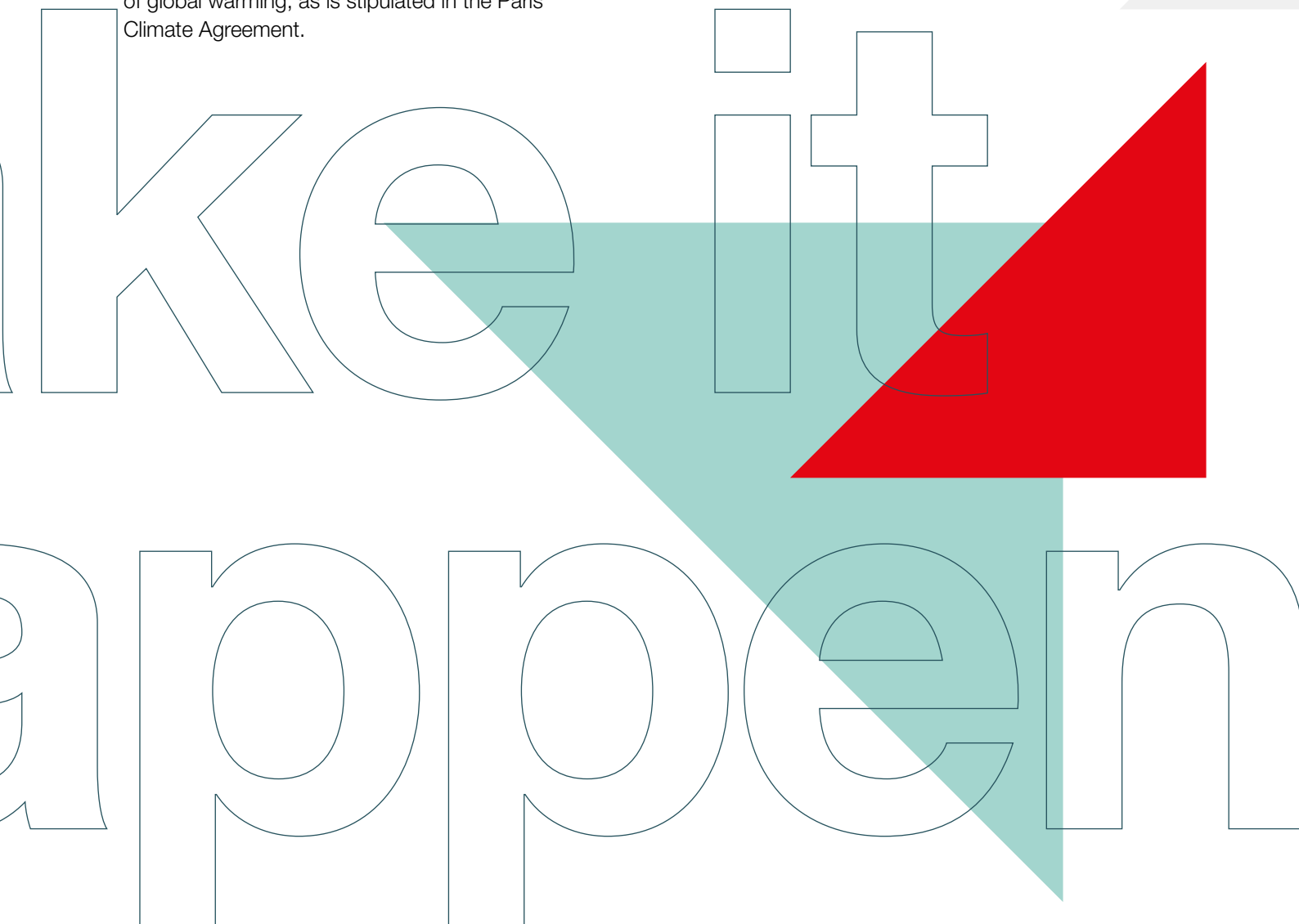
- _ Being an Employer of Choice
- _ Minimising our Environmental Footprint
- _ Maintaining Responsible Partnerships
- _ Local Communities Well-being



We have defined our key ambitions based on what is “material” and relevant to our business and industry over the past two years and key personnel have been empowered to make changes and been equipped with the necessary funding to make them happen. We have aligned our initiatives with the UN Sustainable Development Goals (UN SDGs), started reporting and disclosing our carbon emissions. And most recently we received an improved CDP (Carbon Disclosure Project) score compared to the previous year.

We are also about to set Science Based Targets (SBT) so that we can ensure future reductions are aligned with an objective of no more than 1.5°C of global warming, as is stipulated in the Paris Climate Agreement.

We acknowledge however that our journey has just begun, as we are part of an industry that is still contributing significantly to climate change and has low participation of women in the workforce. In recognition of this, we are increasing our efforts and collaboration with our supply chain partners. We are investigating practical solutions to reduce waste and to find alternatives to fossil fuel. While gender parity may remain a distant objective, we are taking decisive steps to become a beacon of inclusivity within our industry. Our goal is to keep innovating so that the built environment improves the quality of life of those living in and around it.



SOME OF OUR KEY ACHIEVEMENTS 2021

BEING AN EMPLOYER OF CHOICE



OCCUPATIONAL
HEALTH & SAFETY



DIVERSITY
& INCLUSION



LEARNING
& DEVELOPMENT

0.06%

accident frequency
rate

Zero

reported ethical
issues

420

mechanical & electrical
apprentices employed

79,510

training hours
dedicated to EHS

3,800+

employees from 42
different nationalities

24.6

hours of training
per employee per year

40,000

Environmental, Health
& Safety (EHS) Audits,
incl. 3,500+ Covid-19
audits

Silver

Award for 'Investors
in Diversity'
(improvement from
Bronze in 2020)

elements

MINIMISING OUR ENVIRONMENTAL FOOTPRINT



ENVIRONMENTAL
FOOTPRINT

Zero

environmental adverse
findings from statutory
bodies

'B' CDP

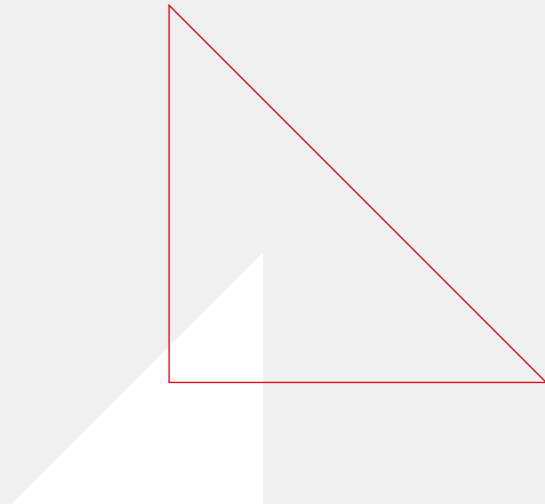
Dec 2021 (improvement
over 'C' score from the
previous year)

1,078 tCO₂e

generated in 2021
in Scope 1 & 2
20% intensity reduction
over 2020 (based on
revenue and assuming
location rate)



3. ABOUT MERCURY



Mercury is a privately-owned entrepreneurial general contractor headquartered in Ireland. We are dedicated to achieving the highest possible standards of Health and Safety while living our values of “Dynamic”, “Brave” and “Make it Happen”.

Building and managing complex engineering projects across a range of key sectors operating in Europe and increasingly further away - we are entering new territories. Our focus is to work in sectors that enhance development in technology, well-being, and the built environment.

Our Sectors:

- _ Hyperscale Trade Partner
- _ Hyperscale Construction
- _ Enterprise
- _ Critical Data Infrastructures
- _ DCBS
- _ Live Environment
- _ Advanced Technologies Construction
- _ Advanced Technologies Trade Partner

Mercury is led by a multidisciplinary team of individuals from diverse backgrounds, steered by our CEO Eoin Vaughan. Our leadership team is passionate about creating innovation and change.

Working with over 5,000+ subcontractors and suppliers every year to achieve the quality project outcomes we are known for; we partner with them to understand their aspirations and achievements as sustainable businesses. As responsible partners we support them where needed to ensure that our collaborative activities are sustainable from an environmental, economic, and positive societal impact perspective.

As part of Mercury's long-term strategy, we have committed to being a responsible business and published our commitment and strategy in “Our Planet, Our Duty”, which is posted to our website. www.mercuryeng.com/about-us/responsible-business/

This is our first annual sustainability report containing updates and achievements for 2020 and 2021.

Our 2021 construction projects involved operations in Belgium, Denmark, France, Germany, Ireland, Italy, The Netherlands, Poland, Spain, Sweden, and the UK.

- | | |
|------------|-----------------|
| 1. Ireland | 8. Netherlands |
| 2. Denmark | 9. Poland |
| 3. France | 10. Spain |
| 4. Germany | 11. Sweden |
| 5. Greece | 12. Switzerland |
| 6. Israel | 13. Turkey |
| 7. Italy | 14. UK |



4. GOVERNANCE

GOVERNANCE STRUCTURE

Mercury's governance structure enables accountability, transparency, and clear lines of communication when it comes to decision-making and driving for outcomes in Sustainability and being a responsible business.

The Board of Directors

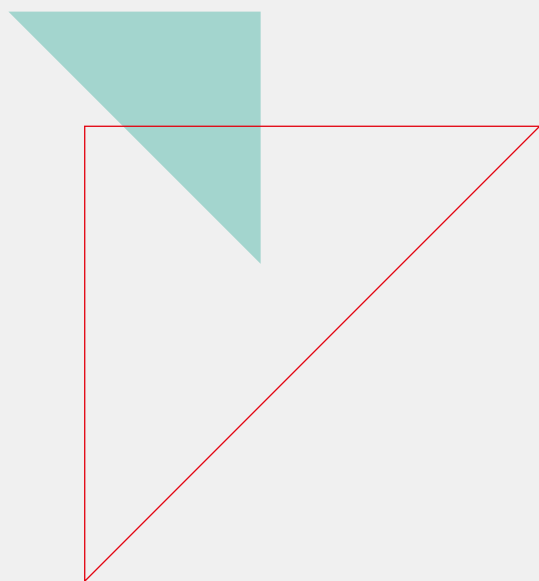
The Board provides the most senior level of governance and oversight. They are responsible for the management, performance, and long-term success of the Group. They oversee the overall sustainability strategy and actions for the group.

