

# Carbon Reduction Plan

September 2022



This document has been produced by Sir Robert McAlpine Ltd in response to UK Government PPN 06/21:

*“Taking account of Carbon Reduction Plans in the procurement of major government contracts”*

The content of this plan is signed off and endorsed by the SRM Executive Leadership Team and Board.

## Supplier Name

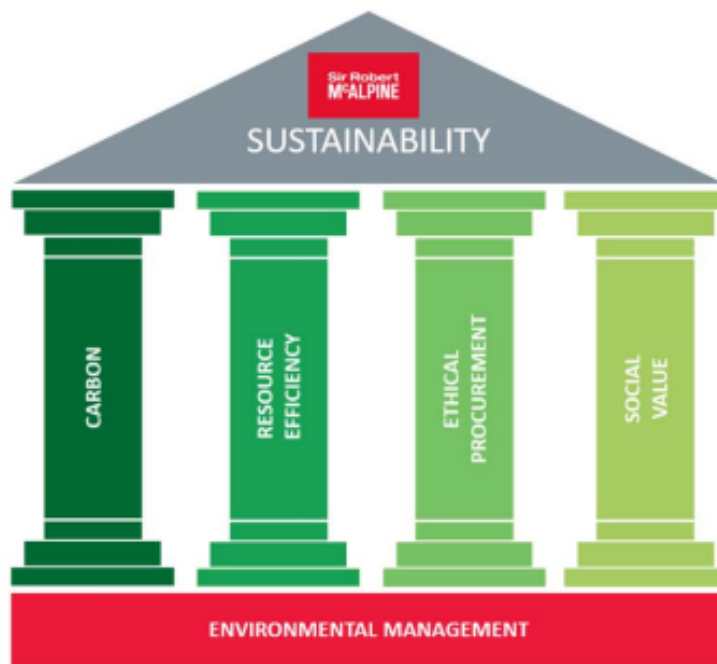
Sir Robert McAlpine Ltd

## Publication Date

30/09/2022

## Commitment to Achieving Net Zero

Sir Robert McAlpine is committed to achieving Net Zero emissions by 2045 for its full value chain with an interim Net Zero target for emissions within our direct control by 2025. This Net Zero Carbon commitment, forms one of the four pillars in our 2020 -2025 Sustainability Strategy.



We are in the process of strengthening this commitment further and increasing our NZC ambition, having committed to the Science Based targets Initiative (SBTi) and aligning our emission reduction targets to a 1.5°C warming scenario. In support of this we have developed a set of carbon principles to guide us as we deliver our carbon reduction programme:



### Don't Delay

Don't let the magnitude of the task delay action.



### Collaborate

We'll collaborate with the whole of Sir Robert McAlpine and the wider industry.



### Be Brave

We'll have to do things differently and embrace change.



### Reduce

We need to reduce our emissions and not settle for offsetting alone.



### Transparency

Our approach will be open, honest and transparent.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

<b>Baseline Year:</b>	2019/20
<p>Additional Details relating to the Baseline Emissions calculations:</p> <p>Our 2019/2020 financial year (1<sup>st</sup> November -31<sup>st</sup> October) is to be used as our baseline year for our emissions reduction and reporting against the requirements of the PPN.</p> <p>Following the Scope 1, 2 and 3 footprinting exercise undertaken on our behalf by the Carbon Trust in support of our commitment to Science Based Targets, our baseline has been recalculated and is restated here. This has resulted in:</p> <ul style="list-style-type: none"> <li>- Greater accuracy through the use market-based emission factors</li> <li>- An increased footprint boundary which includes all applicable scope 3 categories</li> <li>- Full alignment to GHG Protocol Corporate Standard reporting requirements</li> </ul> <p>Whilst the footprint of our company baseline has now increased, the baseline detailed below is aligned to the boundary defined by PPN06/21, with the exception of:</p> <ul style="list-style-type: none"> <li>- Scope 3, Category 9 – not applicable for our business as we deliver fixed assets, therefore there are no emissions associated with the transportation and distribution of sold products.</li> </ul>	

