

Carbon Reduction Plan

PPN06/21

Part of Carbon Footprint Management
Assessment in accordance with SBTi.

INTRODUCTION



To establish a clear direction and timeline, we worked with GM Energy Management who set a distinct path to Net Zero, for Scope 1,2 and 3 by 2050 in line with PPN 06/21 and GHG Protocols.

Our energy and carbon usage and consumption throughout the organisation's buildings, processes, vehicles, travel, distribution, and waste were reviewed, in line with PPN06/21, GHG Corporate Accounting and Reporting Standard and GHG Scope 3 calculations Guidance Standards.

This review was completed for 2023. For the purpose of this report and in accordance with PPN06/21, the baseline and last financial year have been reported. Additionally, a company-wide audit was completed in accordance with ISO14064-1.

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Fully committed to achieving Net Zero by 2040.

In line with PPN 06/21 requirements, Gilbert-Ash can confirm we are fully committed to achieving Net Zero by 2040. This plan will be updated annually in line with our financial year end. The next revision is due August 2025.

SUSTAINABILITY MANAGEMENT TEAM

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BASELINE EMISSIONS

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.

Our baseline year is 2022. This was chosen to align with our SECR and Net Zero Pledge. Scope 1,2 and 3 emissions as required by PPN06/21 are outlined below:

BASELINE YEAR: 2022 (1ST JANUARY – 31ST DECEMBER 2022)

ADDITIONAL DETAILS RELATING TO THE BASELINE EMISSIONS CALCULATIONS:

The emissions reported on the following page were quantified within Gilbert Ash's 2022 Annual Energy & Carbon Report. That report was produced in accordance with the government's requirements for Streamlined Energy and Carbon Reporting (SECR). It was based on the 2013 UK Government environmental reporting guidance and also used the GHG Protocol Value Chain (Scope 3) Standard.

BASE YEAR RECALCULATION

Following the introduction of the Streamlined Energy & Carbon Reporting (SECR) protocol, we produced our first SECR Annual Report in 2020, which quantified the business's energy consumption and carbon emissions for the 2019 financial year. The report provided the foundation for the company's first Carbon Reduction Plan and the data contained within it was set as the Base Year, against which future savings would be measured.

As an organisation who consume energy and emit carbon from a wide range of sources throughout the UK & Ireland, establishing a suitable Data Collection & Storage System has been a significant undertaking and one which has required collaboration between many sites and departments throughout the business. This has now been established, with much of the data now being processed and stored within a Sustain IQ software package. A dedicated cloud-based folder has also been created which offers two-way access to both Gilbert Ash staff and GM Energy Management. In January 2024, Gilbert Ash commenced a new Energy & Carbon Management Contract with GM Energy Management. As part of this contract, GM Energy Management now provide Gilbert Ash with Quarterly Energy & Carbon Reports, as well producing their Annual SECR Report and PPN 06/21 Carbon Reduction Plan.

While working on the 2023 SECR Report, GM Energy Management discovered a number of significant anomalies in the data reported in the 2022 SECR Report and the PPN 06/21 Carbon Reduction Plan of the same year. This prompted a detailed review of the company's previous energy and carbon reporting mechanisms. Due to the number of inaccuracies discovered, the review concluded that the data reported for 2022 and before could not be considered an accurate baseline of Gilbert Ash's annual carbon emissions.

Hence, with the 2022 data still available, it was agreed that GM Energy Management would retrospectively re-issue Gilbert Ash's 2022 SECR Annual Report and that the emissions data contained within the revised report would be set as the company's new Base Year emissions.

While we now have full confidence in the data contained within this report for Scope 1 and Scope 2, it should be noted that concerns remain about the accuracy of some Scope 3 data – particularly in relation to Upstream Transportation & Distribution and Waste, where significant estimates have been required. A review of the business's current data collection processes for these two categories is ongoing. Ensuring that accurate data is available for future reports is a priority. Once finalised, this may lead to future revision of the Base Year data for these two categories only.

