Carbon Reduction Plan Template

Supplier name:Henry Brothers Limited
Publication date:March 2023

Commitment to achieving Net Zero

Henry Brothers is committed to achieving Net Zero emissions by 2050.

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: 2020

Additional Details relating to the Baseline Emissions calculations.

Although we have been measuring emissions since 2014, we use the 2021 year-end figures as the base reporting year due to having all scope 1, 2 and some scope 3 emissions to report on since 2020 and reporting through SECR. To use the 2014 figure would not include all the data that we currently report on. Since the implementation of our Sustainable Business Strategy in 2014 which covered a five-year period, we reduced emissions by 34%.

Baseline year emissions:

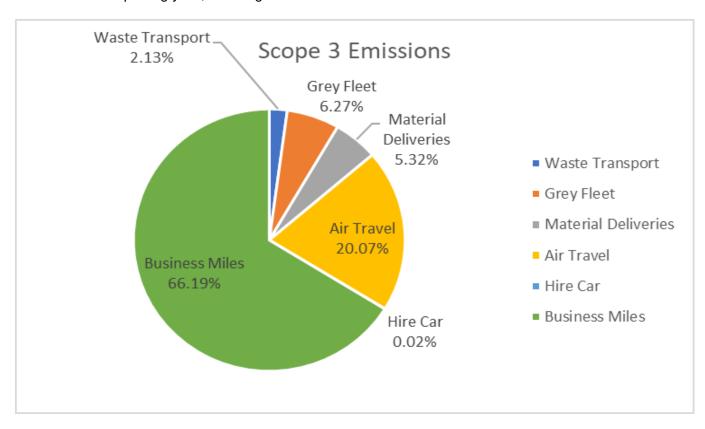
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	519.63
Scope 2	127.02
Scope 3 (Included Sources)	157.67
Total Emissions	804.33

Current Emissions Reporting

Reporting Year: 1st April 2022 – 31st March 2023			
EMISSIONS	TOTAL (tCO ₂ e)		
Scope 1	504.40		
Scope 2	111.21		
Scope 3 (Included Sources)	653.705		
Total Emissions	1,269.32		

Subset of Scope 3 emissions

Below we have provided a pie chart illustrating a breakdown of the defined subset of Scope 3 emissions for the current reporting year, showing the % allocation of each.



Emissions reduction targets

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

- Trialling of hybrid/electric technologies on our sites, such as Battery Storage, battery operated Saws and Hybrid Generators that have been successful in reducing our Scope 1 Emissions
- Increase of 10% in company Electric/Hybrid fleet, also helping to decrease Scope 1
- Installation of Energy Efficient lighting systems within our Factory environments, were we have reduction in lighting installations whilst having greater efficacy, reducing Scope 2
- Development of site-specific Net Zero criteria for our sites, to include:
 - o Optimisation of deliveries (to drive fewer deliveries to site and therefore associated carbon)
 - o Early connection to Grid Electricity to reduce reliance on bowser fuel
- Implementation of Strategic Energy Management Plan scheme that has been rolled out across Office locations and Sites, reducing Scope 2
- Launch of our Tree Planting Scheme on company owned land
- Only HVO fuel use at Head Office location

Collectively, our Scope Emissions are projected to decrease to 778 tCO₂e by 2030, which will be a 50% reduction in emissions from the baseline year.

Carbon Reduction Projects

The Group is working towards achieving 50% reduction of Green House Gas emissions by 2030, and aims to be a Net Zero Business by 2050.

The Group's original Sustainable Business Strategy implemented between 2014 - 2020 set a 5% reduction (normalised) in the areas of energy use, waste generation, water and fuel usage and a 5%+ target year-on-year for waste diverted from landfill, a 5%+ increase to biodiversity, recognising natural capital as a valuable resource.

As many improvements have been made and with the implementation of the new Net Zero Carbon Strategy, a revised annual target for Green House Gas emissions (GHG) has been set as a 2% reduction annually in line with the Group's Net Zero Carbon Strategy 2030, when normalised against turnover.

