

Carbon Reduction Plan

April 2023



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

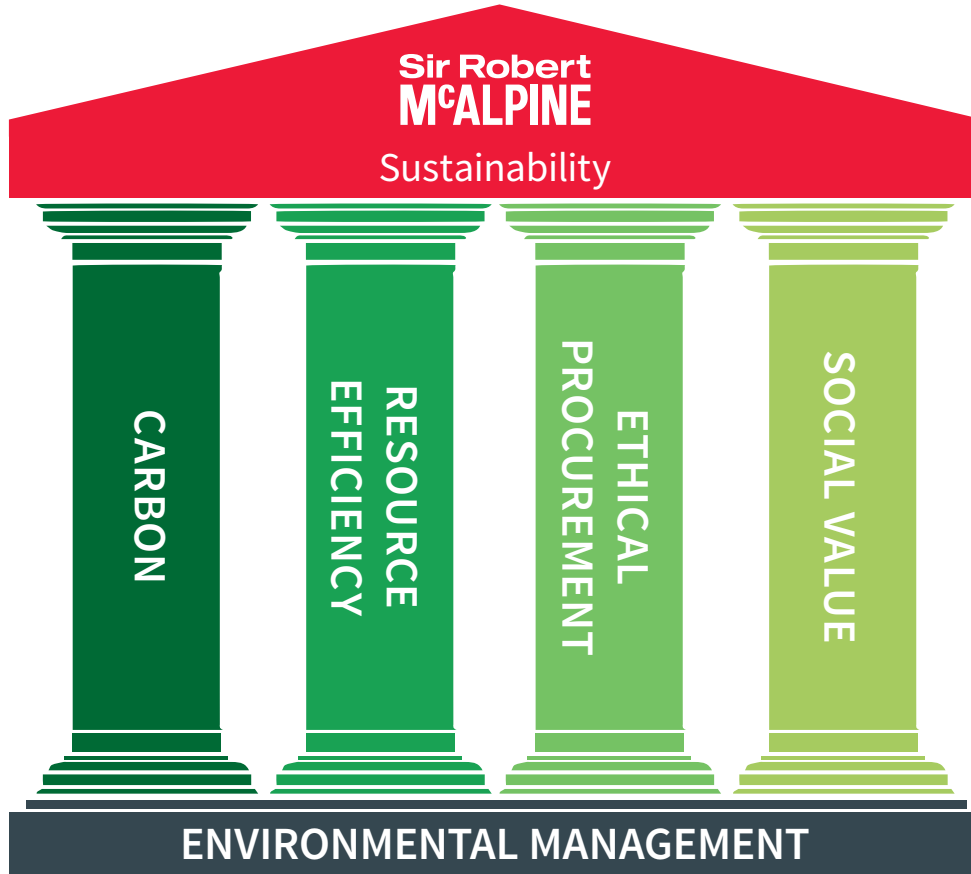
Sir Robert McAlpine Ltd

Publication Date

01/04/2023

Commitment to Achieving Net Zero

Sir Robert M°Alpine 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 (NZC) 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 the action



Collaborate

Work with the whole of Sir Robert M°Alpine and the wider industry



Be Brave

We'll have to do things differently and embrace change



Reduce

Focus on reducing our emissions and long term benefit



Transparency

We'll be open, honest and transparent always

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 2019/20

Additional Details relating to the Baseline Emissions calculations:

Our 2019/2020 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.

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:

- Greater accuracy through the use market-based emission factors and improved methodologies
- An increased footprint boundary which includes all applicable scope 3 categories
- Full alignment to GHG Protocol Corporate Standard reporting requirements

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:

- 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.