BASELINE YEAR EMISSIONS: 2022 (1ST JANUARY – 31ST DECEMBER)

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	710.92
Scope 2	48.46
Scope 3	1,577.84
This figure includes the emissions from the required subset of 5 out of the 15 Scope 3 Categories (as identified within the Scope 3 - Corporate Value Chain Accounting & Reporting Standard). They are:	
Category 4: Upstream Transportation and Distribution*	
Category 5: Waste Generated in Operations*	
Category 6: Business Travel	
Category 7: Employee Commuting*	
Category 9: Downstream Transportation and Distribution	
Total Emissions	2,337.22

*Data includes estimates

FINANCIAL YEAR REPORTING EMISSIONS

REPORTING YEAR: 2023 (1ST JANUARY – 31ST DECEMBER 2023)

ADDITIONAL DETAILS RELATING TO THE BASELINE EMISSIONS CALCULATIONS:

The emissions reported below were quantified within Gilbert Ash’s 2023 Annual Energy & Carbon Report. That report was produced in accordance with the government’s requirements for Streamlined Energy and Carbon Reporting (SECR). It was based on the 2013 UK Government environmental reporting guidance and also used the GHG Protocol Value Chain (Scope 3) Standard.

BASELINE YEAR EMISSIONS: 2022 (1ST JANUARY – 31ST DECEMBER

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	379.22
Scope 2	49.46
Scope 3	1,781.06
This figure includes the emissions from the required subset of 5 out of the 15 Scope 3 Categories (as identified within the Scope 3 - Corporate Value Chain Accounting & Reporting Standard). They are:	
Category 4: Upstream Transportation and Distribution*	
Category 5: Waste Generated in Operations*	
Category 6: Business Travel	
Category 7: Employee Commuting*	
Category 9: Downstream Transportation and Distribution	
Total Emissions	2,209.74

