

### Commitment to Achieve Net Zero

Illingworth & Gregory Ltd (I&G) is committed to achieving Net Zero emissions by 2040.

### **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: 2023

#### Additional details relating to the Baseline Emissions Calculations.

I&G used 2023 to establish its baseline emissions.

I&G emissions have been defined as below:

Scope 1:

- A, Stationary combustion; consumption of gas for HVAC systems in company owned offices.
- B, Mobile combustion; use of fuels in transportation, plant operation and power generation for construction projects.
- C, Fugitive sources; HFC release during the use of air conditioning equipment.

Scope 2:

- Purchased electricity for company owned offices and provision of accommodation for on-site operations. Calculated using the market-based method.

Scope 3:

- Category 1; purchased goods and services emissions from subcontracted supply chain packages.
- **Category 2**; capital goods bought for business operations purposes such as directly bought tools and equipment.
- **Category 3**; fuel and energy related activities (not included in scope 1 or 2) which is used in our operations from the consumption of energy on our construction sites, not purchased directly by I&G.
- **Category 4**; upstream transportation and distribution from material deliveries to our bases beyond specific subcontracted supply chain packages.
- Category 5; waste generated in operations, scope 1 and 2 emissions from our waste management service providers beyond specific subcontracted supply chain packages which will be contained within Category 4 (our enhanced Scope 3). Water consumption is also included within this category.
- **Category 6**; business travel in employee vehicles, this does not include fleet vehicles (vans) which are contained within Scope 1.
- **Category 7**; employee commute is tracked by collating travel distance from employee's home to place of work. This is deducted from business travel where distance is beyond fixed office location.

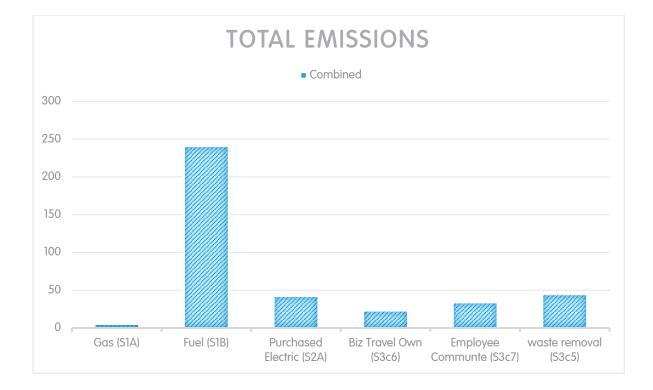


Scope 3 categories identified in Category 1, 2, 3 and 4 are classified as our enhanced Scope 3 emissions and will be fully monitored with specific reduction targets established once reduction plans are fully implemented for other Scope 3 categories and I&G have achieved their initial target of Net Zero in Operations by 2030.

Scope 1, 2 and operational Scope 3 (categories 5, 6 and 7) form the 2023 baseline calculation.

Baseline year emissions	390.69
Scope 1	246.67
Scope 2	42.21
Scope 3 (overall)	101.81
- Category 5	44.81
- Category 6	23
- Category 7	34
Emissions Total (tCO2e)	<u>390.69</u>

The below graph pictorially represents the largest impacting scope for the I&G Business and highlights the area where the largest focus is needed in the initial stages of the carbon reduction plan actions.





## Tracking Emissions Guidance

The nature of the I&G business operations means that emissions are produced and tracked from both static and remote project locations. To facilitate tracking of information and avoid double counting, the below arrangements are in place to provide clarity in origin of information.

Overall Business (Non-Project Centralised Tracking)		Sites (Project Based Tracking)			
	-	Origin			Origin
Scope 1 A	I&G Office Calder House only	Energy Bills	Scope 1 A	Welfare & Office only – N/A	N/A
Scope 1 B	I&G Fleet Vans	Fuel Card	Scope 1 B	Plant & generators only	Fuel Invoices
Scope 1 C	I&G Office Calder House only	Energy data from Bills	Scope 1 C	Welfare & Office only – N/A	N/A
Scope 2	I&G Office Calder House only	Energy Bills	Scope 2	Welfare & Office only	Energy Bills
Scope 3 C5	Calder House Waste	Supplier	Scope 3 C5	Skip providers	Supplier
Scope 3 C6	Employee business miles	Expenses tracker	Scope 3 C6	Project teams – N/A (double counting)	N/A
Scope 3 C7	Employee home to office	People team data	Scope 3 C7	Project teams – N/A (double counting)	N/A

## **Emissions Reduction Targets**

I&G have a target to achieve Net Zero Carbon by 2040 by reducing carbon emissions, with residual emissions offset through carbon removals or avoided emissions. An interim target has been set to achieve Net Zero in our operations (Scope 1,2 and Scope 3 Cat 5, 6 and 7) by 2030 by reducing carbon emissions, with residual emissions offset through carbon removals or avoided emissions.

