CRL CARBON (GREENHOUSE GASES) REDUCTION PLAN

Background

It is generally accepted that high levels of greenhouse gases in the atmosphere are negatively impacting on our climate and that if we are to avoid the worst impacts, we have to significantly reduce the amount of carbon we are emitting. The Centura Group wants to play an active role in reducing carbon to support our clients' ambition, meet legislative requirements and not least because it is the right thing to do. This document sets out our strategy, our method of measurement and our targets for reduction. We have also included a section on reducing other emissions from our vehicles to improve local air quality and meet Low Emission Zone limits.

Legislation and guidance

UK Government

- Climate Change Act 2008 – 80% reduction by 2050 based on 1990 levels.
- Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 – 100% lower by 2025, with interim targets of 56% by 2020, 75% by 2030 and 90% by 2040.
- Construction 2025 – 50% lower emission in the built environment by 2025 (cw 1990 baseline) – involvement by CECA

International, United Nations Framework on Climate Change – Conference of the Parties (COP).

- Kyoto protocol 1997 – 5% reduction each year 2008-2012 (first commitment period)
- Doha amendment 2012 – 18% reduction 2013-2020 (second commitment period)
- Paris Agreement – seeks to limit global warming to below 2 degC (preferably 1.5 degC)
- COP 26 meeting Glasgow - 1 – 12 November 2021

Strategy for reduction in GHG emissions

We will work with our Clients, Suppliers and other stakeholders, adopt industry best practice and develop initiatives to reduce our GHG emissions to meet national and international reduction targets. Our strategy will focus on Removal and Reduction of GHG emissions to as low as is feasibly possible, and we will look at carbon offsetting any residual amounts.

Scope 1

- Fuel used in Company vehicles (For simplicity we have included emissions associated with business travel and commuting in Scope 1, although commuting should be included in Scope 3).

  Approximately 60% of our scope 1 emissions are associated with business travel in our own vehicles and we are reducing this source of carbon by the following means: -
  - Reducing travel to meetings, workshops, training events, conferences etc by attending via MS Teams, Zoom etc.
  - Car sharing when appropriate.
  - Using public transport for Intercity travel, or travel within metropolitan areas. (Note, as we move our company car fleet over to EV, recharged with renewable energy, travel by EV may have lower carbon emissions than some public transport that relies on diesel engines).

- Company vans, replacement vans will be selected on their CO2 emissions. For the period 2021 – June 2025 these will remain as diesel fuelled, with an ambition to move to pure battery electric thereafter as the choice, range and charging network improves. We will monitor driving behaviour via telematics and deliver van driver training in order to reduce fuel consumption and emissions. We will review any vans used in urban environments, with low daily mileages and consider the suitability of EV's.
- Company cars, replacement cars will be selected on their CO2 emissions. For the period 2021 – June 2025 these will be petrol/electric hybrids with a typical CO2 emission around 120gms/Km, with an ambition to move to pure battery electric thereafter as the choice, range and charging network improves. All Company vehicles will be regularly serviced to optimise their fuel efficiency and reduce emissions.
- Car allowance users, the choice of car remains up to the individual, however all cars are expected to match the CO2 emissions of the equivalent Company car.

Site Plant

- Diesel powered. When supplies are available* all site plant will use hydrogenated vegetable oil (HVO) diesel, this will reduce CO2 emissions by 90% compared to fuelling with mineral oil diesel. *Currently most sites in England and Wales can be supplied, but not sites in Scotland.
- Switch off all plant when not in use.
- Other greenhouse gases (GHG). We are not big users/emitters of other greenhouse gases; however we will raise awareness amongst our employees of the harmful effects of releasing other gases such as butane, methane, nitrous oxide, hydro-fluoro-carbon, and sulphur hexafluoride.

Heating/power consumption

- Site/temporary Offices. Short term site offices will generally be supplied by generator that will be fuelled using HVO diesel. On smaller sites we will use solar/battery power supplies backed up with diesel generator running on HVO diesel. Where long term site offices are supplied from the mains the preference will be for electricity supplied on renewable tariff.
- Mains Gas supply to Offices. Currently our Head Office and our Regional offices are heated by natural gas which also supplies some hot water. We have a programme of replacing existing boilers with more efficient ones and are reviewing the energy performance of our fixed offices with consideration given to reducing emitted carbon by improving insulation.

Scope 2

- Electricity supply to fixed offices. The majority of our fixed offices are now on renewable energy tariffs for mains electricity, this will include all offices by the end of 2021. However, we realise that there is a finite supply of renewable energy and by installing LED lights and switching off IT equipment when not in use we can help to lower our carbon footprint.

Scope 3

As an SME we do not currently record or report on Scope 3 emissions. However, we realise that our scope 3 emissions are a significant contributor to our overall footprint, and we are actively working to reduce them.

- Supply chain. We are currently working with our suppliers to support them in reducing their GHG emissions. One example is supporting our Hydro-demolition sub-contractors in moving over to Ultra High-Pressure pumps. These use less diesel and less treated water and consequently reducing wastewater, all of which reduce carbon emissions. We are also supporting them to capture, treat, and recycle wastewater. Our procurement,

sustainability and social value policies encourage the engagement of local suppliers, social enterprises and SME's and are supportive of the circular economy.