Baseline Year

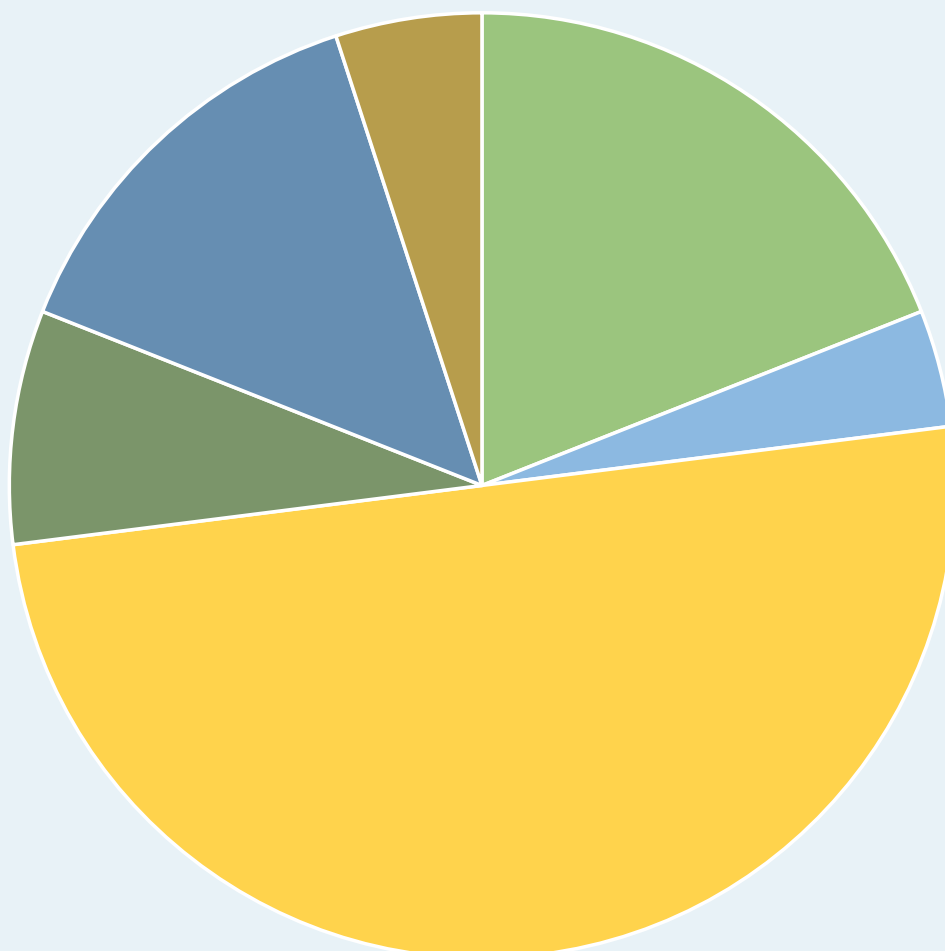
Emissions	Total (CO ₂ e)
Scope 1	4,796
Scope 2 (Market based)	1,195
Scope 3	9,088
4: Upstream transportation and distribution	4,182
5: Waste generated in operations	2,406
6: Business travel	1,954
7: Employee commuting	545
9: Downstream transportation and distribution	N/A
Total emissions	15,079

Current Emissions and Performance

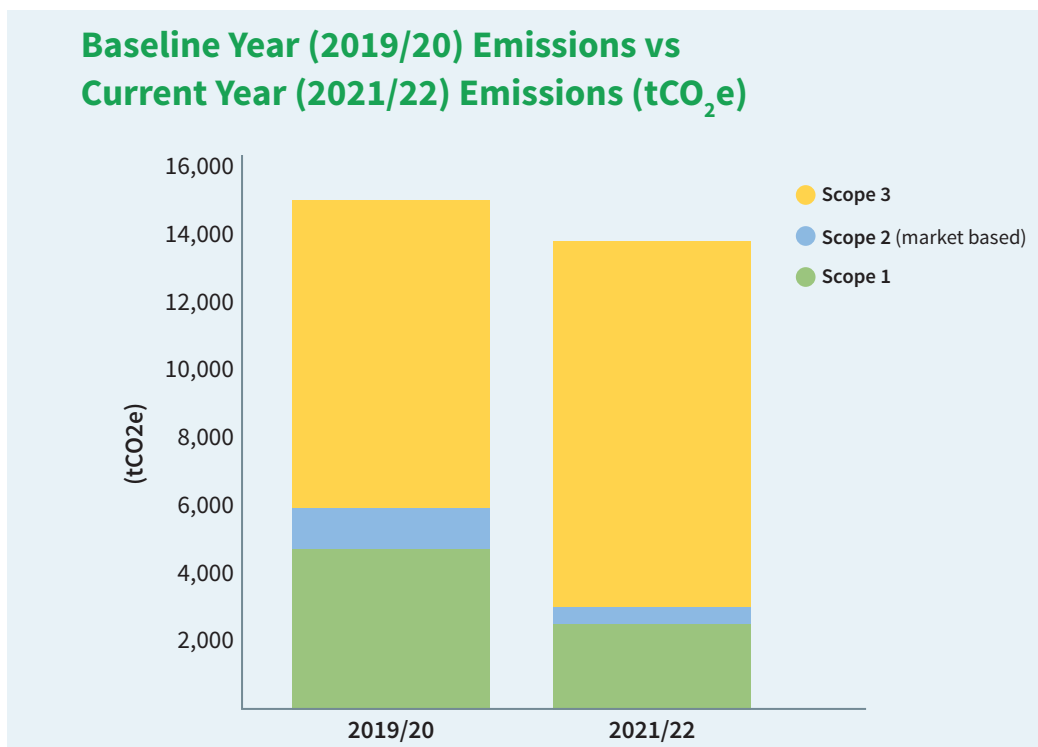
Reporting Year 1st November 2021 – 31st October 2022