To achieve the target of Net Zero in operations by 2030, a target of 12.5% reduction against the 2023 baseline has been applied for every year between 2022 and 2030. The below table demonstrates the targets for each year:



	Previous Year	12.5%	Current Year
Year	Emissions	Reduction	Emissions
2023	390.69	49	341.69
2024	341.69	49	292.69
2025	292.69	49	243.69
2026	243.69	49	194.69
2027	194.69	49	145.69
2028	145.69	49	96.69
2029	96.69	49	47.69
2030	47.69	49	-1.31

# **Carbon Reduction Initiatives**

Several carbon reduction initiatives are under investigation to enable the year-on-year reduction and achieve our set target of achieving Net zero in Operations by 2030. Reduction initiatives are broken down into the different scopes and areas of the business as described below:

Overall Business (Non-Project)	Sites (Project Based)		
Scope 1 (A)			
Investigate alternative HVAC and water heating	Not Applicable		
measures such as heat pumps to replace gas boiler.			
Scope 1 (B)			
Investigate use case of electric fleet vehicles to	Investigate electric plant and tools to replace diesel-		
replace Internal Combustion Engine van fleets	and petrol-powered plant and tools.		
	Investigate "eco" type welfare and office facilities		
	which utilise low fuel consumption technology such		
	as "start and stop" systems on generators.		
	Investigate alternative power sources for welfare		
	and offices such as photovoltaic, battery and		
	hydrogen.		
	Investigate low energy consumption equipment to		
	be used in office and welfare facilities.		
Scope 1 (C)			
Review age of air conditioning units and evidence	Not applicable		
of leakage to atmosphere.			
Following review, investigate alternative cooling			
systems.			
Scope 2			



Carry out SBEM calculation at I&G office; Calder	Investigate alternative power sources for welfare
House to review and implement recommendations	and offices such as photovoltaic, battery and
regarding low energy installations.	hydrogen.
Carry out behavioral training and implement	Investigate low energy consumption equipment to
awareness campaign on reduction of energy	be used in office and welfare facilities.
usage.	
Investigate low energy consumption equipment	Investigate market for "green" power energy
contained within the Calder House office.	supplier.
Investigate alternative power provision to grid	Consider generator powered offices and welfare
supplied power.	as a last resort when providing power to
Investigate market for "green" power energy	temporary accommodation.
supplier.	
	gory 5 - Waste
Investigate ways with supply chain of reducing	Investigate ways with supply chain of reducing
waste.	waste.
Carry out behavioral training and implement	Carry out behavioral training and implement
awareness campaign on segregation and	awareness campaign on segregation and
reduction of waste.	reduction of waste.
Investigate market to assess low-carbon impacts of	Investigate market to assess low-carbon impacts
supply chain.	of supply chain.
Scope 3 Cate	gory 5 - Water
Investigate and install water saving fittings.	Investigate and install water saving fittings.
Carry out behavioral training and implement	Carry out behavioral training and implement
awareness campaign on segregation and	awareness campaign on segregation and
reduction of water use.	reduction of water use.
	Investigate water recovery and re-use (grey water)
	installations for office and welfare facilities.
Scope 3 C	Category 6
Implement electric and hybrid company vehicle	Not Applicable
policy.	
Encourage vehicle sharing.	
	Category 7
Implement electric and hybrid company vehicle	Not Applicable
policy.	
Encourage and raise awareness of Bike2Work	
scheme.	
Encourage vehicle sharing	



When resource planning of projects, consider	
locality of team to project to reduce commute	
distance.	

Following the implementation of the above initiatives and achieving the greatest reduction of carbon emissions, I&G will commission a verified Carbon Offset Scheme to obtain carbon credits and address the balance of emissions.