*Data includes estimates

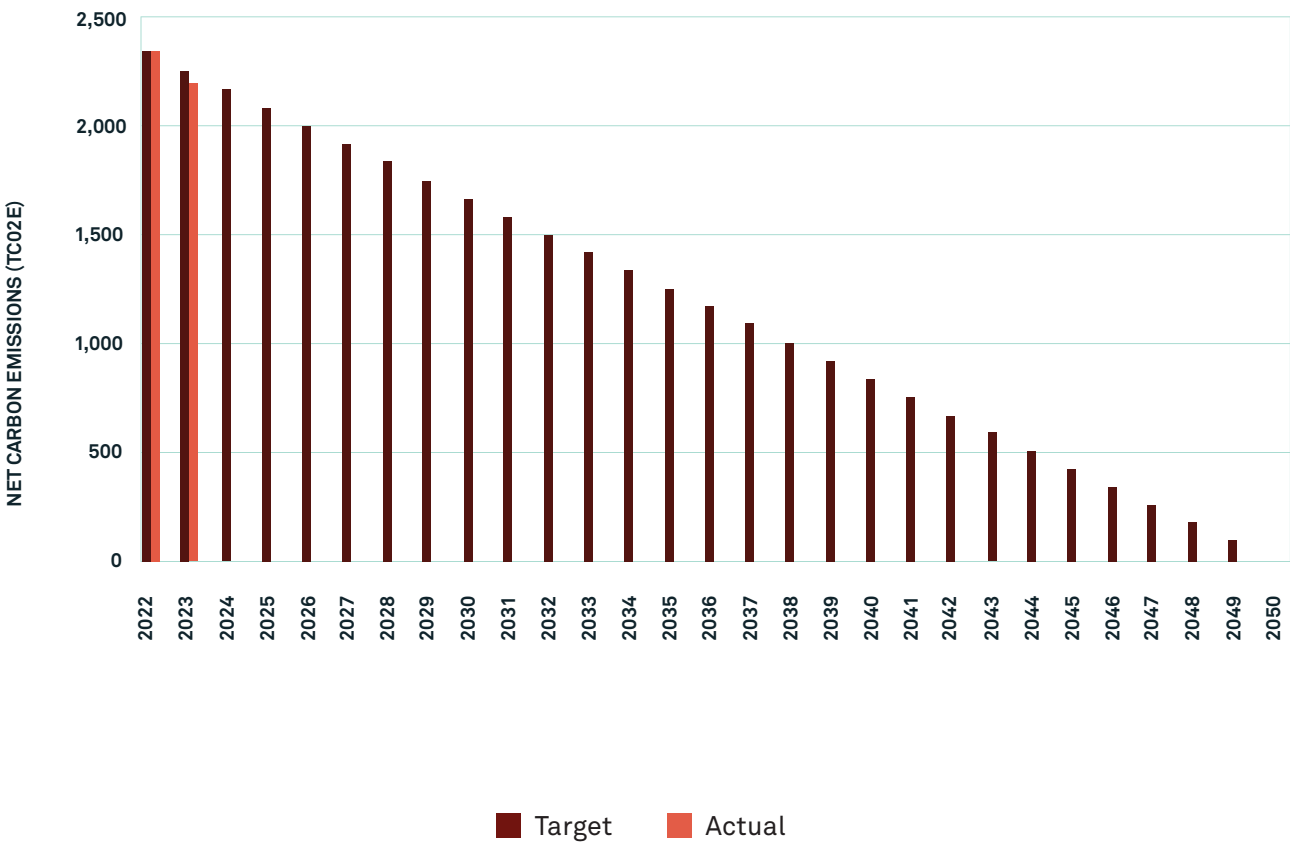
EMISSION REDUCTION TARGETS

Gilbert Ash’s ultimate target is to achieve Net Zero emissions by 2040 (across the full value chain – scopes 1, 2 & 3).

To achieve this we are committed to reducing our total Net Emissions by 3.6% per year and a minimum reduction of 18% in the next 5 years.

The business has further committed to removing all Scope 1 & 2 emissions by 2030.

GILBERT ASH ANNUAL NET CARBON EMISSIONS
(TARGET VS ACTUAL)



CARBON REDUCTION PROJECTS

PERFORMANCE TO DATE

Since the publication of Gilbert Ash's first Carbon Reduction Plan in September 2021 a vast amount of work has been completed within the business to establish robust data collection systems and processes. In line with the requirements of ISO 14064-1, these have been designed to ensure that the data reported is true and accurate.

A quarterly Energy & Carbon reporting structure has also been established. Following the release of each report, our Carbon Management Team now meet to review performance throughout the various departments of our business and progress against our carbon reduction targets.

IN ADDITION TO THIS, A NUMBER OF CARBON SAVING INITIATIVES HAVE BEEN DELIVERED IN THE LAST YEAR, INCLUDING:

- In 2023, 100% of our construction site fuel usage was provided by bio-diesel. The move from standard diesel reduced our Scope 1 emissions by 306 Tonnes CO₂e from the previous year.
- 72% of our grid electricity was supplied from green electricity supply contracts in 2023.
- ISO 14001 management policy has been implemented and is updated annually.
- Company fleet is now 58% hybrid electric.
- 18 electric vehicle charging points have been installed at head office.
- 50kW Solar PV System installed at head office in 2022.
- Energy efficient site cabins are now procured as standard on all of our construction sites. This includes LED lighting and efficient heating controls.
- A professional Metering, Monitoring & Targeting Strategy has been implemented on all of our sites. This is designed to identify signs of energy wastage at the earliest opportunity and ensure that consumption profiles are optimised.
- We invest in Sustain IQ software to help us monitor our carbon emissions on a monthly basis.
- Carbon Literacy Training has been provided to all management.