Emissions	Total (CO ₂ e)
Scope 1	2,568
Scope 2 (Market based)	552
Scope 3	10,721
4: Upstream transportation and distribution	6,977
5: Waste generated in operations	1,116
6: Business travel	1,933
7: Employee commuting	695
9: Downstream transportation and distribution	N/A
Total emissions	13,841

Current Year (2021/22) Emissions (tCO₂e)



- Scope 1
- Scope 2 (market based)
- 4: Upstream transport & distribution
- 5: Waste generated in operations
- 6: Business travel
- 7: Employee commuting



In 2021/22 we reduced our absolute emissions (tCO₂e) by 8% compared to our 2019/2020 baseline year. This performance is attributed to reductions in both our Scope 1 and 2 emissions, driven by:

Scope 1 - Gas combustion

Our gas usage varies depending on the number of projects in our portfolio that use gas and therefore require commissioning, and the stage of each project in our reporting year. We continue to utilise our expertise to work with our clients to reduce their operational carbon emissions. This is achieved, in part, through increased use of renewable energy and the electrification of energy sources. As a result of work to decarbonise and move away from gas as a primary energy source for buildings, this year, our overall gas consumption has decreased significantly.

Scope 1 - Fuel combustion

Our emissions from fuel have decreased significantly due to the successful rollout of Hydrogenated Vegetable Oil (HVO) across our projects as a replacement for more carbon intensive diesel. We are utilising HVO as a transition fuel whilst we investigate and trial alternative fuel technologies which will, in time, replace our HVO consumption. The carbon emission reduction realised by our fuel switch is further complemented by our drive to minimise fuel usage on our sites and our trials of electric and hybrid sources of power.

Scope 2 - Electricity consumption

Our overall emissions for electricity have decreased substantially this year. This has been achieved as a result of the continued rollout of renewable electricity tariffs across our business. An ongoing collaboration with our procurement department has ensured that we've increased the percentage of our electricity supplied by renewables from 56% in 2020/21 to 86% in 2021/22.

A full list of carbon reduction initiatives implemented can be found under the carbon reduction projects section.