## Baseline Year Emissions

Emissions	Total (tCO <sub>2</sub> e)
Scope 1	3,834
Scope 2	1,195
Scope 3 (included sources)	
4. Upstream transportation and distribution	3,552
5. Waste generated in operations	67,466
6. Business travel	1,954
7. Employee commuting	545
9. Downstream transportation & distribution	N/A
<b>Total Emissions</b>	<b>78,546</b>

## Current Emissions Reporting

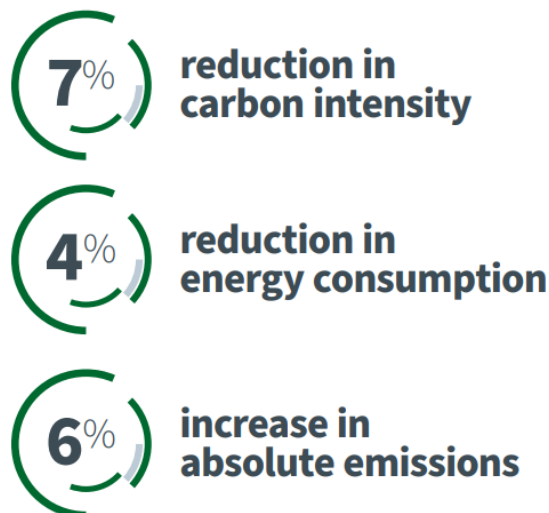
Reporting Year: 1 <sup>st</sup> November 2020 – 31 <sup>st</sup> October 2021	
Emissions	Total (tCO <sub>2</sub> e)
Scope 1	3,648
Scope 2	1,695
Scope 3 (included sources)	*See below
<b>Total Emissions</b>	<b>5,343</b>

\*Our scope 3 emissions for 2020/2021 are currently being calculated and externally verified to ensure emissions are consistently and accurately reported in line with our baseline dataset and the GHG Protocol Corporate Standard reporting requirements. We are expecting this to be completed during Q1 2023 and this carbon reduction plan will be updated and republished during the same period.

With transparency as a key driver, the impact of our increased ambition and re-alignment of our reporting methodologies has this year contributed to a reported 6% increase in annual emissions compared to our baseline year (2019/20).

Analysis of the data attributes this increase partly to a return to pre-pandemic levels of activity across our sites and offices. However, the most significant contributor is the way in which our carbon emissions from our electricity use is calculated and reported. To calculate these emissions, we've moved from using standard government conversion factors to market-based ones, aligning to best practice in carbon accounting. A market-based methodology uses the specific emission factors from the individual electricity supplies that we have purchased. As electricity suppliers emit differing levels of greenhouse gases, this methodology ensures that we are as accurate as possible, moving away from a singular generalised conversion factor.

Encouragingly, our energy consumption (how much energy we have actually used in kWh) has decreased this year. However, our transition to a zero-carbon energy for all our activities continues, and the change to market-based emissions has highlighted the emissions impact of the few supplies we use which are not zero carbon.