- Procurement and Waste. When available, will seek to procure materials from local sources with a high recycled content and will arrange for most of our waste to be recycled (currently over 95% of our waste is recycled).
- Business travel – Trains and Air travel. We promote business travel by train over flying when appropriate and are looking to measure and possibly offset the carbon emitted by business travel.
- Commuting mileage/emissions. Although the emissions associated with Commuting should be included in Scope 3, it is difficult for us to separate out the fuel use between Business mileage and Commuting. Historically we have included these figures in Scope 1 and for the sake of continuity will continue to do so.

Measurement

As an SME we follow the DEFRA Small Business User Guide: Guidance on how to measure and report your greenhouse gas emissions and record emissions in-line with CECA guidance for small businesses.

Most of the National and International Targets are expressed as a percentage of carbon based on 1990 levels, however we only started recording Scope 1&2 emissions in 2010 and haven't historically recorded Scope 3 so our targets use the 2010 figures as a baseline.

Our recorded figures for 2020 are as follows: -

Carbon Footprint Calculation for the year ending 30 June 2020					
Description	Quantity	Units	Source	Conversion Factor (kgCO2/unit)	CO2e (tonnes)
Scope 1 – Direct Emissions					
Gas Oil	239,493	litres	Invoices	2.762 per litre	661
Diesel	328,044	litres	Arval	2.639 per litre	866
Petrol	61,185	litres	Arval	2.304 per litre	141
Natural Gas	199,347	litres	Invoices	0.184 per kWh	37
Scope 2 - Indirect Emissions (imported electricity)					
Electricity	160,422	kWh	Invoices	0.541 per kWh	87
Scope 3 - Other Indirect Emissions					
None included at present					
				Total	**1,792**
				Tonnes C02e per £100,000 turnover	**6.11**

The above figures show that carbon emissions from transport account for 75% of our total emissions and the table below shows how we track trends in those emissions.

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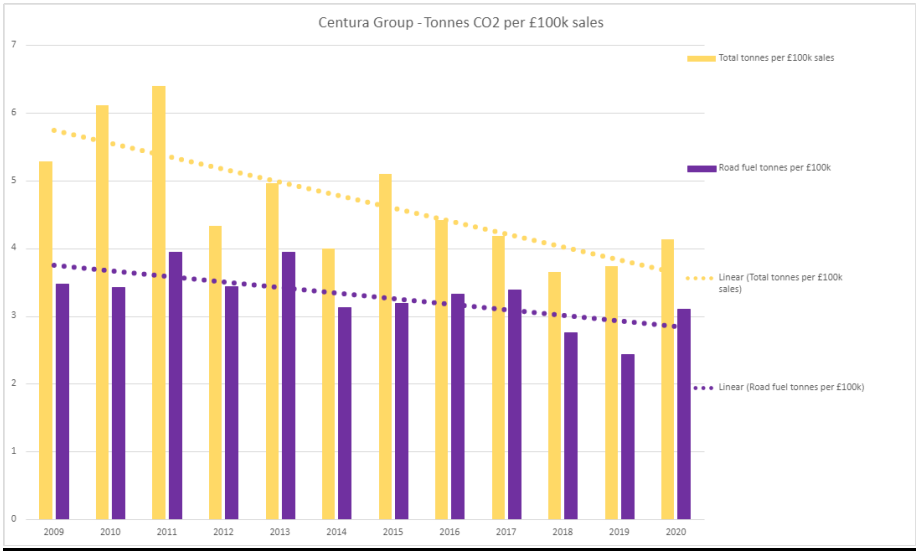

Targets for reduction – working towards net zero by 2050

In line with the Targets set by the UK Government in Construction 2025 we will commit to reducing our Scope 1 and 2 GHG emissions by 50% of our 2010 baseline figures by 2025 when adjusted for turnover, and by 100% by 2050*.

We will start to measure our Scope 3 emissions from Business travel and commit to reduce them by 30% of our 2021 baseline by 2025 and 100% by 2050*

We will encourage our Supply Chain to adopt current best practice and reduce their GHG emissions, however we are not able at present to record all Scope 3 emissions.
Note * we will endeavour to reduce our GHG emissions as far as reasonably practical but may need to offset some carbon to meet these targets.

Local Air Quality

Some of the emissions from our vehicles have a detrimental effect on local air quality beyond the GHG's they produce. Part IV of the Environment Act 1995 (reviewed in 2007) requires local authorities in the UK to review air quality in their area and designate air quality management areas if improvements are necessary. Several local authorities, notably London, Glasgow, Birmingham, Manchester, Sheffield, and Bath have either introduced Low Emission Zones (LEZ) or plan to in the near future. Many of the initiatives we have introduced to reduce our carbon emissions are also beneficial in reducing other emissions to ensure we comply with these requirements. Specifically, these are as follows: -

- Modernising our fleet of vans, so that they are all Euro 6 compliant.
- Changing over our company car fleet to petrol/electric hybrid to reduce particulates.
- Promoting sustainable transport initiatives for commuting by endorsing the Bike to Work scheme, providing secure bike parking, changing rooms and showers.
- Making more use of video conferencing to attend meetings, conferences, and training events and for staff to work from home where appropriate.
- Using public transport in metropolitan areas.
- In time, moving all our fleet away from fossil fuels to battery EV's.

Review

This document will be reviewed annually or as required by changes to Legislation.