Emissions Reduction Targets

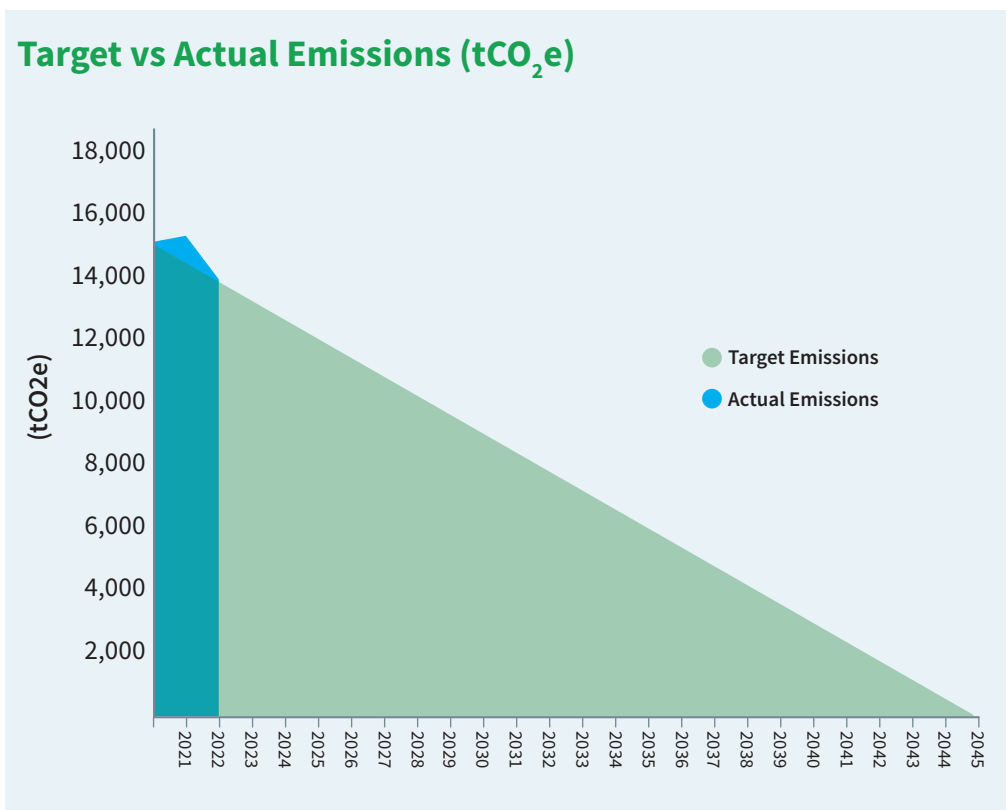
In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

- 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 by 6,031 tCO₂e by 2030. This is a reduction of 40% from our 2019/20 baseline.

Target carbon reductions in line with our current decarbonisation programme:



Carbon Reduction Projects

We cannot credibly achieve net zero without first focusing our efforts on reducing our carbon emissions.

We have undertaken the following initiatives to reduce both our direct and indirect emissions:

- Appointed a Company Carbon Manager to oversee our carbon reduction programmes and energy efficiency measures, and to support and engage our project teams, supply chain and clients to deliver low carbon solutions;
- Completed a detailed foot printing exercise, hotspot analysis and developed emission reduction scenarios for applicable Scopes 1, 2 & 3;
- Committed to the Science Based Targets initiative, Race to Zero and business ambition for 1.5°C
- Developed and submitted our carbon reduction targets to the Science Based Targets Initiative (SBTi) for verification;
- Reviewed our data capture and reporting systems to increase the efficiency and accuracy of our data;
- Undertook 3rd party verification and validation of our business carbon footprint in accordance with ISO14064-3;
- Submitted Climate change questionnaire to the Climate disclosure project (CDP)
- Increased our supply of electricity from renewable sources to 86%, with an ambition to reach 100%;
- Rolled out the use of Hydrogenated Vegetable Oil (HVO) as a transition fuel on our projects to reduce our diesel consumption;
- Transitioned more than 50% of our vehicle fleet to run on HVO rather than diesel, with plans developed to increase this to 100% in line with our plant improvement programme;
- Launched initiatives to help our employees transition to electric vehicles;
- Conducted ongoing trials of low carbon materials and products on our projects;
- Trials of plant efficiency measures such as flywheels, batteries and hybrid generators;
- Refined our list of 'carbon meaningful actions' that each of our projects can implement to reduce carbon emissions and contribute to our overall company efforts;
- Developed and rolled out our mandatory carbon literacy programme for our staff; and
- Developed and rolled out our embodied carbon process to undertake embodied carbon assessments, identify opportunities for reductions and build our as-built embodied carbon dataset.

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

- Implementing the recommendations from our Science Based Target initiative work
- A data improvement programme to further increase the efficiency and accuracy of our reporting
- 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

Declaration and Sign Off

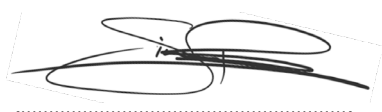
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

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 board of directors (or equivalent management body).

Signed on behalf of the Supplier:



Simon Richards
Sustainability Director
Sir Robert McAlpine Ltd

Date: 1st April 2023



Paul Hamer
Chief Executive
Sir Robert McAlpine Ltd

Date: 1st April 2023