Executive Management Team

The CEO and the Executive Management team (including the Sustainability Director) support and participates in defining our sustainability policy, strategy, and goals, communicating our objectives to the group, and implementing constructive change. The Executive Management Team is responsible for reviewing and approving the reported information including material topics. They report to the Board of Directors.

The Sustainability Champions

These Champions, who head up the various sustainability platforms, are responsible for the deployment of projects and initiatives within specific functions underpinning responsible business activities. They each lead implementation of sustainability initiatives across the group to create and maintain momentum in sustainability outcomes. The champions have regular liaisons with the Sustainability Director on the progress and outcomes of on-going projects that they are working on.





GOVERNANCE POLICIES

There are a number of important policies that govern various aspects of Mercury's operations, as follows:

- **Governance:** Mercury is committed to operating in accordance with the highest standards of corporate governance and has a robust suite of policies and procedures covering the prevention of bribery, protecting human rights and the governance of compliance.
- **Conflicts of Interest:** Mercury requires all board members and employees to abide by a strict conflict of interest policy and to declare on an annual basis that they have not engaged in any conduct that violates Mercury's Code of Conduct. In addition, employees are required to annually disclose any gifts, where the value exceeds €250, they have received over the prior year from anyone who is doing business, has done business, or is seeking to do business with Mercury.
- **Internal Audits:** Mercury has a Group Internal Audit function in place which provides independent assurance over the control environment on a continuous basis. Periodic reports are provided to the Audit Committee. Mercury's Internal Audit function completed 12 audits during 2021 covering both Project and Group activities. For 2021 there were zero reported ethical issues.
- **Whistle-blower Policy:** Apart from internal audits taking place on a regular basis, Mercury's "Speak Up" policy intends to encourage and enable employees, contractors and others to raise any concerns or disclose anything about any violations of misconduct or unethical behaviour by any Mercury employee, director or officer by reporting such behaviour to a direct manager, HR, Compliance function or through a hot-line facility, which is an independent, multi-lingual confidential reporting service that is accessible 24 hours a day, seven days a week. Each site has a dedicated "Speak-Up" Poster containing contact numbers displayed in a central location. During 2021 we had zero calls to this hot-line in relation to ethical issues, in addition we had zero ethical issues reported via other channels. In the event there would be ethical issues reported via the hot-line, this would be investigated by the Compliance Function and reported to the Board, Audit & Risk Committees.
- **Compliance and Ethics Policies:** Policies designed to inform employees of the principles and procedures to follow in relation to specific ethics and compliance areas are in place. This includes our Code of Conduct, which is underpinned by a number of individual policies covering specific areas such as Gifts & Hospitality, Conflict of Interest, Anti-Fraud, Anti-Bribery, Fair Competition, Sponsorship & Donations and our "Speak-Up" (whistle-blowing) procedures. They set out how employees should behave and interact with our key stakeholders, including senior management, fellow employees, clients and our supply chain.
- **Document Retention and Protection of Privacy:** As part of its accounting and compliance policies and procedures, Mercury has a records retention policy that identifies the types of documents that must be retained and for how long. This is done in full compliance with GDPR rules and regulations.
- **Our Dignity and Respect at Work Policy** ensures a safe working environment for inclusion of all without discrimination and harassment. It includes a recourse for reporting any employee who contravenes this policy.



EMBEDDING, MONITORING AND AUDITING OF OUR CORPORATE GOVERNANCE

It is our policy to comply, at a minimum, with the relevant laws and regulations in the countries where we operate. We ensure that our employees are aware of relevant guidelines and conduct themselves accordingly.

We are committed to the adoption and promotion of good Corporate Governance approaches in all our business activities, including providing a safe and sustainable environment for clients, staff, contractors, and suppliers and to our responsibilities as a member of the local community and society.

To ensure our commitments are adopted and embedded in our practices, we have implemented a number of practices and processes, as well as appropriate monitoring and review mechanisms such as:

- Our **Internal Audit** function performs detailed internal audits across all significant sectors within the group, encompassing all key project and group activities.
- **Employee awareness and refresher training** sessions are conducted on an on-going basis to ensure that they know what our ethics, compliance and human right policies are, and which behaviours are required in each case. Onboarding practices for new employees include basic human rights and ethics training. Specifically, we have developed a number of ethics related training on hot topics such as Code of Conduct, Conflict of Interest, Modern Slavery, Anti-Corruption, Anti-Fraud. This ethical training is delivered periodically via a mix of on-line and in-person training. All training is housed on a dedicated Compliance

& Ethics SharePoint page, that is available to all employees (including Senior Management) throughout the Group. Training completeness is tracked and non-compliance with training is reported to respective managers periodically.

- **EHS** policies, procedures and systems ensuring the safety at our construction sites: Key Safety performance indicators are reviewed and discussed for each Business Unit and Project on a monthly basis during project reviews as further detailed in Section 7 “Being an employer of choice” (ref. Chapter a.)
- Several **HR** policies specifically aim to ensure employees are treated with respect and they provide recourse channels for those who wish to report issues in this regard. KPIs tracked include the number of Diversity & Inclusions issues reported and the number that are closed out within the same year. Other KPIs including non-discrimination by gender, training and development hours and employee well-being are included in monthly sustainability dashboards as detailed further in Section 7 “Being an employer of choice” (ref. chapters b. and c.)
- **Procurement** policies and onboarding processes promoting responsible business practices: Status of reviews for top suppliers is included in quarterly sustainability dashboard metrics and the Ecovadis platform will be leveraged to facilitate performance monitoring as detailed further in section 9 “Maintaining Responsible Partnerships”.
- **Well-being of local communities** (where we have construction sites) aligned with Mercury’s UN SDGs supported mainly through our CSR programme. The programme and its budget are approved annually with Quarterly progress reports as further detailed in Section 10 “Well-being of local communities”.

5. OUR SUSTAINABILITY STRATEGY

Our commitment to sustainability is based on our responsible business promise and “Our Planet, Our Duty” is the blueprint guiding us on this mission. Conscious of the impact we are making on our planet, we remain focused on finding new ways to lessen our footprint and enhance the lives of future generations.

our
planet
our
duty



5. OUR SUSTAINABILITY STRATEGY

Our Sustainability & Responsible Business policy outlines the resources we put behind our commitment to ensure we maintain alignment between what we say and what we do.

Our focus areas align with the following United Nations Sustainable Development Goals (UN SDGs)



UN SDGs Mercury's Sustainability Strategy aligns with

Our commitment

NO POVERTY



Supporting local jobs
Pay fairly
Supporting local communities

ZERO HUNGER



Supporting local jobs
Pay fairly
Supporting local communities

GOOD HEALTH AND WELL BEING



Health & Safety
Employees well-being

QUALITY EDUCATION



Learning & Development

GENDER EQUALITY



Equality
Diversity
Inclusion

DECENT WORK AND ECONOMIC GROWTH



Supporting local jobs
Pay fairly
Responsible partnerships

REDUCED INEQUALITIES



Equality
Diversity
Inclusion

RESPONSIBLE CONSUMPTION AND PRODUCTION



Energy efficiency
Responsible water use
Responsible waste practices

CLIMATE ACTION



Reduced GHG emissions
Biodiversity

LIFE BELOW WATER



Biodiversity
Responsible water use
Responsible waste practices

LIFE ON LAND



Biodiversity
Reduced GHG emissions
Responsible waste practices

PEACE, JUSTICE AND STRONG INSTITUTIONS



Inclusion

Some of our key actions

Find out more

Local recruitment
Sectoral agreements, regular pay reviews, and benefits
Suppliers/Subcontractors Code of Conduct and audits
Financial support to local initiatives

Section 7 “Being an employer of choice”
Section 9 “Maintaining responsible partnerships”
Section 10 “Well-being of local communities”

Financial support to local charitable organizations

Section 7 “Being an employer of choice”
Section 10 “Well-being of local communities”

Safety training and “Work safe, home safe” campaign
Employee Assistance Program
Partnerships with charities promoting mental health/cancer research
Financial support to local sports clubs

Section 7 “Being an employer of choice”
Section 10 “Well-being of local communities”

Training program and dedicated platform for all employees
Apprenticeship investment & Apprentice Development Center
Graduate, Leadership Development, Educational Assistance and
Scholarship programs
Financial and material support to local schools or initiatives

Section 7 “Being an employer of choice”
Section 10 “Well-being of local communities”

Diversity tracking and targetted recruitment
Investors in Diversity survey participation and alignment
Work180 endorsement
Elevate pledge signatory and alignment
Suppliers/Subcontractors Code of Conduct and audits

Section 7 “Being an employer of choice”
Section 9 “Maintaining responsible partnerships”
Section 10 “Well-being of local communities”

Local recruitment
Sectoral agreements, regular pay reviews, and benefits
Suppliers/Subcontractors Code of Conduct and audits

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Investors in Diversity survey participation and alignment
Work180 endorsement
Elevate pledge signatory and alignment
Suppliers/Subcontractors Code of Conduct and audits

Section 7 “Being an employer of choice”
Section 9 “Maintaining responsible partnerships”
Section 10 “Well-being of local communities”

Energy efficiency investments (LED lighting, sensors, timers, etc.)
Embodied Carbon Calculator (EC3)
Trials and investment in electric or hybrid vehicles and machinery
Implementation of new water-efficient flushing methods

Section 8 “Minimising our environmental footprint”
Section 9 “Maintaining responsible partnerships”

CDP disclosure and footprint reductions, setting of targets
Internal and external awareness
Decarbonisation initiatives e.g. switch to renewable energy supply,
digitization and others (see above)

Section 8 “Minimising our environmental footprint”
Section 9 “Maintaining responsible partnerships”

Implementation of new water-efficient flushing methods

Section 8 “Minimising our environmental footprint”

All-Ireland Pollinator Plan 2021-2025 program
Orchard in the Community program ref SDG 12 and 13





Section 8 “Minimising our environmental footprint”
Section 9 “Maintaining responsible partnerships”

Financial support to local charitable organisations

Section 7 “Being an employer of choice”
Section 9 “Maintaining responsible partnerships”
Section 10 “Well-being of local communities”

5. OUR SUSTAINABILITY STRATEGY

The material topics impacting our business, our stakeholders, and the world around us steer us to prioritise our efforts into **four Sustainability Duties**, which represent our key ambitions:

Focus Area	Sustainability Duty	Key Topics
 EMPLOYEES	Being an employer of choice	<ul style="list-style-type: none"> – Equality – D&I – Learning & Development – Employee well-being – Safety
 VALUE CHAIN	Maintaining responsible partnerships	<ul style="list-style-type: none"> – Supply chain & subcontractor practices, policies, compliance with ESG expectations (including supplier D&I) – Client satisfaction - including our performance against ESG expectations
 ENVIRONMENT	Minimising our environmental footprint	<ul style="list-style-type: none"> – Low GHG emissions - especially carbon focus – Responsible waste practices (recycling etc.) – Responsible water usage – Energy efficiency – Biodiversity
 LOCAL COMMUNITIES	Local community well-being	<ul style="list-style-type: none"> – Local jobs – Supporting local groups – Paid employee volunteer hours

Reflecting our group-wide sustainability strategy, this 2021 Mercury Sustainability Report covers all entities controlled by Mercury worldwide.