## Emissions Reduction Targets

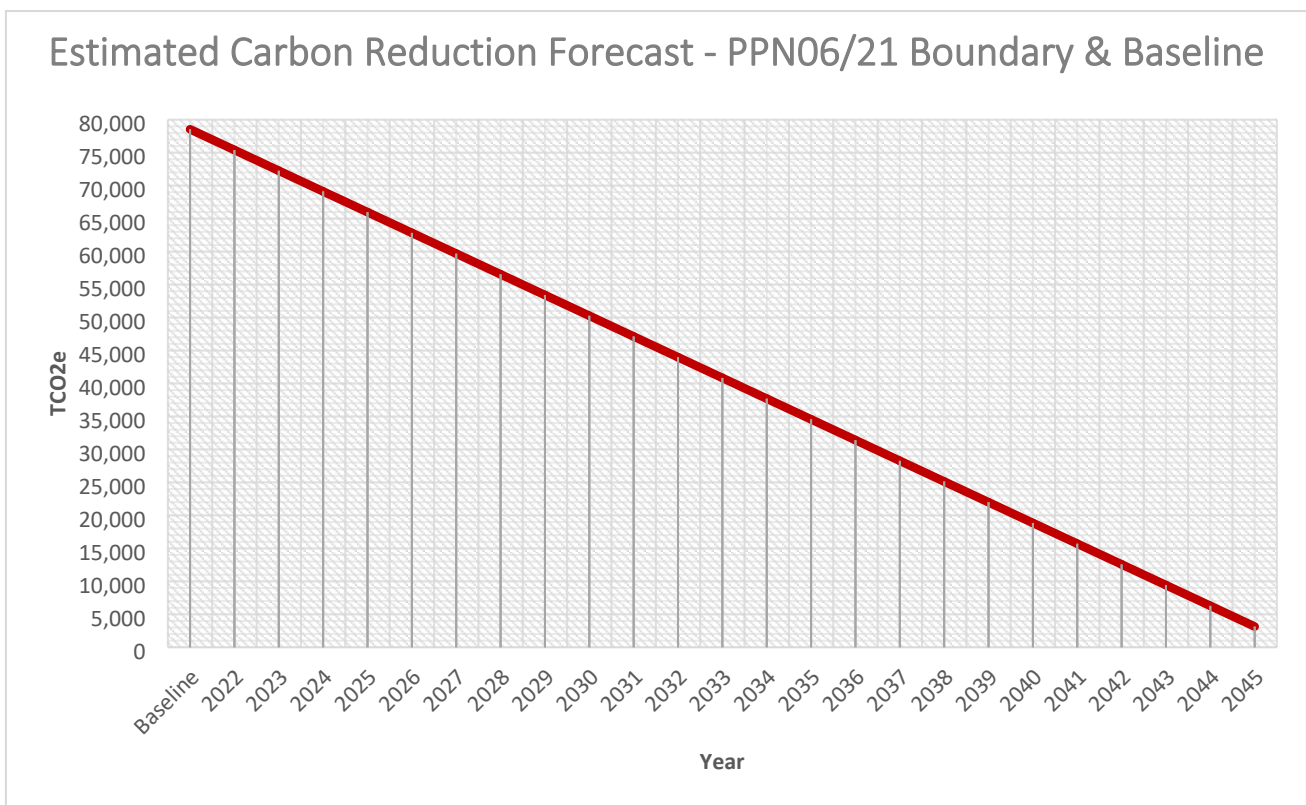
In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

- Net Zero Carbon by 2045
- Interim Net Zero Carbon 2025 target for emissions within our direct control – to focus our efforts and ensure we take immediate action
- Annual reduction in absolute carbon emissions against our footprint boundary

We are in the process of transitioning to new emissions reduction target(s), having committed to the Science Based Target Initiative (SBTi). Our targets have been developed and submitted to the SBTi for formal verification, which we are anticipating will be in Q2 2023. This is an increase in ambition and scope, aligning our targets to a 1.5°C climate scenario and including 90% of our scope 3 emissions.

Once verified our carbon reduction policies and practices will continue to evolve to ensure we do all we can to reduce our emissions. We project that the carbon emissions associated with the boundary defined by PPN06/21 will decrease over the next five years by 12,567 tCO<sub>2</sub>e by 2026. This is a reduction of 16% from our 2019/20 baseline.

Forecast carbon reductions in line with our current decarbonisation programme:



## Carbon Reduction Projects

### *Completed Carbon Reduction Initiatives:*












The following environmental management measures and projects have been completed or implemented between 1<sup>st</sup> November 2019 and the 31<sup>st</sup> October 2021:

- REGO backed renewable energy tariff procured for our electricity as we look to phase out fossil fuels
- Revision of our company sustainability strategy to focus on carbon reductions to support our Net Zero Carbon commitment
- The company sustainability strategy provides our projects with a list of meaningful actions that are implemented to reduce carbon emissions – meaning that all our projects contribute to our carbon reduction efforts
- Review of our Scope 3 emissions data and monitoring tools (e.g., our delivery management system to capture our Category 4 Scope 3 emissions)
- Automated reporting rolled out to capture Scope 1 & 2 carbon emissions data more efficiently
- Roll out of improved material reporting to better understand the embodied emissions of the materials we procure
- Trials of plant efficiency measures such as flywheels, batteries and hybrid generators
- Third party gap analysis conducted by The Carbon Trust on our carbon accounting and control measures
- Committed to the Science Based Targets initiative, Race to Zero and business ambition for 1.5°C
- Submitted Climate change questionnaire to the Climate disclosure project (CDP)

