GHG Emission Reduction





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Introduction

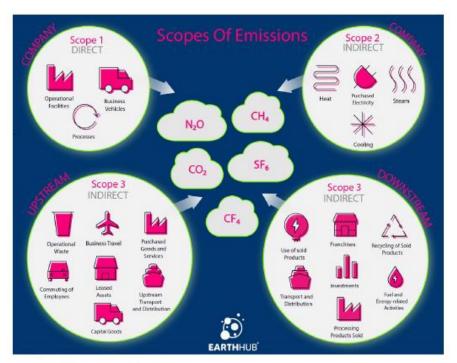


Image 1 – Scopes of Emissions

CPC Civils Ltd are a civil engineering contractor based in the UK working across waterways, district heating and heavy civil engineering schemes. Operating in an industry that is one of the main contributors to greenhouse gas emissions that account for 37% of global emissions, CPC Civils are working to reduce our impact of climate change by continually reducing the carbon emissions associated with our business practices. This commitment goes beyond the legal requirements placed upon us. Emissions are broken down into three categories by the Greenhouse Gas (GHG) Protocol.

Our energy and carbon targets are taken from the 2022 base year, reporting data from 01/01/2022 to 31/12/2022. We aim to reduce our GHG emissions by 42% by 2030.

Scope 1 – Emissions from activities owned or controlled by the business that release emissions into the atmosphere. These are via buildings or assets that we own and company-controlled transport activities it operates.

Scope 2 – includes emissions associated with the consumption of electricity, heat, steam and cooling. These are direct emissions that are a consequence of the business's activities, but which occur at sources we do not own or control.

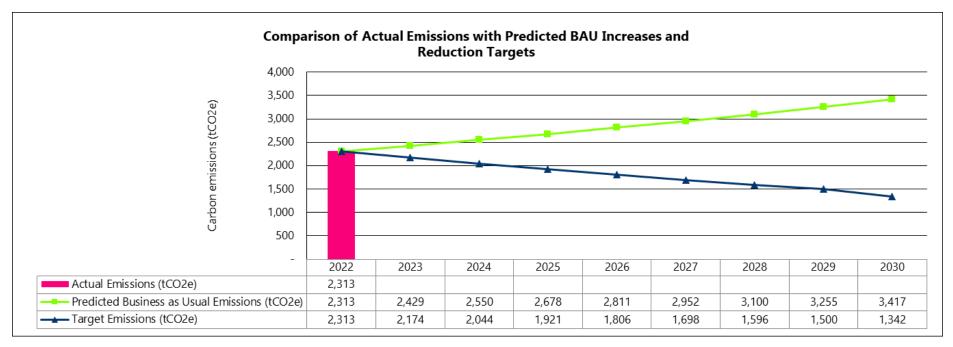
Scope 3 – Emissions from activities which the business does not own or control and which do not fall within the remit of scope 2, such as waste disposal, purchased goods and materials and 3^{rd} party business travel.



Scope 1 and 2 GHG emissions

It is mandatory for the business to report our Scope 1 and 2 GHG emissions through our Streamlined Energy and Carbon Report (SECR) scheme. These are reported annually within the Directors Report as part of the business' annual filing obligations. We currently do not procure green energy for our scope 1 & 2 emissions. All our emissions are based on 'location based' gross emissions conversions. Location based emissions are energy sources converted using the county (location) of origin's GHG emission factors. For the UK, this is typically via DEFRA conversion factors for the data period.

The graph below highlights that if no action is taken, that a year on year 'business as usual' approach would increase emissions by 5%.



To achieve these ambitious targets, the business will consistently review CPC Civils Carbon Reduction Plan, adding to and making improvements as new recommendations and technological innovation becomes available. This will result in further GHG emissions reductions being achieved.



Activities completed to date

To help reduce our GHG emissions, we have introduced the below initiatives

- Modernised and upgraded our ventilation system at our Headquarters building
- Introduced solar powered CCTV on our sites
- Introduced hybrid or full electric vehicles to around 50% of our staff
- Introduced hybrid and solar powered welfare units on all our sites
- Upgraded our plant to include hybrid tech
- Sourcing greener materials through our supply chain
- Reusing our waste back into our landscaping
- Working towards PAS2080 verification

Plan to Achieve Targets

CPC Civils are committed to continually integrating sustainability into our working environment and business practices. The management teams will ensure effective management of all environmental issues, encouraging staff and our supply chain to consider their environmental impacts for products and services. By realising and outlining the base line emissions from the company's 2022 financial year we are able to:

- Begin to follow the SBTi methodology, setting our targets to reduce our scope 1,2 and 3 emissions to limit global warming to 1.5° above pre-industrial levels
- Develop and improve our understanding of scope 3 emissions
- Create an action plan to remove and reduce emissions and achieve targets
- Began to monitor emissions reductions progress each year through our annual SECR reporting



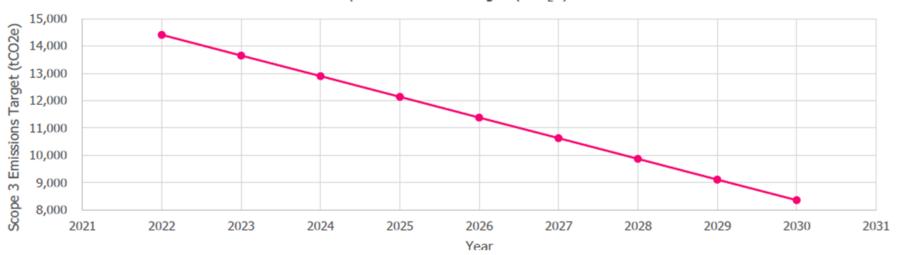


Scope 3 GHG emissions

The business has chosen the operational control consolidation approach and will account for GHG emissions from the operations that we have control over. Those where no operational control from activities is not included in this report. The GHG Protocol Corporate (Scope 3) Accounting and Reporting Standard categorises relating to our Scope 3 category and activities are:







Scope 3 Emissions Target (tCO₂e)

We are currently working on amending and improving our data collection so that the scope 3 emissions can be more accurately calculated going forward. Our top 8 companies in our supply chain account for more than 25% of our scope 3 emissions. To significantly reduce our emissions to achieve the 2039 target, we will:

- Collect and track commuter mileage data from our employees and supply chain deliveries
- Collect and track mileage data for items such as public transport
- Collect more information from our waste contractors
- Monitor and track our waste management
- Identify areas of our procurement process that may be problematic
- Ask vendors and suppliers questions about their own emissions and making sure they ca back up their data
- Ask suppliers for emissions relating to the products and services that they provide
- Engage with our suppliers to support them with reducing their own GHG emissions



- Include our scope 3 emissions within our annual SECR report making the information publicly available increasing our accountability
- Develop a data management plan documenting the internal day quality assurance and quality control procedures in place

Science based targets initiative (SBTi)

The SBTi uses the latest climate science to help companies such as ours set clearly defined emissions reduction targets. The aim of the initiative is to reduce emissions in line with the Paris Agreement of limiting global warming to 1.5° above pre-industrial levels.

CPC Civils have committed to setting a near-term science-based emissions reduction with the Science Based Targets Initiative (SBTi). Our targets are in line with the latest SBTi Criteria 5.0 that came into effect on July 15th, 2022 and we are now waiting approval.