6. OUR STAKEHOLDER ENGAGEMENT

Achieving outcomes under each of the Sustainability Duties require involvement and participation of all Mercury's stakeholders as they play a significant role in supporting our strategies and decisions. It is why we regularly engage with each of the groups to increase awareness and an understanding of how their decision-making impacts Mercury's sustainability outcomes.

Materiality Assessment (renewal) in 2022

Materiality assessments are a formal and essential part of any company's ESG journey. They identify the areas that matter most - like areas affecting key stakeholders - and where the company can have the greatest impact. Mercury undertook its initial Materiality assessment in 2020 and we plan to conduct a new assessment again in 2022 to ensure our ESG strategy remains relevant and aligned, with input from our key stakeholders.

Clients

Our clients need certainty in terms of project outcomes and need us to partner with them to achieve their pledges and sustainability objectives. Being a responsible business partner, we aim to both continue supporting client requests and needs for information and ensure compliance within Mercury's supply chain when it comes to various aspects of ESG.

Employees

Mercury employees want to see a clear strategy and they want to be kept safe and healthy at work. They also want to be able to grow in their careers and learn new skills.

Having introduced our long-term strategy for being a responsible business early in the year, we also introduced the various Sustainability Duties to employees later in 2021 using on-line live events. These sessions were led by various leaders in delivering on the Duties and events were well-attended. A series of short informational and educational videos were

created internally to further employees' understanding of the key aspects that impact reaching our ambitions to be an "Employer of Choice", "Maintain responsible partnerships", "Minimising our environmental footprint" and support the "well-being of local communities".

Suppliers

Our supply chain partners are keen to maintain a mutually beneficial relationship with Mercury whereby collaboration, open communication and support are key aspects.

A survey was conducted early in 2021 to understand the sustainability journeys of key suppliers and to distinguish those suppliers able to produce EPD (Environmental Product Declarations) for products sold to Mercury. While it is understood that suppliers in EU may not all have EPDs yet, Mercury is committed to engage with suppliers to support their efforts towards being able to disclose embodied carbon associated with their products. Using the EC3 carbon calculator tool, Mercury calculates embodied carbon for planned structures as well as completed structures for clients as needed. The EPDs are an important part of obtaining high accuracies in those calculations for the EU region.

Communities

Communities around our construction sites are interested in the quality of the projects we complete and the way we approach project delivery. They benefit from local employment through our projects in their area and communities benefit from our support in the UN SDG areas of "Good health and well-being", "Quality Education", and "Zero Hunger" – to name a few.

Our 4 sustain

BEING AN
EMPLOYER
OF CHOICE

MINIMISING OUR
ENVIRONMENTAL
FOOTPRINT

MAINTAINING
RESPONSIBLE
PARTNERSHIPS

WELL-BEING
OF LOCAL
COMMUNITIES





n- ability uties



OUR 4 SUSTAINABILITY DUTIES



BEING AN EMPLOYER OF CHOICE

To continue to attract and retain the best talent into the future, it is our duty to be recognised as a safe, diverse, and inclusive employer, offering equal opportunities, and investing in the well-being and development of our employees.



MINIMISING OUR ENVIRONMENTAL FOOTPRINT

To mitigate the impact of climate change, it is our duty to take meaningful actions to minimise our direct and indirect greenhouse gas emissions, our waste, and the consumption of other resources while maintaining biodiversity.





MAINTAINING RESPONSIBLE PARTNERSHIPS

To continue to meet or exceed our clients' needs and expectations, it is our duty to conduct our business in a sustainable, fair, and ethical manner. This can only be achieved by ensuring all our suppliers and subcontractors and our overall supply chain adhere to similarly high standards.



WELL-BEING OF LOCAL COMMUNITIES

To continue to act as a good citizen, it is our duty to positively contribute to the well-being of the local communities we operate in. We do so by offering local jobs and supporting relevant local initiatives aimed at improving the lives of people around us.

7. BEING AN EMPLOYER OF CHOICE

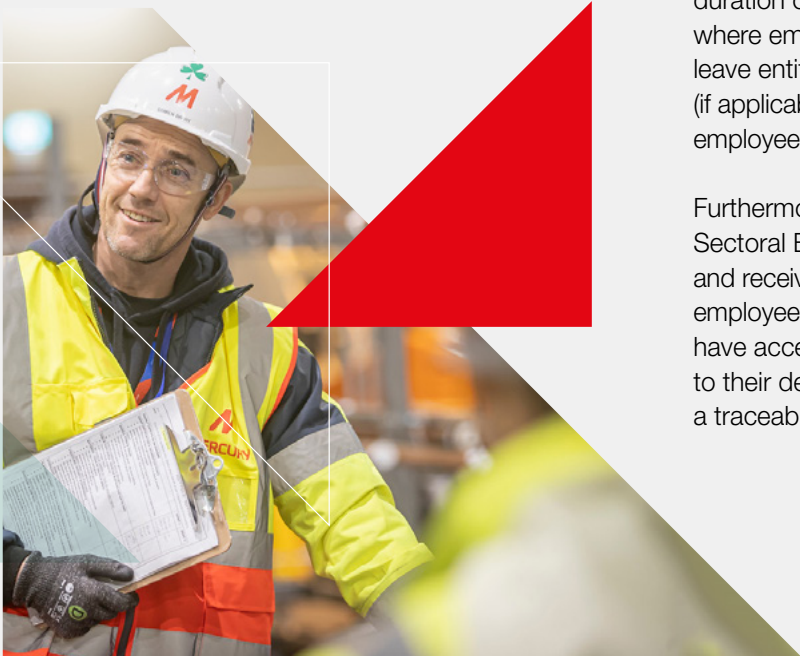


As part of its agenda for Sustainable Development Goals, the United Nations has identified “reduced Inequalities”, “gender equality”, “quality education”, “good health and wellbeing” and “decent work and economic growth” as some of the key drivers. These form a key part of how employees are attracted to and supported by Mercury.

Mercury knows its current workforce as well as future talents aspire to similar goals. Yet, without the appropriate safeguards, the construction industry is prone to perpetuate the cycle of inequalities. Our ability to operate and grow is very much dependant on our ability to retain and hire the necessary workforce. But competition for new talent is high, and recruiting future leaders or experts is no easy task. Most candidates are progressive and passionate about sustainability and demand positive actions in this regard. So, to become their employer of choice, we are taking conscious actions to address these challenges and achieve these goals.

All Mercury employees have written contracts which comply with local labour laws. This contract includes starting date, workplace address and working time, duration of contract, personal leave entitlement and where employees could find out more about other leave entitlements, remuneration, probation periods (if applicable), and notice periods for both employer and employee in case of termination initiated by either party.

Furthermore, all our Trades employees are covered by Sectoral Employment Order for Construction Industry and receive mandated applicable rate of pay. All salaried employees receive annual salary reviews. All employees have access to the HR business partner assigned to their department to get questions answered in a traceable manner.





A. OCCUPATIONAL HEALTH & SAFETY AND EMPLOYEE WELL-BEING

One fifth of all recent fatal accidents at work in the EU-27 took place within the construction sector⁽¹⁾ making it vital in our industry to pay close attention to safety at work. Common construction sites hazards such as working alongside large mobile equipment, heavy materials handling, working at height or electrical connections can indeed cause trips, falls, materials drops or collapses and other accidents. Other aspects of construction work such as noise, vibrations, physical work, heavy lifting, potential exposure to dust particles and other hazardous substances can also be the cause of ill health.

“Work safe. Home safe”

While the risks are real and evident, we do not believe in the inevitability of accidents and health issues in the workplace. We know that, with the appropriate systems, procedures, training, and oversight most accidents can be prevented, or their frequency and severity dramatically reduced. This is why Mercury has made “Safety” its anchor value and “Work safe. Home safe” its motto. Working safe isn’t just our policy, it’s our duty.

Unequivocal Commitment

It is the policy of the company, as framed by its directors, to do all that is necessary to observe and comply with all the requirements whether existing or new, related to the Health and Safety Legislation in any Region the company operates in. We will continue to provide working conditions that are safe and healthy. With the full support of our employees and supply chain partners we are confident in achieving these aims.

Mercury is committed to providing the necessary resources to ensure that Management systems, statutory and group procedures and policies are adhered to by all personnel within the group. Mercury’s policies are communicated to all employees during induction training both in head office and on construction sites. It is the responsibility of all personnel to intervene if they perceive something to be an unsafe or potential issue and to “Find & Fix” each issue as it arises. Adherence to the procedures & policies of Mercury is monitored by EHS team members, all supervision, and senior management.

ISO 45001 Occupational Health & Safety (OH&S) Management System

The basis of Mercury’s OH&S management is its Management System and the company is compliant and certified to ISO standard 45001:2018 Occupational Health & Safety Management System.

Besides offering a guarantee of compliance with all current OH&S legislations worldwide, this standard requires that OH&S risks be addressed and controlled to ensure a safe and healthy workplace for all employees and visitors.