### *In the future we hope to implement further measures such as:*

- Following a successful trial, rolling out the use of Hydrogenated Vegetable Oil (HVO) fuel across our operations in 2022 to reduce our use of traditional fuels and their associated emissions
- Following a successful trial, adopting the use of a whole life carbon reporting tool to undertake Life cycle assessments on our projects
- Appointing a Company Carbon Manager to oversee development and delivery of our GHG reduction
- Implementing the recommendations from our Science Based Target initiative work
- Development and delivery of Carbon Literacy Programme for our people
- Establish an innovation fund and strategic collaborative partnerships to drive trials and upscaling of innovative solutions e.g. low carbon concretes, Hydrogen power sources.
- Minimum carbon standards for materials and products
- Development and delivery of a supply chain net zero carbon engagement strategy
- Committing to ConcreteZero and SteelZero initiatives

The above is in addition to those listed in our Pathway to Net Zero Action Plan:

Ongoing Work & Action Plan		
<b>Scope 1</b>		
	<b>SRM PAID FUEL</b>	Continue trials of alternative fuels for site use (2021/2022)
		Continue trials of electric plant (2021/2022)
		Investigate plant renewal programme and specify electric/ hybrid options (2021/2022)
	<b>COMPANY CAR</b>	Electric/ hybrid company car and hire car policy (2021)
		Implement company Eco Travel Allowance (2021)
		Revised expenses system to automate reporting of employee business miles (2021/2022)
<b>Scope 2</b>		
	<b>SRM PAID ELECTRICITY</b>	Review dataset and target high energy use projects/ processes (2021)
		Review of estate strategy energy use and implement energy efficient upgrades (2021/2022)
		Set energy intensity benchmarks for our projects and company (2022)
<b>Scope 3</b>		
	<b>WASTE</b>	Implement resource efficiency actions from sustainability strategy across the business (2021)
		Roll out new reporting tool for more accurate and automated data (2021/2022)
	<b>WATER</b>	Review dataset and target high energy use projects / processes (2021)
		Set water use benchmarks for our projects and company (2022)
		Investigate commissioning water use and reduction (2022)
	<b>BUSINESS MILEAGE</b>	Electric/ hybrid staff car ownership scheme (2021)
		Revised expenses system to automate reporting of business mileage (2021/2022)
	<b>MATERIAL EMBODIED CARBON</b>	Roll out Whole Life Carbon tool to develop embodied carbon dataset and reporting mechanisms (2021)
		Embodied carbon action plan for key building materials (2021/2022)
		Establish working group with Clients, Designers, Tier 1 Contractors and supply chain (2021/2022)
		Set an embodied carbon benchmark (kgCO2e/m2) for projects, monitor and report (2024)
	<b>DELIVERIES</b>	Review existing dataset and capture method to ensure consistency (2021)
		Investigate and implement measures to reduce delivery mileage (2023)
	<b>VISITORS</b>	Review existing dataset and data capture method to ensure consistency (2021)
		Mandatory reporting of dataset to benchmark (2022)
	<b>EMPLOYEE COMMUTE</b>	Implement measures to reduce employee commute e.g. flexible working, video/ tele conferencing (2020)
		Review existing dataset and data capture method to ensure consistency (2021)
		Ensure electric vehicle charging infrastructure is installed across our offices and site (2022/2023)
	<b>S/C FUEL</b>	Roll out subcontractor reporting tool (2020/2021)
		Investigate alternative fuel and plant options (2022)

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.


Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

Deviation from the above has been noted with the exclusion of the required subset of scope 3 emissions from the current reporting year whilst this dataset undergoes verification. Once verified this carbon reduction plan will be updated and republished with the verified dataset.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

### Signed on behalf of the Supplier:



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Simon Richards  
Sustainability Director  
Sir Robert McAlpine Ltd

Date: 27<sup>th</sup> September 2022



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Paul Hamer  
Chief Executive  
Sir Robert McAlpine Ltd

Date: 27<sup>th</sup> September 2021