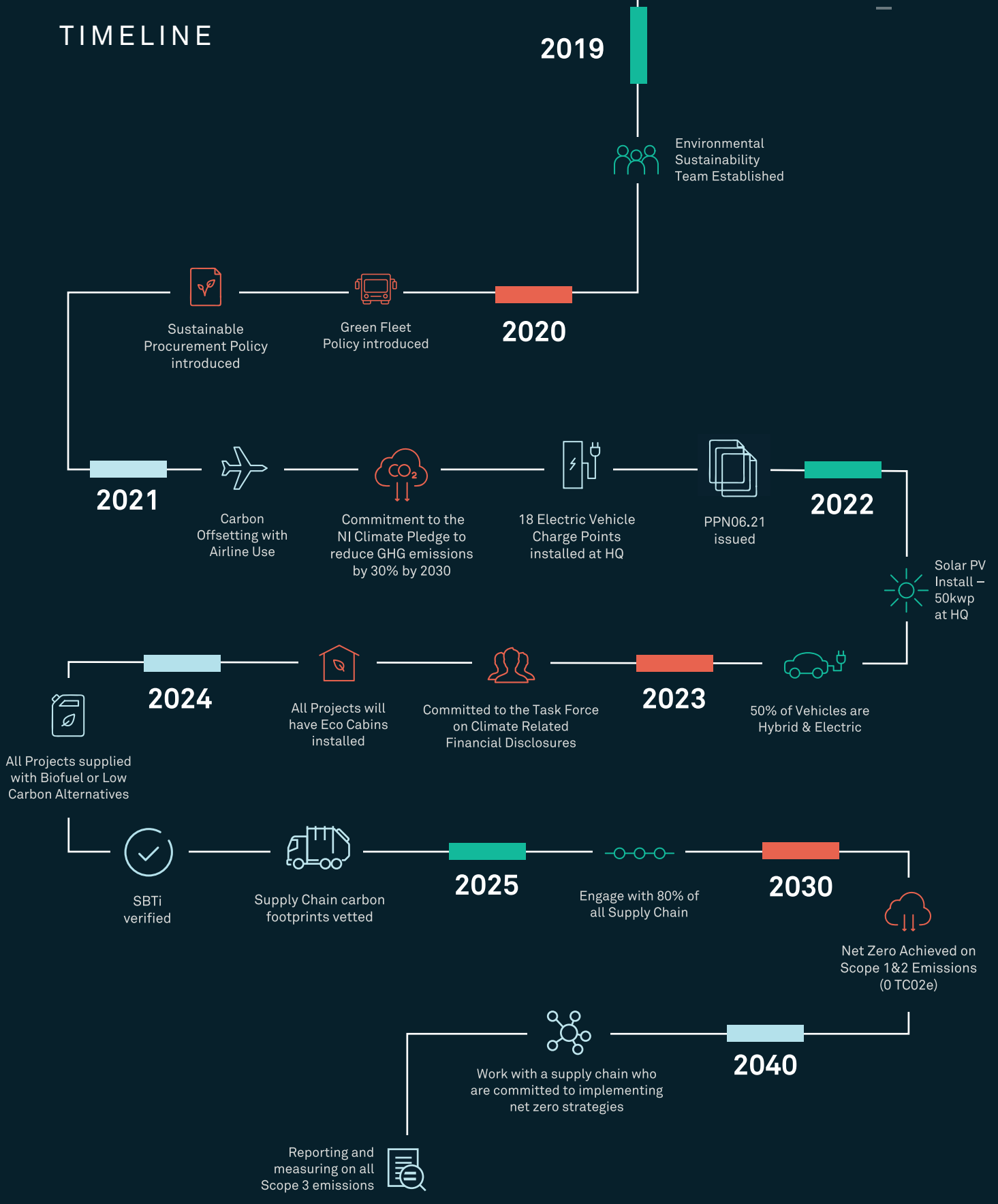
PLANS FOR FUTURE CARBON REDUCTION

Lead by our Carbon Management Team, Gilbert Ash are committed to delivering the following carbon saving initiatives:

- In 2024 Gilbert Ash will develop and implement a bespoke Company Energy Policy. This policy will be displayed prominently on noticeboards throughout the business.
- Gilbert Ash will appoint 'Energy Champions' in key areas throughout the business. Engage with the company's supply chain to promote the benefits of Energy & Carbon Management Best Practice.
- 58% of company owned fleet is already hybrid electric. We aim to increase this to 100% by 2028.
- By 2028 all car hire for business travel will be electric vehicles only and will be enforced by our travel policies.
- Ensure that 100% of lighting in Gilbert Ash site's is LED by 2025.
- Where possible, procure all electricity from 100% renewable sources.
- We will deliver Supply Chain Engagement Workshops in late 2024 and early 2025 to educate and support our suppliers on current environmental management issues.
- In order to identify opportunities for future savings, the business is committed to commissioning a detailed Energy Audit before the end of 2024. Opportunities identified during this audit will provide the foundation for a new Register of Carbon Saving Opportunities. This register will be a live document, which will be reviewed and updated during all future quarterly meetings.
- We continue to actively review alternative fuel options, such as hydrogen for cranes. As technology develops, we will add a timeline for implantation to our annual reportings.

NET ZERO TRAJECTORY TIMELINE

LEVEL
ZER—0



DECLARATION & 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 standard¹ and uses the appropriate Government 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 director with responsibility for ESG.



RAY HUTCHINSON,
MANAGING DIRECTOR



GA

LEVEL
ZER—0