(1) [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=File:Fatal_and_non-fatal_accidents_at_work_by_NACE_Section,_EU-27,_2018_\(%25_of_fatal_and_non-fatal_accidents\)_AAW2020.png](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=File:Fatal_and_non-fatal_accidents_at_work_by_NACE_Section,_EU-27,_2018_(%25_of_fatal_and_non-fatal_accidents)_AAW2020.png)

Here is a snapshot of our Safety achievements:

- _ In 2021, Mercury completed over 40,000 Environmental, Health & Safety (EHS) Audits as part of our overall safety strategy. Included in this figure are 3,500+ Covid-19 audits which were undertaken as part of our efforts to drive home the importance of combating the spread of the virus.
- _ 79,510.5 hours of EHS training in 2021
- _ 2021 saw us maintain an Accident Frequency Rate (AFR) of 0.06 for the second successive year, well below the industry average (1.74 for construction and 0.42 for all industries). Overall Mercury completed 10.5 million hours worked, reportable injury free in 2021.

EHS at the “top table”

Mercury's Group Environmental Health and Safety (EHS) Director is part of the Executive Management Team. This provides the necessary visibility and power to deliver on our OH&S agenda.

Safety Training

While recording and investigating incidents is a key element of our management system, preventing such incidents is our #1 goal. Mercury's primary tool to enable prevention is regular and mandatory safety training. As further detailed in the Learning & Development section of this report, Safety training is an essential topic being addressed with all employees. Ensuring that safety remains top of mind at sites, we continuously do refresher training through toolbox talks and demonstrations at sites.

Mitigating potential Covid-19 impact on safety

Just like any major disruption to the business, the pandemic had the potential to create new issues with safety procedures and behaviour. We raised the awareness of safety supervisors and managers on such issues so they could be prevented or identified early. We launched campaigns to reinforce our values with employees and supervisors at our sites. We addressed safety behaviour by asking all our staff to “make safety personal.” This proved quite effective in ensuring continued positive safety outcomes. To address underlying issues such as mental health, we also trained our EHS and other volunteer staff to become “mental health first aiders”. They can be easily identified by a green lanyard to make them visible and approachable.

Employee Assistance Programme (EAP)

Every Mercury staff member, including their immediate families, has access to our Employee Assistance Programme (EAP). This service offers an independent, confidential, and complimentary counselling service to help support them through depression and anxiety, stress, work-related issues, bereavement, or any other life concerns – anywhere, any time. We consider this programme as our first line of defence when it comes to our employees' potential mental health issues, and we consider every call made to the helpline as an opportunity to prevent potential harmful consequences.

World Mental Health Day

The overall objective of the World Health Organisation's (WHO) World Mental Health Day – observed on Oct 10th each year - is to “raise awareness of mental health issues and to mobilise efforts in support of mental health.” To mark this day, each of our sites are tasked to mobilise our staff around the topic and discuss issues specific to mental health. Well-known personalities with personal stories related to these themes were invited to give short talks at our sites during these events.



B. DIVERSITY, INCLUSION AND EQUALITY

Understanding the needs of Mercury employees means understanding their perspectives. In the process we discovered that Mercury has some unique characteristics in terms of our workforce and the diversity it represents. During 2021 only four Diversity & Inclusion grievances were registered, three were resolved by the end of the year and the 4th complaint was only lodged late in December of 2021.

“Our differences make us stronger”

A dedicated Diversity and Inclusion Policy

Diversity and Inclusion at Mercury are underpinned by our **Dignity and Respect at work** policy that ensures a safe working environment for inclusion of all without discrimination, bullying or harassment based on gender, race, sexual orientation, gender identity, disability status or any other protected characteristic. It includes a recourse for reporting any employee who contravenes this policy.

Fair Remuneration Process

Mercury uses local and internal compensation benchmarking during the hiring process to ensure that offers are realistic against market prices and existing compensation packages for comparable roles. Every year Mercury conducts a company-wide Salary Review process using the SuccessFactors platform. Managers consider individual increases based on an overall approved budget for his/her section/group. Data available includes individual performance evaluations and salary histories plus managers can compare individuals in his/her group in similar roles using the Mercury Job Grade Structure. A compensation committee reviews the outcomes against budget and guidelines for the Salary Review process and, reviews and approves monthly Out of Cycle Promotion proposals that meet guidelines.

This process applies to all Mercury employees who meet the criteria as set each year which usually pertain to minimum time with the company and whether an employees' salary increases are externally regulated.

All our trade workers are paid according to sectoral agreements, which sets minimum rates of pay and pension and sick pay entitlements.

Geographic Location

The project-based nature of our business means that the geographic location of staff on projects vary over time. Mercury's head office is in Dublin and most group support roles are based in Ireland.

International Workforce

Our 3,800 + employees come from 42 different nationalities across the world and including those working with our subcontractors on projects adds another 5,000+ workers to the projects we work on. Just over 1,000 people work for Mercury on a contract basis and this number has grown from January 2021 by over 180% while our employees have grown by over 14% over the same time period.

Gender Profile

Including trades people, 9% of our workforce include women against the 6.5% of women in the construction industry (for the areas where our trades are active). 14.2% of the company's senior executives are women.

21% of our non-trade hires were female but our percentage of women amongst our new hires in trades remained very low at 1% - an issue right across our industry in these roles. Overall, female hires grew from 11% to 16% in 2021, while women formed 20% of the 2021 graduate intake (up from 7%). The number of female apprentices also grew up by 200% in 2021. Our retention rate for female employees stands at 99% as of the end of 2021. It simply tells us that, with focus, improvements towards parity are possible and we need to keep finding new and innovative ways to attract and source new hires from under-represented groups, especially in trades.

- _ Male promotions as a % of all male employees (2021): 15.9%,
- _ Female promotions as a % of all female employees (2021): 19.2%
- _ Women in management roles (as of Q4-21): 14 women out of 236 staff are at or above level C1

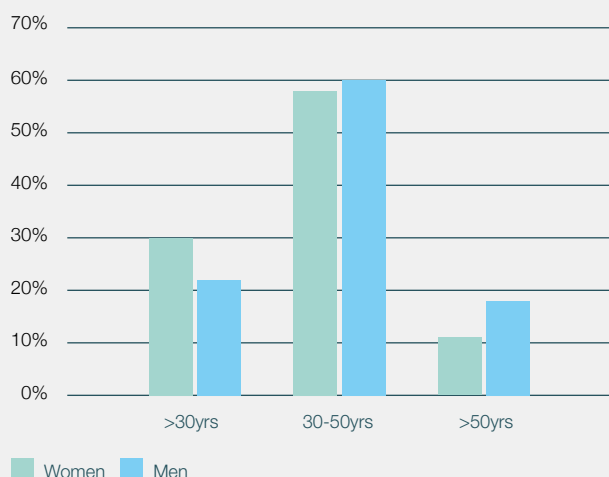
Age Profile

From a generational perspective almost 60% of Mercury employees are from the generation called the "Millennials" and the average age at Mercury is 36 years old.

It is not surprising therefore to note that there is an energy of innovation, improvement, inclusion and sharing knowledge within Mercury. This leads to the quality outcomes that often exceeds expectations.

Employees by Age and Gender

The graph shows the % of each gender distributed over the three age categories shown below.



Diversity and Inclusion Achievement

Engaging with the Irish Centre for Diversity two years ago, we achieved a Bronze rating for our Diversity and Inclusion (D&I) efforts and outcomes at the end of 2020 and following completion of an assessment including a survey conducted by them, we were awarded the Silver rating at the end of 2021. The survey helped so solicit feedback from employees regarding their experience and impression of our D&I practices in the workplace. Covering the principles, behaviours, conduct, attitudes, and beliefs of staff, we are now able to map out very specific improvement goals and activities for the coming 12 months.

We were delighted with our result obtained in December 2021: an **“Investors in Diversity - Silver”** rating showing early progress over our previous rating. The detailed diagnostics recognised our reasonable level of maturity when it comes to our “D&I Leadership” and our “Recruitment, Retention and Progression” practices and highlighted some areas for improvement in relation to other “Policy, Practice & Process” and “Recording & Monitoring”.

Our commitment to diversity & inclusion is one of the key motivators behind our winning culture and having recently achieved the Silver status underlines it. The D&I diagnostics went beyond policies and procedures and looked at the character of the organisation.



Work180 Endorsement

In October 2020, Mercury was approved to join WORK180 as an Endorsed Employer for Women. WORK180 is the UK's only jobs board which pre-screens employers before they can advertise jobs against a set of criteria including pay equity, flexible working, women in leadership and paid parental leave. WORK180 focus on attracting female job seekers and do so by approving employers with a genuine commitment to supporting women at work, making it easy for job seekers to find the UK's best workplaces.

Embedding of D&I in our Processes and Structure

Having learnt from our Bronze Accreditation report at the end of 2020, we embarked in 2021 on implementing a series of actions to improve how well we were communicating the Dignity and Respect at work policy, grievance procedure and ensuring that managers were aware of behaviours that would be considered desired vs undesired to achieve an inclusive work environment. The latest Silver accreditation reflects the embedding of D&I in our processes and structures.

Embedding means listening to what employees had to say and understanding how people are experiencing the culture within Mercury. We are engaging with executive and senior leaders and are planning more actions to implement further improvements to our workplace environment towards a fully inclusive employee experience. For instance, we have and continue to review and upgrade some of our HR procedures and practices to ensure that all new hires receive critical training related to D&I while existing employees and managers receive annual refresher workshops or training courses to keep these principles fresh in their minds.

Reduced bias training has been completed for executive managers and will continue to be rolled out to other mid-to-senior level managers. This is especially important for decision-making on new hires, employee development and nomination to leadership courses, performance target setting and feedback.

Inequality has many facets and Mercury is also conscious men do not necessarily get to spend much time with their newborns. For this reason, Mercury has elected to go beyond the legal unpaid paternity leave entitlement and pay fathers for a number of these days.

We partner with organizations specializing in sourcing new hires from non-traditional groups to further increase the diversity of our workforce.



C. LEARNING AND DEVELOPMENT

Because our greatest asset is our people, it is our policy to recruit and train all staff from apprentices to qualified engineers, a policy that has kept many of them with Mercury since the company's earliest days.

