

Carbon Reduction Plan

Sir Robert McAlpine Ltd.

April 2024

Supplier Name

Sir Robert McAlpine Ltd

Publication Date

01/04/2024

This carbon reduction plan conforms to the requirements of Procurement Policy Note PPN06/21: “Taking Account of Carbon Reduction Plans in the Procurement of Major Government Contracts” and the supporting “Technical Standard for the Completion of Carbon Reduction Plans”.

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 Sustainability Strategy.

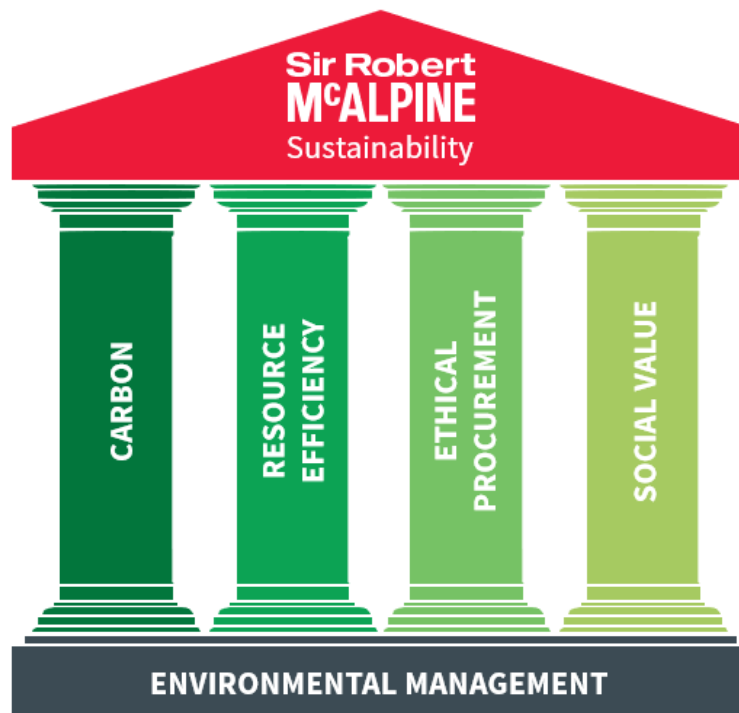


Figure 1 - SRM Sustainability Strategy

In 2023, we became only the 2nd major UK construction and engineering company to have our Net Zero targets validated by the Science Based Targets Initiative (SBTi). This approval has ensured our targets are ambitious, credible, and aligned with the Paris Agreements goal of keeping planetary warming to 1.5°C, limiting the worst impacts of climate change.

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.

Baseline Year:	Financial year 2019/20
<p>Additional Details relating to the Baseline Emissions calculations:</p> <p>Our 2019/20 financial year (1st November -31st October) is to be used as our baseline year for our emissions reduction and reporting against the requirements of the PPN. Our baseline scope of emissions is aligned to the boundary defined by PPN06/21, except for:</p> <ul style="list-style-type: none"> - 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. <p>Our baseline was calculated on our behalf by The Carbon Trust in support of our now successfully verified Science Based Targets.</p> <p>In line with our commitment to continue to improve our data accuracy and reporting practices we have improved the calculation methodology for scope 3 emissions, using updated proxy values and a third-party calculation engine.</p> <p>A re-baselining using this revised methodology is underway, however not included in this report as the data is to be verified to the requirements of ISO14064 and submitted to the Science Based Target initiative for review. The figures in this report will be revised once verified.</p>	
Baseline year emissions	
Emissions	Total (tCO₂e)
Scope 1	4,796
Scope 2 (Market based)	1,195
Scope 3 (includes all applicable sources required by PPN06/21)	9,088
Total Emissions	15,079

Current Emissions and Performance

Reporting Year	Financial year 2022/23
Emissions	Total (tCO ₂ e)
Scope 1	1,429
Scope 2 (Market based)	285
Scope 3 (includes all applicable sources required by PPN06/21)	16,297
Total Emissions	18,011

Emissions Reduction Targets

Sir Robert McAlpine is committed to achieving net zero GHG emissions across our value chain by 2045 with an interim 42% reduction targeted by 2030. We will reduce our absolute GHG emissions by at least 90% from the baseline by 2045, with a maximum of 10% of our baseline emissions being neutralized through certified carbon offsets. These targets incorporate all applicable sources required by PPN06/21 and further Scope 3 emission categories.