Carbon figures reported between 1st April 2022 – 31st March 2023 show the Group had a total energy consumption of <u>1,269.32 tonnes of CO2e for reported Scope 1, 2 and 3 emissions.</u>

This is an increase of 277.69 tonnes of C02e, and CO2e has increased also due to the decrease of turnover by £10 million.

Group emissions (1269.32 Tonnes of C02e)
Group Turnover (£82,000,000) = $\frac{1,269.32}{82.0}$ = 15.48 Tonnes of C02e per million turnover

2021 - 2022	2022 - 2023
11.07 (1018.63 tonnes)	15.48 (1269.32 tonnes)
Turnover: £92.0 million	Turnover: £82.0 million

Increases across Scope 3 account for the overall increase in Carbon produced across the business for the reporting period stated. This can be explained by:

- The significant increase in reporting on the Carbon produced in this area
- Significant increases in collating data from supply chain/sub-contractors in terms of Business Miles and Material Deliveries
- Business Miles have now been included within this reporting period, whereas in years previous there wasn't a large enough dataset for inclusion in overall data. This contributes to a 432.71 T increase in carbon.
- We now have more regional offices and sites so Business Miles have seen a large increase due to commuting
- Significant increases in Air Travel have occurred over this reporting period, with a +30 tonne increase in carbon as we have seen an increase of air miles +94,953.

Net Zero Carbon Initiatives to assist in achieving the targets for the year ahead:

- Net Zero Carbon Initiatives to assist in achieving the targets for the year ahead; such as our Tree Planting Scheme
- Continuing to upskill our Supply Chain on Carbon Literacy, ensuring they are fully trained
- Sharing the CEF Construction and Climate change Guide with our Supply Chain
- Creation of a carbon KPI for 65T reduction per annum

- Research project to be undertaken by Masters Student into our Tree Planting Scheme, to calculate the total amount of Carbon Sequestered over the course of the scheme. To support our Net Zero Carbon Strategy in achieving set targets
- ESOS Phase 3 compliance, further replacement of older lighting systems
- Further use of alternative plant and equipment, hybrid/battery
- Continued commitment to Eco-Cabins
- Further deployment of electric/hybrid cars to company car fleet. We have achieved a 10% increase in this already, achieving our target well ahead of 2025.
- Continue to devise further strategies through our company Net Zero Carbon Committee

We have reduced total emissions by **34**% with our 2014-2019 **Sustainable Business strategy**, which included:

- 33% of company fleet becoming hybrid/electric
- Electric charging points throughout offices in NI/England
- Installation of solar panels to head offices, saving 540 tCO2 over the next 20 years;
- Interactive school's education programme, engaging 5,000+ pupils
- Delivering 19 BREEAM/DREAM/CEEQUAL 'Excellent'/'Very Good' projects in the last 6 years
- Procuring a carbon footprint reporting App 'SustainIQ' https://sustainiq.co.uk/
- Using prefabricated concrete panels on our £50 million prison project which equated to a
- 50% reduction of emissions when compared to the original insitu methodology

In the future we have a strategy which includes further measures outlined below:

Our **Journey to Net Zero 2050 strategy** sets out a pathway to achieving a 2% reduction per annum for the next 9 years to achieve **50% reduction in emissions by 2030 and 100% by 2050**. This strategy sets targets, including:

- Companywide Carbon Literacy Training (in progress)
- Implementation of Strategic Energy Management Plan
- First Net Zero Carbon project in progress
- First Passivhaus project in progress
- Ensuring efficient plant is used across all sites
- 100% of vehicles to be hybrid/electric in next 4 years
- HVO alternative fuels reviewed for use in plant
- Tree planting scheme, saving approximately 1,000 tCO2 over the next 10 years (verified and used for offsetting) - this is currently underway
- Procedures to procure low emitting/low carbon materials
- Eco-cabins
- MS Teams meetings to reduce company transport carbon
- Continued adoption of hybrid working model

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPNXX/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 <u>GHG Reporting Protocol corporate standard</u> and uses the appropriate <u>Government emission conversion factors for greenhouse gas company reporting</u>.

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 <u>Corporate Value Chain</u> (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:

RODNEY HASSAN (BID DIRECTOR)

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Date: 27th March 2023