“Promote learning to drive equal career & development opportunities”

As mentioned elsewhere in this report, we operate in a very competitive market when it comes to attracting and retaining talents. Current and future employees demand career growth and our Learning & Development approach is our primary way to deliver a progressive career path for our people. From developing highly skilled experts to managers and supervisors who are ready to lead, we need to continuously deliver a pipeline of people who are promotion-ready and competent to function at the next level at Mercury. We use our Performance Management Process to communicate performance expectations and later provide feedback on performance goal achievements. Our on-line Personal Development Plan tool helps employees complete a gap analysis and set priorities in developing their competencies to meet or exceed expectations.

Since the opening of our Mercury's purpose-built Apprentice Development Centre in 2020, Mercury has **hired 349 apprentices**, bringing the total to 420 mechanical and electrical apprentices in the employ of the company at the time this report is published.

Regardless the position or seniority of employees, Mercury continues to invest significantly in training. In total, we registered **93,836 hours of training** in 2021 (including EHS training, online training, classroom, workshops, online events, and other training). This represents an average of **24.6 hours per employee** for the year.

New Learning Platform

We launched our online learning solution for general competency building, leadership and also soft skill training early in 2020. As part of our digitisation strategy, we consolidated Mercury training and off-the-shelf external training on our **LinkedIn Learning** platform and made collections of training and learning paths available to our employees to support their career development. This solution allows Mercury employees to learn in flexible ways accommodating their personal pace preferences and schedules. This user-friendly platform also offers our employees the opportunity to listen to all recordings of Mercury's learning webinars and live events at their convenience.

Wide variety of Programmes and Courses

Mercury offers a variety of courses at all levels of the organisation:

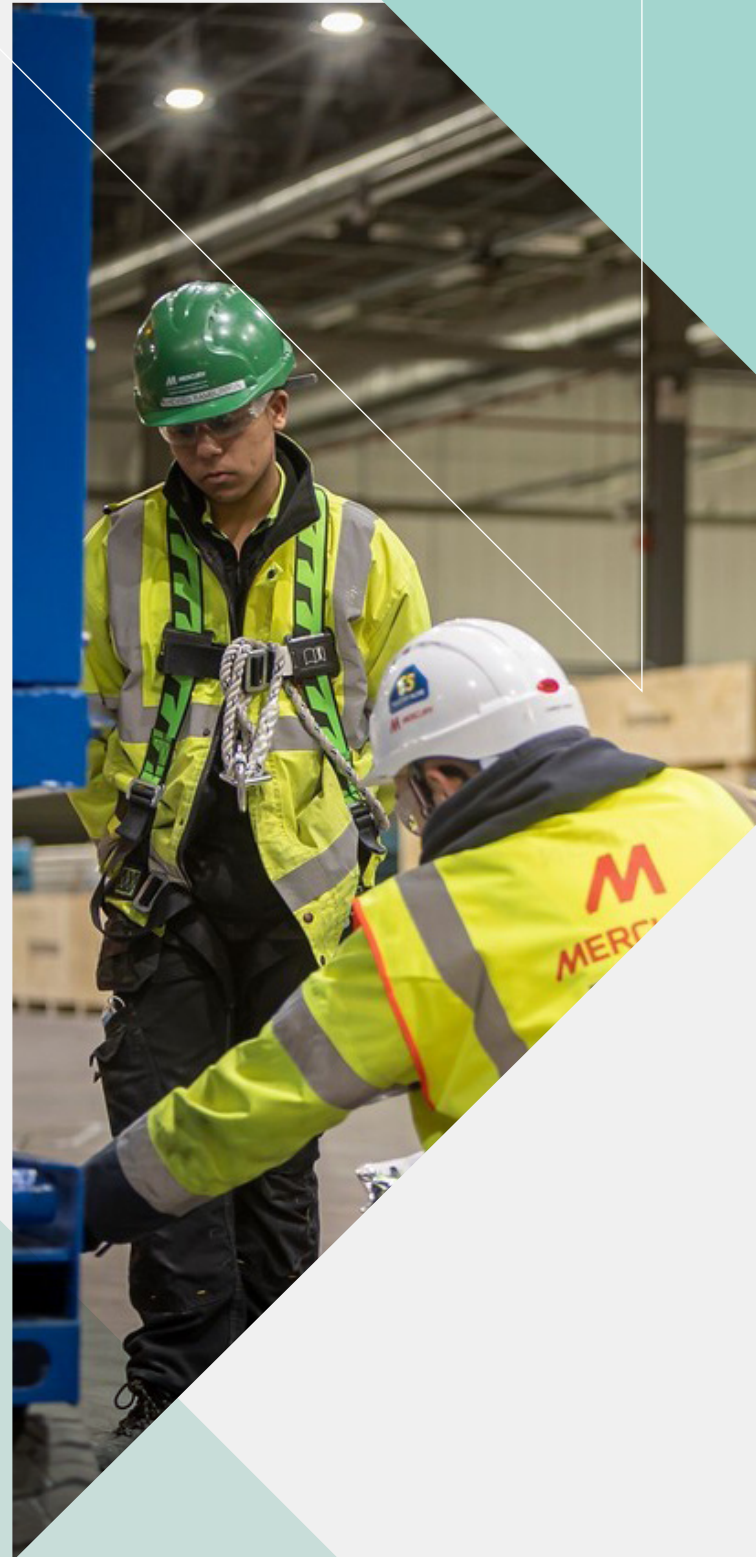
- _ Graduate programme
- _ Leadership Development programme for mid-senior level managers
- _ Educational Assistance programme offering employees the opportunity to further their education
- _ Scholarship programme (for trades after their apprentice period is completed).

Our learning programmes cover a large variety of topics, including:

- **Safety:** Supervisor training (SVSM), working at heights - “stop the drop” – avoiding falling hazards, Manual handling, MSP - behavioural
- **Company-wide:** Diversity & Inclusion, Cybersecurity, GDPR requirements, Performance Management
- **Leadership effectiveness:** effective meetings, motivation of others, leading, empathy, staff retention, risk management
- **Personal effectiveness:** time management, planning, work-life balance, problem-solving
- **Soft skills:** negotiations, dealing with difficult people, conflict management, communicating difficult messages, critical thinking
- **Specific:** construction management, BIM (Building Information Modelling), Revit

Opening of Mercury’s Apprentice Development Centre

In 2020, Mercury opened the doors of its Apprentice Development Centre. The internal fit-out plans were designed to train apprentices in a safe and adapted environment, away from the distractions and risks of any live construction site environment. While the restrictions due to the pandemic have created some challenges, the centre has been able to offer the necessary distancing measures to operate safely.



8. MINIMISING OUR ENVIRONMENTAL FOOTPRINT

CLIMATE ACTION



LIFE BELOW WATER



LIFE ON LAND



The construction sector is estimated to be responsible for generating about 38% of all energy-related CO₂ emissions when adding building construction industry emissions to that from operating buildings. (Ref: UNEP / GlobalABC)⁽²⁾

As a significant player in the construction industry, we recognise both the impact we have on current emissions, and the significant opportunity we have to meaningfully reduce these.

Based on our verified assessment – according to standard ISO14064-3 – our total CO₂e emissions for the period 2021 in the Scope 1 and 2 we directly control (ref: GHG Protocol) was 1,078 tCO₂e. This represents an 8.7% increase over 2020, and – given Mercury’s business grew in the same period – it is equivalent to a carbon intensity reduction of 20% (based on revenue and assuming location rates). In 2021, we generated 0.72g of CO₂e (Scope 1+2) for every Euro of Revenue we generated.

We have again voluntarily participated in the Carbon Disclosure Project (CDP) and are pleased to have been awarded a “B” score in 2021 for the period 2020 (the third highest possible score after A and A-). This is an improvement on our “C” score of 2020 for the period 2019. Our industry is also improving, and this puts us in line with the industry average. Our score reflects our unwavering commitment to transparency in our reporting and reducing greenhouse gas emissions.

“In 2020, Mercury improved its CDP score from C to B”

Your CDP score

Average Performance



Mercury received a B which is a Management band. This as the Europe regional average of B, and same as the Construction sector average of B.

⁽²⁾ <https://www.unep.org/news-and-stories/press-release/building-sector-emissions-hit-record-high-low-carbon-pandemic>

Going Deeper and Wider

Following our 2020 disclosure, Mercury continued to widen the scope and the granularity of emissions being recorded. We are very conscious that – like most companies – the bulk of the emissions generated by our business are indirect and emanate from our supply chain. These are known as “Scope 3” emissions. In 2020, we also started to quantify these emissions using spend and primary data. In 2021, we completed our screening assessment on Scope 3 and the breakdown is shown below:

Mercury Scope 3	Description of Emission Source for Mercury
Purchased Goods & Services	Upstream emissions for materials purchased, subcontractor emissions, water supply and treatment emissions and hotel stay emissions
Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Well to tank fuel emissions and electricity transmission and distribution losses
Waste Generated in Operations	Emissions from the treatment of waste
Business Travel	Transport emissions from employee air and bus travel
Employee Commute	Transport emissions from employee commute
Total Scope 3 Emissions (tCO₂e)	116,081

It is understood that – in the construction sector – over 90% of Scope 3 emissions generated find their source in purchased goods and services. This includes the upstream emissions from building materials and subcontractors.

We now have a much-improved understanding of our carbon footprint from Scope 1 to 3, following completion of our screening process to identify relevant Scope 3 emissions sources in line with the GHG Protocol and quantifying emissions from these sources. We will now move towards setting Science Based Targets based on the SBTi criteria in line with the IPCC decarbonisation pathways. We aim to have our targets in place by July of 2022.

Improvements related to last year's emissions

While a significant portion of our **Scope 1 & 2 emissions** savings can be attributed to “local lock-downs” related to Covid-19 restrictions or “work-from-home” public health advice, we estimate the following actions contributed to a lower energy consumption equivalent to at least 14t CO₂e:

- Transition to energy-efficient LED lighting
- Installation of motion-sensors (PIR technology) ensuring that lights are only on when needed and automatically turns off when not needed
- Emergency and core electrical load on separate circuits so that non-core demand can be switched off when not required
- Requirements for heating timers and door closers for our site facilities

In relation to **Scope 3**, we also estimate that the Covid-19 restrictions had an impact here by reducing transport-related emissions such as commuting and business travel. Bearing this in mind, Mercury has decided to perpetuate this “accidental carbon emission reduction benefit” by implementing an official hybrid-working policy.