This year we achieved a significant milestone in being one of the first major construction and engineering companies in the UK to have had its targets approved as Net Zero by the Science Based Targets initiative (SBTi). Our verified SBTi targets are:

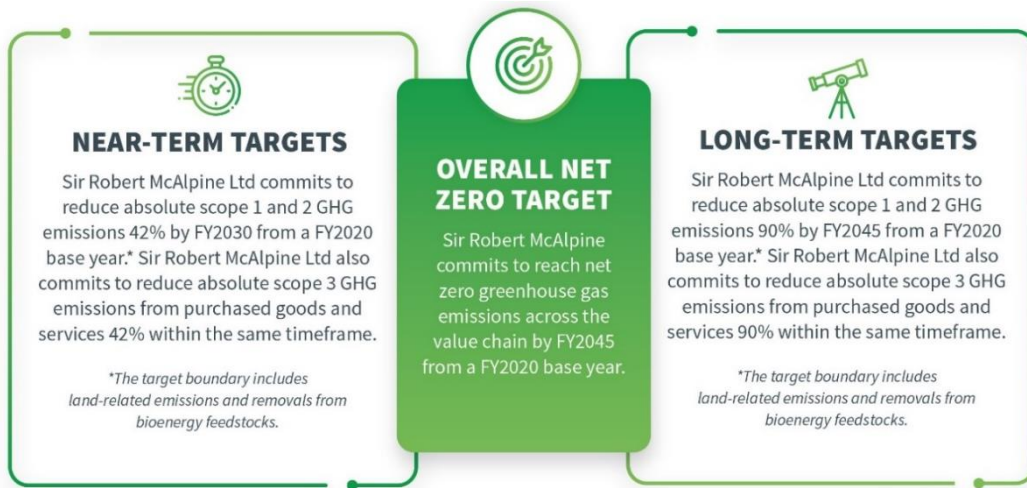


Figure 2- SRM verified SBTi targets.

Progress against targets

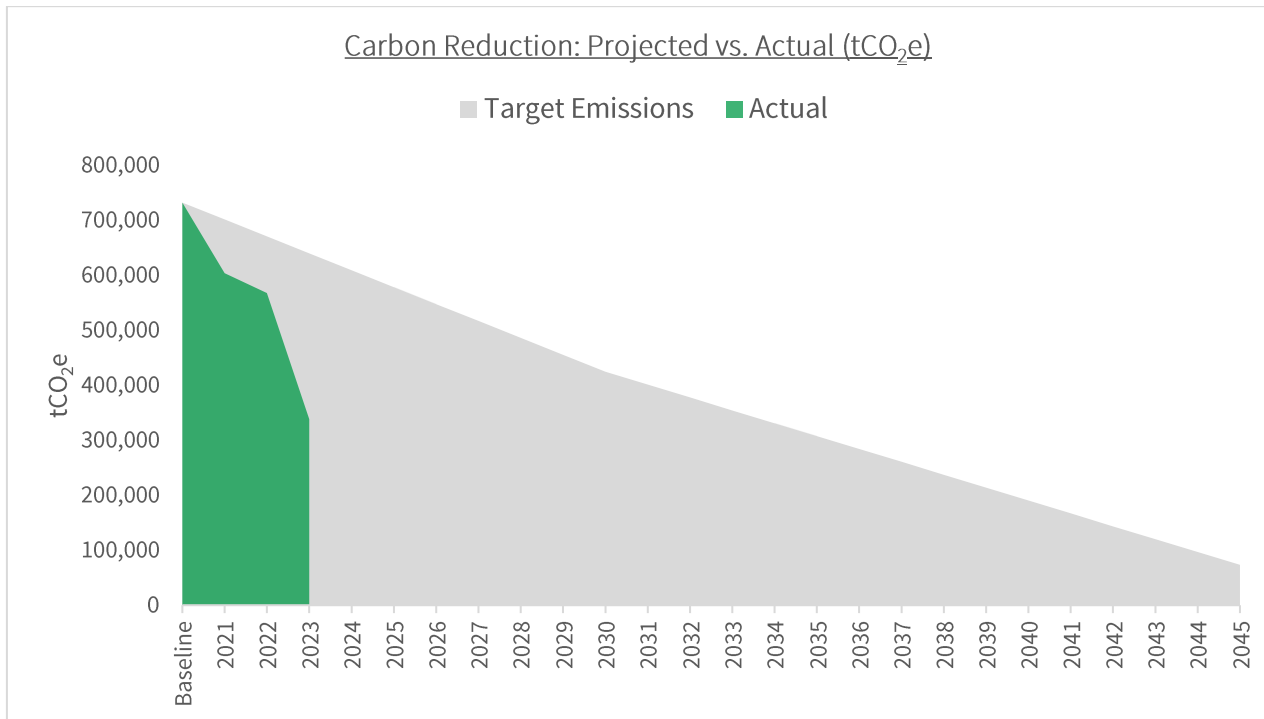


Figure 3 - Performance against targets.