Decarbonisation Progress

Our last CDP disclosure focused on the period 2020 but Mercury has also made impactful progress since in all 3 emissions scopes:

Scope 1: Mercury vehicles represent roughly 76% of Scope 1 emissions. Analysing emissions from our vehicles highlighted supply issues related to the limited availability of greener commercial vehicles at this moment in time. Models with the highest CO₂ emissions will be prioritised in terms of upgrades going forward.

Scope 2: During 2021, Mercury completed an Energy Audit report of its facilities and consolidated all the Ireland energy accounts until a single provider which is certifying a **100% renewable electricity supply for these buildings 2022.**

Scope 3: Our route to net zero carbon is also dependent on our supply chain and availability of associated technology across our geographies, so we are developing a pathway of how we expect our projects to enable this journey.

Other initiatives with positive environmental credentials:

Water Coolers

We switched water coolers to mains water supply. While perhaps a more symbolic than impactful (estimated at 2t CO₂e) initiative, we believe such move helps to raise awareness about plastic pollution and the precious resource that clean water is, and subsequently drive more sustainable behaviour across the organisation.

EC3 – Reducing Carbon at the design phase

In 2020 Mercury became a pilot partner of the embodied carbon in construction calculator (EC3). It involves partnering with a client and not-for-profit Building transparency. We worked to help enhance and develop the tool further impacting user friendly attributes and in particular for the European Market, as Mercury is the first main contractor in Europe to use it. The tool ensures that embodied carbon for a structure is understood from the early design concept stage. Considering the full life-cycle of the materials, systems, and the building, EC3 analyses all the design elements with sustainability in mind.

Reducing Travel for our project teams

To limit the need to fly our staff to their place of work on regular rotations we considered and implemented solutions that would decrease the need for business trips and staff rotations. To that end, Mercury supported some people to relocate their families to the project locations where suitable. We also focused on hiring more staff locally. Some functions have been centralised so employees could work from home, while continuing to support projects remotely using our on-line platforms and other innovative tools. We now incorporate augmented reality and virtual reality technology to monitor progress and resolve issues remotely. Implementing these measures has contributed to a decrease in our need for air travel to support project execution activities. The gradual switch to electric vehicle fleets is helping reduce emissions resulting from commuting activities.



Switch to more environmentally friendly work practices

Mercury is trialling and implementing a number of alternative work practices. An example of this is the recent move away from chemical flushing in favour of filtration flushing reducing water use and promoting biodiversity (see details in case study).

CASE STUDY

Implementation of “filtration flushing system” to reduce chemicals and water use

Situation: Water is a scarce commodity and construction sites do use their fair share of water. Beyond compliance with local laws and regulations, Mercury is always looking for ways to improve its methods of operation. We previously used chemicals and water to flush and clean cooling and heating piping systems. Due to the need for treatment chemicals in the water, there was a requirement to flush to drain, or to use a tanker for disposal, a process that is neither environmentally friendly nor cost effective. Chemical flushing often requires a system to be refilled with up to five times the original volume of water. We are unable to re-use this water and had to use new water with each cycle. A typical data centre piping system can use 200,000 litres of water, meaning that this method often requires the use of one million litres.

Actions taken: On one of our German projects, we have moved away from this old chemical flush process to include a filtration flushing system whereby we can re-use the same water from the initial fill. This process is efficient and takes no longer than the previous method as there is no requirement to remove components from the piping system and no drain-down and re-fill durations

Outcomes: On this German project alone, the results were undeniably good: up to 800,000 litres of water saved. This was therefore rolled out and feedback from flushing contractors highlights that 75% of our projects now use the filter-flush method which has a significantly positive environmental impact. Mercury is also working alongside our design teams to explore the possibility of omitting the use of inhibitors and biocide chemicals by using stainless steel piping systems and their components which are compatible with reverse osmosis and demineralised water usage. This, alongside the discontinuation of chemical flushing is expected to positively impact on biodiversity, as well as reducing water use.”



Alan Gorman,
Managing Director,
Enterprise Data Centres

LEAN

Our LEAN practices and approaches enable us to avoid waste, save time, and improve safety by decluttering and decongesting areas. For instance, we have implemented practices where suppliers have removed packaging from delivered supplies and reused them. A few other examples of sustainable and safe practices resulting from LEAN projects included rechargeable lights and largely using battery-operated tools.

Mercury, as one of the founding members of the Lean Council of Ireland, has developed a set of best-practice methods to eliminate waste in multiple aspects of the business. The value added to sustainability is measurable and available for client and peer review.

Using Alternative Fuel

We incorporate renewable technologies for temporary power on project sites where available. To reduce emissions from machinery on site, Mercury has been investigating the use of alternative fuel or energy source for generators, which are typically reliant on Diesel. An alternative we trialled was lower emission fuel (HVO). The results were encouraging but more collaboration with our supply base is required for it to become a practical alternative (see more details in the case study below).

CASE STUDY

New types of fuel

We have been testing diesel alternatives by means of HVO fuel (Hydrotreated Vegetable Oil) & Bio diesel. This ongoing trial involves an analysis of three generators using bio diesel and HVO fuel. Mercury sourced 12,000 litres for the trial.

HVO fuel and bio diesel generates approximately 90% less greenhouse gas emissions than conventional diesel. The fuel is produced from by-products of food production processes by utilising generated waste and also renewable raw materials. There is an opportunity to improve local air quality as there is significantly less particulate matter and nitrous oxide from the combustion process thus benefitting the health of employees working with the equipment.

Some risks towards the introduction of HVO could be challenges to perceptions in relation to the capability and benefits of HVO fuel. Significant delays occurred in sourcing the HVO fuel from the supply chain as it was not readily available in Ireland. The fuel used was refined in northern European countries and shipped to Cork. The fuel mainly came in through the UK.

Other environmentally driven actions in 2021 and beyond:

Environmental Awareness Webinars

To raise awareness across the whole organisation, we have hosted a series of webinars that were available to employees in person. Recordings were made available to those who were unable to attend. These involved subject matter experts within our business on different topics such as environment, green supply chain and more, coupled with guest speakers such as environmental experts.

Biodiversity: Supporting the “All-Ireland Pollinator Plan 2021-2025” (AIPP) and “Orchards in the Community” programmes

Founded by The Heritage Council and Bord Bia’s Origin Green programme, and coordinated by the National Biodiversity Data Centre, the All-Ireland Pollinator Plan 2021-2025 (AIPP) is a biodiversity plan of action “to preserve and protect the natural capital for generations to come, shape guidance based on evidence, and to mitigate, where possible, the effect of climate change”. In April 2021, Mercury signed-up and became a supporter of this worthy initiative, aligned with the targets of EU 2030 Biodiversity Strategy. As a “custodian of our natural capital” we committed to protecting the wild pollinators’ biodiversity on some of our sites. At our headquarters, this meant adding pollinator-friendly flowers like lavender, salvia and dahlias to our flower beds, providing pollinator-friendly habitat and abstaining from using pesticides or other chemicals. Mercury also signed-up to the “Orchards in the Community” programme - part of the DCs for Bees initiative - to deliver and plant trees in various locations such as local schools, nursing homes, Men’s Sheds & Cancer Support centres last November. Further tree-planting is planned for spring 2022.

Digitalisation

While most of Mercury’s GHG emissions relate directly to construction operations, we believe all corporate functions have a part to play, including back-office functions. Paper-based signature processes are not only time consuming, but they are also dramatically resource-inefficient. The simple implementation of a digital signature process for HR and Legal filing purposes is estimated to have saved the following in 2021 (as estimated by *DocuSign*, the software solution provider):

Mercury’s Environmental Savings for 2021 through using DocuSign



49,967 kg
of wood



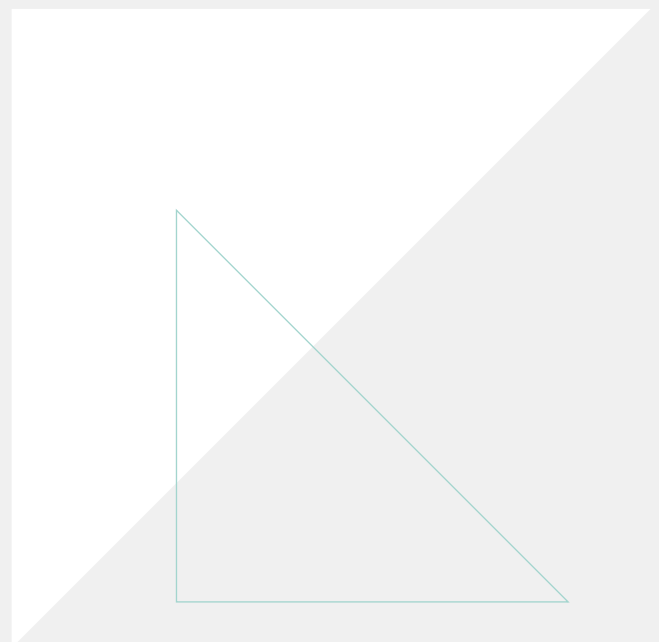
898,834 L
of water



117,286 kg
of carbon



8,120 kg
of waste



Alignment to the Taskforce on Climate-Related Financial Disclosures (TCFD)

The Taskforce on Climate-Related Financial Disclosures (TCFD) is a framework which requires companies to disclose their climate risks & opportunities under the headings of governance, strategy, risk management, and targets & metrics. To ensure transparency, Mercury has started the process of addressing the impact of its climate-related risks & opportunities through its annual CDP submission and through our internal Risk Management processes.

Governance

As outlined in section #4, our sustainability strategy and performance are overseen at the most senior level, the Board of Directors. This strategy is developed, implemented, and reviewed by the executive management team and sustainability champions from across the business.

Strategy

As outlined in Section #5, climate risk is a key topic within the environmental focus area of our sustainability strategy. Some of the risks associated with climate change and the potential impact on the business can be grouped as follows: Current Regulation, Emerging Regulation, Technology, Legal, Market, Reputation, Acute Physical and Chronic Physical. This is in contrast to some of the opportunities climate risk presents to our business, such as Resource Efficiencies, Technological, Lower emission energy sources, Increased Sales, Competitive differentiator, Recruitment and retention.

Targets & Metrics

As outlined in section #8, Mercury has been measuring and reporting its carbon footprint since 2019. We are working towards setting climate targets – both short and long-term – and plan to publish them in 2022. We are also working towards preparing our sustainability report in line with the Global Reporting Initiative (GRI).

Risk Management

Mercury has a designated risk department which conducts approximately 300 hours of risk reviews per year with various Group Functions & Operations Business Units. Within these quarterly reviews, the overarching risks are discussed and quantified both from a day-to-day and regulatory point of view but also from a sustainability standpoint.

In 2021 the Risk department began conducting dedicated quarterly reviews with our Sustainability Director with specific focus on sustainability and some of the risks and opportunities associated. Risk categories include: Current Regulation, Emerging Regulation, Technology, Legal, Market, Reputation, Acute Physical and Chronic Physical. This, furthermore, goes to show the emphasis and importance that Mercury, and our Leadership teams are now placing on Sustainability particularly off the back of the publication of our responsible business strategy a year ago.

Opportunities

While sustainability imposes obligations on us, it also presents the business with many opportunities to grow, develop and prosper. These obligations are only going to grow in importance, relevance and frequency over the coming months and years and we have even seen this acceleration of importance and relevance throughout 2021 and the Covid-19 pandemic. Moreover, throughout 2021 we have seen some of the world's largest countries making climate action commitments as part of the COP26 conference. Amongst the announcements and commitments are opportunities for Mercury and other businesses. Some of the Sustainability opportunities that Mercury have identified include, but are not means limited to: Resource Efficiencies, Technological, Lower emission energy sources, Increased Sales, Competitive differentiator, Recruitment, and retention.

9. MAINTAINING RESPONSIBLE PARTNERSHIPS

DECENT WORK AND ECONOMIC GROWTH



RESPONSIBLE CONSUMPTION AND PRODUCTION



Our CDP emissions disclosure highlights that the emissions generated by Mercury's Supply Chain are at least 20 times more significant than Mercury's direct emissions. It is therefore very clear that our supply chain partners will play a key role in our road to zero emissions.

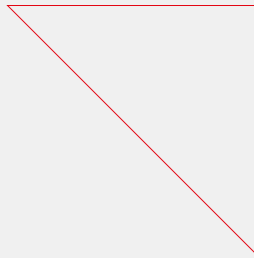
According to a survey 70% of businesses' social and environmental impacts occur in their supply chain.⁽³⁾

Beside environmental considerations, our supply chain maintains a considerable control or influence over social matters such as what we would more generally consider as responsible work practices.

Engaging with our supply chain partners is crucial as we continue on our sustainability journey - setting targets for ourselves and our projects and holding our supply chain partners accountable for the outcomes of activities performed on projects we manage. In this context, we believe we have both a duty and a capacity – through strong governance and aligned procurement practices - to positively influence the ESG impact and performance of our subcontractor partners and suppliers.

A cornerstone to the establishment of responsible partnerships is Mercury's Code of Conduct for Suppliers and Subcontractors. The document outlines our requirements and expectations from our supply chain partners in key areas of business practices including regulatory compliance, anti-bribery and corruption, modern slavery, and fair competition. Suppliers and Subcontractors are expected to commit to the requirements contained in this document. While we will allow a certain period of adaptation and encourage compliance, we will take appropriate action to ensure this minimum alignment of commitments is achieved.

⁽³⁾ Source: "The State of Sustainable Supply Chain – Building Responsible and Resilient Supply Chains", a survey conducted by UN Global Compact and EY in 2017]



Supply Chain Survey

In 2021, Mercury sent out a survey to all our active supply chain partners. Out of a total of 500 vendors invited to participate, we collected 271 responses (55%).

One of the key areas we wanted to gain a better understanding of was the level of suppliers that can supply Environmental Product Declarations (EPD's) for their products. These EPD's were highlighted as a key risk and opportunity point by our Procurement team and Operations and Value chain champion as we fully utilise the embodied carbon calculator on our projects.

This is one way that will impact our evaluation of our supply chain and their environmental and climate change credentials moving forward. An EPD ensures that each item supplied is accurately accounted for in terms of environmental impact. Using this information with the EC3 tool we can then accurately identify elements to focus on for carbon reduction design changes. In this drive to obtain EPDs from our suppliers we are approaching especially companies that manufacture structural building elements (i.e., the "envelope") of the building. We plan to also expand EPD collections to suppliers of mechanical and electrical equipment.

CASE STUDY

Supply chain engagement – Maintaining Responsible Partnerships

Situation: It is important to our clients that Mercury improves its practices in terms of sustainability. To do so, we – in turn – needed to understand where our suppliers and subcontractors were on their own sustainability journey. This includes knowing how responsible their work practices and manufacturing processes are in terms of building items supplied and installed.

Actions taken: We sent out a survey to all our suppliers addressing several topics ranging from how they are treating their employees including key aspects like anti-slavery, anti-corruption, anti-discrimination, to how they minimise their own environmental footprint.

After analysing the survey results, we understood that EPDs (Environmental Product Disclosure) – key in understanding embodied carbon - were mostly unavailable at this time.



Johnny McFadden,
Head of Group
Procurement

We also realised that only a small portion of our suppliers had signed our Code of Conduct for Suppliers and Subcontractors (CoC), triggering immediate actions in this regard.

Our onboarding processes for subcontractors and new suppliers were updated to ensure early engagement on the topic of sustainability and being a responsible member of our supply chain.

Outcomes: The percentage of suppliers and subcontractors in our top tier group having signed the CoC has dramatically improved and is now monitored quarterly. We continue to engage with suppliers and subcontractors to improve this further. We also initiated the implementation of the Ecovadis platform for our key supply chain partners to further standardise our expectations while digitising the process of capturing and sharing scores and reviewing reports. We are convinced that this will add value as we continuously strive to enable more sustainable procurement practices and to maintain responsible partnerships.

From commitment to performance assessment:

Top-tier partners Ecovadis & CDP disclosures

As commitments do not necessarily translate into action and outcome, Mercury plans to take its engagement with key partners a step further:

Starting in 2022, Mercury will target to get 80% of Tier One Suppliers (based on 75% spend over 2021) to **complete an Ecovadis assessment**. In the spirit of partnership and transparency, Mercury also plans to complete this assessment.

To measure upstream partner improvements over time, Mercury also plans to engage with its top tier partners (i.e., 90+) in 2022 to encourage them to **voluntarily disclose their carbon emissions through the CDP platform**.

Project Internal Audits

Internal project audits include a number of ESG areas such as labor and EHS. In parallel, an analysis of practices and ethical credentials of agencies we partner with take place during onboarding of new supply chain partners and thus far no major corrective actions have been registered.



10. WELL-BEING OF LOCAL COMMUNITIES

**GOOD HEALTH
AND WELL BEING**



**NO
POVERTY**



**ZERO
HUNGER**



**QUALITY
EDUCATION**



**LIFE
ON LAND**



**PEACE, JUSTICE
AND STRONG
INSTITUTIONS**



As global citizens we must remain aware of the wider world and our place in it. We are committed to playing an active role in all our communities, working together to make our planet more equal, prosperous, sustainable, and fair.

It is not uncommon for construction projects and construction activities to raise concerns about their impact on people living in the local communities. Our projects offer great opportunities for local employment and our outreach programmes strive to uplift local communities through our support for local initiatives focusing on specific UN SDGs.

Our 2021 focus in relation to local community support revolved around:

- _ Good Health and Well-being
- _ No Poverty
- _ Zero Hunger
- _ Quality Education
- _ Life on Land
- _ Peace, Justice and Strong Institutions.

Our Volunteering Policy

To further benefit local communities, we launched our Volunteer Policy in 2021 to encourage more staff involvement in local volunteer projects. The policy entitles employees to a maximum of 16 paid hours per year for participating in approved volunteer activities.

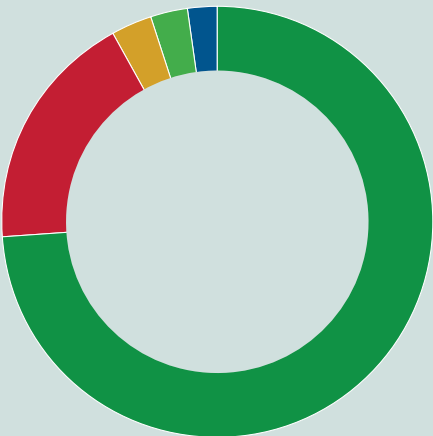
Corporate donations to charitable organisations and other contributions to local initiatives

In the course of 2021, Mercury has led or participated in over 20 different fundraising events.

These took the form of partnership agreements, direct corporate donations, matching employee donations, sponsorship, and other material support which benefited various registered charities and non-profit community organizations such as local schools or clubs.

As outlined to the right, all the initiatives supported in 2021 aligned with some of the key Sustainable Development Goals supported by Mercury, with over three quarters of our giving dedicated to the good health and well-being of local communities.

2021 Giving



Below are a few examples of the 2021 initiatives supported by Mercury's multi-annual budget:

Partnership with Aware

Mercury and Aware committed to working together promoting initiatives highlighting the importance of removing the mental health stigma. And to create increased awareness of this issue, particularly within the construction industry. In 2021, Mercury donated EUR 20,000 to the organisation.

Partnership with the Irish Men's Shed Association

During the global pandemic, social isolation has emerged as a real issue, especially amongst men. To combat this and promote their well-being Mercury provides support to the Men's Shed Association and encourages its staff to get involved, as their skillsets and expertise can positively contribute to the cause. To this end, Mercury donated EUR 20,000 to the association in 2021.

Continued "Be Brave: Stand up to Cancer" campaign

Cancer is impacting most families, and the delivery of cancer care has been adversely impacted by the pandemic. Mercury supported cancer research by donating EUR 20,000 to cancer research in 2021.

Support of local sporting associations

Sport plays a key role in bringing communities together and promoting physical and mental health. Our employees are encouraged to engage with local sports clubs. This is something Mercury continued to support in 2021 with the sponsorship of several clubs across our project locations.