Our 2022/23 Scope 3 reduction results have been impacted by revisions made to our calculation approach. These changes were made to improve the accuracy of our Scope 3 emissions calculations, and include:

1. Launching an independent online carbon calculation engine.
2. Aligning our calculation methodology with the latest standards and most up-to-date emission factors.
3. Transitioning from a spend-based to a quantity-based approach for key material emission hotspots: concrete, structural steel, and steel reinforcement.

All our reported carbon data to date has been reviewed and verified by a third party to the requirements of ISO 14064. We will re-assess our baseline using our improved calculation methodology and the outputs will be verified to the requirements of ISO14064.

Once verified to the ISO standard, we will then submit our revised baseline to the SBTi for review and verification with our targets updated accordingly. To ensure our reported data is consistent this plan will then be updated.

Carbon Reduction Projects

Our Net Zero action plan ensures we take immediate and sustained action to deliver Net Zero by 2045.

Below is a summary of some of the actions and initiatives undertaken in 2022/23:

- SBTi validation of our Net Zero target.
- Committed to SteelZero and ConcreteZero initiatives to signal demand for low carbon steel and concrete.
- Expanded our dedicated carbon team, who oversee the delivery of our Net zero action plan and support and engage our people and value chain to help deliver low carbon solutions and requirements.
- Increased our supply of electricity from renewable energy tariffs to 89%, with a target to reach 100% by 2025.
- Replaced nearly 1 million litres of diesel with lower carbon HVO fuel.
- Launched our Net Zero microsite to enhance communication and transparency on our pathway to Net Zero 2045.
- Rolled out a new online carbon calculation engine to improve the accuracy and efficiency of our company reporting.
- Transitioned from a spend based approach to calculating emissions from purchased goods and services to a quantity based one for concrete, structural steel, and steel reinforcement.
- Supported the development of industry standards and guidance, such as the UK Net Zero Carbon Building standard and the RICS whole life carbon assessment for the built environment v2.
- Shared our experience and learnings with the wider industry.
- Undertook an external gap analysis of our carbon management system (CMS) to identify areas of improvement ahead of PAS 2080 accreditation in 2024.
- Continued use of low carbon materials and products on our projects, including ultra-low carbon concrete, mortar and steel, hybrid generators and solar lighting towers.
- Supported initiatives to help our people transition to electric vehicles.
- Enabling the transition to a circular economy and greater resource efficiency by supporting the reuse of structural steel and cross-laminated timber on several of our projects.
- Engaging, upskilling, and empowering our people through our Carbon literacy programme, with over 600 hours logged in 2022/23.

During 2023/24 we aim to implement further measures such as:

- Verification to PAS 2080:2023 'Carbon management in buildings and infrastructure'
- Further progression of our data improvement programme to increase the efficiency and accuracy of our reporting – including the revision of our baseline.
- Implement our data improvement programme.
- Re-baseline our emissions using revised calculation methodology.
- Run a carbon engagement campaign with employees.
- Rolling out phase 2 of our Carbon Literacy Programme
- Development of minimum carbon standards
- Development and delivery of a supply chain net zero carbon engagement strategy
- Development of our carbon offsetting and removal strategy
- Reporting against the ConcreteZero and SteelZero initiatives

Declaration and Sign Off

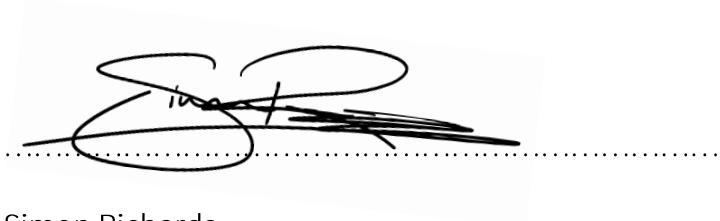
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

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.

This Carbon Reduction Plan has been reviewed and signed off by the SRM board of directors.

Signed on behalf of the Supplier:



Simon Richards
Sustainability Director
Sir Robert McAlpine Ltd

Date: 2nd April 2024



Neil Martin
Chief Executive
Sir Robert McAlpine Ltd

Date: 2nd April 2024