Local school laptop donation

In 2021, Mercury donated school bags and over 30 laptop computers to a local school, to help support access to quality education benefitting children from that community. (See details in the case study).

CASE STUDY

Mercury is committed to the United Nations 2030 Agenda for Sustainable Development Goals, with each of our strategic platforms addressing at least one sustainable development goal.

We are passionate about education and development and believe strongly in the importance of investing in personal development to promote lifelong learning opportunities. As a key contractor on a Children's Hospital, we are committed to make a unique and positive impact in the communities in which we operate in by helping support access to quality education.

In the Summer of 2021, Mercury donated school bags and 30 new laptops to a school local to this project, to help support access to quality education in the community. Being one of the oldest schools in the area, we were impressed with the school's motto: "Be the Best You Can Be" and we admire their core values: Respect, Encouragement, Trust, Appreciation, Empathy and Belonging. The principle said "This donation will improve the educational attainment of the children here. These extra resources will be most beneficial in developing the students' IT skills. It offers much hope for their educational outcomes and workplace opportunities in the future. This charitable contribution brought inspiration to children in our society."



11. MERCURY 2021 REPORTING INDEX

This reporting index provides a summary of where content can be found in the report or publicly available on Mercury's website. The GRI-2 (General Disclosures 2021) standard has been used as a basis for the report structure.

The GRI Standards are the most widely used sustainability reporting standards in the world. And the Global Reporting Initiative (GRI) supports the communication of organizational impact on issues such as climate change and human rights. Using the GRI standards helps to improve understanding of these impacts and issues.

Item	Disclosure	Location where information can be found
GRI 2: General Disclosures 2021		
THE ORGANISATION AND ITS REPORTING PRACTICES		
2-1	Organizational details	Ref. section #3 of this report
2-2	Entities included in the organizations sustainability reporting	Ref. section #5 of this report
2-3	Reporting Period, frequency and contact point	This report primarily covers the period 2021 (i.e. Jan. 1st to Dec. 31st) with references to the period 2020 specially as it relates to CDP disclosures in section #8. It also includes a number of forward looking statements about planned actions clearly identified as such.
2-4	Restatements of information	None (first report)
2-5	External assurance	Review by third-party expert in sustainability
ACTIVITIES & WORKERS		
2-6	Activities, value chain and other business relationships	Ref. section #3 of this report. More details also available at https://www.mercuryeng.com/about-us/
2-7	Employees	Ref. section #7.b. of this report
2-8	Workers who are not employees	Ref. section #7.b. of this report
GOVERNANCE		
2-9	Governance structure & composition	Ref. section #4 of this report
2-10	Nomination and selection of the highest governance body	Not disclosed
2-11	Chair of the highest governance body	Ref. section #4 of this report
2-12	Role of the highest governance body in overseeing the management of impacts	Ref. section #4 of this report, Ref. https://www.mercuryeng.com/about-us/values/ for more details on values
2-13	Delegation of responsibility for managing impacts	Ref. section #4 of this report
2-14	Role of the highest governance body in sustainability reporting	Ref. section #4 of this report
2-15	Conflicts of Interest	Ref. section #4 of this report
2-16	Communication of critical concerns	Ref. section #4 of this report., Four grievances recorded in 2021, of which one - opened late December - still open at the time this report was published

Item	Disclosure	Location where information can be found
GRI 2: General Disclosures 2021		
GOVERNANCE		
2-17	Collective knowledge of the highest governance body	Ref. section #4 of this report
2-18	Evaluation of the performance of the highest governance body	Ref. section #7.b of this report, paragraph "Fair Remuneration process" valid for all employees including the Executive Management Team
2-19	Remuneration policies	The Executive Management Teams' compensation consists of basic salary, short- and long-term bonus plans, and transport options.
2-20	Process to determine remuneration	Ref. section #7.b of this report
2-21	Annual total compensation ratio	The 2021 ratio of the annual total compensation for Mercury's CEO to the median annual total compensation for all employees (excluding the CEO) = 1:47 The 2021 ratio of the percentage increase in annual total compensation for the CEO to the median percentage increase in annual total compensation for all employees (excluding CEO) is 1:11.3
STRATEGY, POLICIES AND PRACTICES		
2-22	Statement on sustainable development strategy	Ref. section #1 of this report
2-23	Policy commitments	Ref. Section #4 of this report. Ref. Mercury Responsible Business and Sustainability Policy Statement: https://www.mercuryeng.com/wp-content/uploads/2021/12/2021-Sustainability-Policy-Statement.pdf Ref. The Mercury Code of Business Conduct: https://www.mercuryeng.com/wp-content/uploads/2019/06/Code-of-Conduct.pdf
2-24	Embedding policy commitments	Ref. Mercury Responsible Business and Sustainability Policy Statement: https://www.mercuryeng.com/wp-content/uploads/2021/12/2021-Sustainability-Policy-Statement.pdf
2-25	Processes to remediate negative impacts	Ref. The Mercury Code of Business Conduct: https://www.mercuryeng.com/wp-content/uploads/2019/06/Code-of-Conduct.pdf
2-26	Mechanism for seeking advice and raising concerns	Ref. The Mercury Code of Business Conduct: https://www.mercuryeng.com/wp-content/uploads/2019/06/Code-of-Conduct.pdf
2-27	Compliance with laws and regulations	Full compliance. No fines.
2-28	Membership Associations	Ref. Section #11 of this Report
STAKEHOLDER ENGAGEMENT		
2-29	Approach to stakeholder engagement	Ref. section #6 of this report
2-30	Collective bargaining agreements	Ref. section #7.b of this report

Item	Disclosure	Location where information can be found
GRI 3: Material Topics		
3-1	Process to determining material topics	Ref. section #9 of this report
3-2	List of material topics	Ref. https://www.mercuryeng.com/wp-content/uploads/2021/02/51440-Mercury-Our-Planet-Our-Duty-Digital-1.pdf Responsible Business Plan 2020 p.12-13 "Our 2020 materiality analysis"
GRI 200: Economic		
201	Economic Performance	As a private company, Mercury does not publicly disclose its financial information. For Risks and Opportunities, refer to Section #8 of the report "Minimising our environmental footprint"/ Risks & Opportunities
202	Market Presence	Almost all of Mercury's waged employees are based in Ireland (97%). All are paid according to the relevant Sectoral Employment Orders Ref. Section #7.b. of this Report "Being an employer of choice" / Diversity, inclusion and equality / Fair remuneration process, The nature of our business is transitory and as such Mercury hires people locally for vacancies available while most senior management are expected to be transitory.
203	Indirect Economic Impacts	Mercury is engaged in the construction of some infrastructure projects such as hospitals.
204	Procurement Practices	Over 90% of our Ireland projects rely on Irish or EU suppliers
205	Anti-Corruption	Ref. The Mercury Code of Business Conduct: https://www.mercuryeng.com/wp-content/uploads/2019/06/Code-of-Conduct.pdf Also addressed in Section #9 of the report "Maintaining Responsible Partnerships"
206	Anti-Competitive Behaviour	No issue recorded
207	Tax	No issue recorded
GRI 300: Environmental		
301	Materials	Ref. EPDs addressed in Section 6 "Stakeholders Engagement"/Suppliers. And Section #9 of the report "Maintaining Responsible Partnerships"/Supply Chain Survey
302	Energy	Ref. section #8 of the report "Minimising our environmental footprint". Scope 2 100% renewable from 2022 onwards
303	Water & Effluents	No open cases, environmental reviews
304	Biodiversity	Ref. section #8 of the report "Minimising our environmental footprint"
305	Emissions	Ref. section #8 of the report "Minimising our environmental footprint"
307	Environmental Compliance	No issue recorded
308	Supplier Environmental Assessment	Ref. Section #9 of the report "Maintaining Responsible Partnerships"/Ecovadis

Item	Disclosure	Location where information can be found
GRI 400: Social		
401	Employment	Ref. Section #7.b. of this Report “Being an employer of choice” / Diversity, inclusion and equality
402	Labour Management Relations	Mercury maintains good industrial relations based on open dialog with its staff members
403	Health & Safety	Ref. Section #7.a. of this Report “Being an employer of choice”/EHS
404	Training & Education	Ref. Section #7.c. of this Report “Being an employer of choice”/Learning & Development
405	Diversity & Equal Opportunity	Ref. Section #7.b. of this Report “Being an employer of choice” / Diversity, inclusion and equality
406	Non-Discrimination	Mercury recorded two “Dignity at work” complaints in 2021. Both are closed.
407	Freedom of Association and Collective Bargaining	Mercury maintains good industrial relations based on open dialog with its staff members
408	Child Labour	Ref. The Mercury Code of Business Conduct: https://www.mercuryeng.com/wp-content/uploads/2019/06/Code-of-Conduct.pdf , Also addressed in Section #9 of the report “Maintaining Responsible Partnerships”
409	Forced or Compulsory Labour	Ref. The Mercury Code of Business Conduct: https://www.mercuryeng.com/wp-content/uploads/2019/06/Code-of-Conduct.pdf , Also addressed in Section #9 of the report “Maintaining Responsible Partnerships”
411	Rights of Indigenous Peoples	Not applicable
412	Human Rights	Ref. The Mercury Code of Business Conduct: https://www.mercuryeng.com/wp-content/uploads/2019/06/Code-of-Conduct.pdf , Also addressed in Section #4 Governance, and #9 of the report “Maintaining Responsible Partnerships”
413	Local Communities	Ref. The Mercury Code of Business Conduct: https://www.mercuryeng.com/wp-content/uploads/2019/06/Code-of-Conduct.pdf , Also addressed in Section #9 of the report “Maintaining Responsible Partnerships”
414	Supplier Social Assessment	Ref. Section #9 of the report “Maintaining Responsible Partnerships”/Ecovadis + Supplier Code of Conduct
415	Public Policy	None
416	Client Health & Safety	Ref. Section #7.a. of this Report “Being an employer of choice”/EHS
417	Marketing & Labeling	Not applicable
418	Client Privacy	No breaches regarding client privacy
419	Socioeconomic Compliance	No recordings of transgressions

12. OUR PARTNERS





YOUR VISION. OUR DUTY.

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