

## 1.0 Commitment to Achieving Net Zero

AmcoGiffen trading as Amalgamated Construction Ltd is committed to achieving Net Zero emissions by 2040 for all Scope 1 and 2 emissions and those Scope 3 emissions under the organisation's direct control. As a demonstration of our commitment, we have signed up to the Science Based Targets Initiative (SBTI) and are committed to restricting global temperature increases in line with the Paris Agreement.

## 2.0 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: October 2019 to September 2020 (FY2020)

Additional details relating to the baseline emissions calculations

In 2012, AmcoGiffen set a carbon reduction target of 20% by 2020, benchmarked against turnover. Through efficiency and innovation this target was exceeded by achieving a 28% reduction in CO<sub>2</sub>e (carbon dioxide equivalent) emissions measured against turnover. The target included all Scope 1 and 2 emissions and a limited subset of Scope 3 emissions.

Specifically, these were: grey fleet; hire cars on company business; and emissions from business use of public transport. After successfully achieving our previous target, we have determined the financial year 2020 (October 2019 to September 2020) as the most appropriate point at which to set our new baseline.

This baseline includes Scope 1 and Scope 2 emissions. It also includes a limited subset of the Scope 3 emissions required by PPN6/21 based on data available at the time (PPN stands for procurement policy note which is the name of the requirements set by Government). The Scope 3 emissions reported in the baseline are:

- Business travel in vehicles not owned or operated by AmcoGiffen.
- Commuting

No other scope 3 emissions were recorded, monitored or available to AmcoGiffen in the baseline year. Notable categories included:

- Waste management
- Upstream transportation and distribution
- Downstream transportation of goods.

Baseline Year Emissions	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	<b>7,170.6</b>
Scope 2	<b>396.3</b>
Scope 3	<b>1,964.7</b>
Total Emissions	<b>9,531.6</b>

### 3.0 Current Emissions Reporting

Reporting Year: October 2021 to September 2022	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	<b>6,565.5</b>
Scope 2	<b>288.7</b>
Scope 3	<b>1,611.8</b>
Total Emissions	<b>8,466</b>

Additional details relating to the current emissions reporting calculations

Emissions between the previous reporting year (2020 to 2021) and the current year (2021 to 2022) reduced by 14% (11% v our 2019/2020 baseline), despite the return to normal modes of working post COVID 19. The measures that were implemented that contributed to the reduction are outlined in 'Carbon Reduction Projects'.

The data above includes Scope 1 and 2 emissions and the following Scope 3 emissions as required by PPN06/21:

- Grey fleet
- Commuting
- Waste management

It does not include the following as this data was not required prior to the release of PPN06/21. Specifically, this is:

- Upstream transportation and distribution
- Downstream transportation of goods.

In future years, relevant Scope 3 category data will be reported.

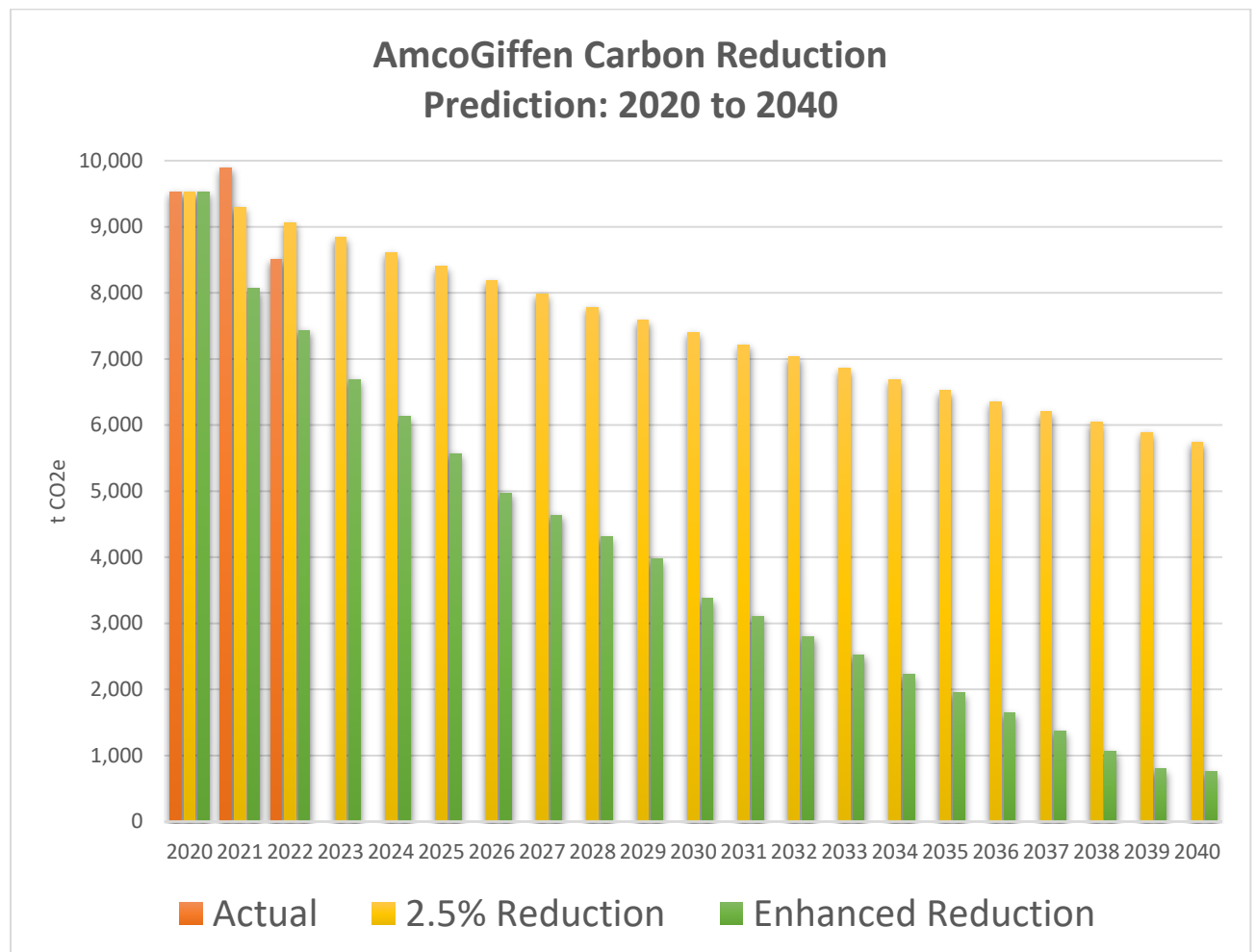
## 4.0 Emissions Reduction Targets

To continue our progress to achieving Net Zero, and in support of our commitment to the SBTi we commit to reducing carbon emissions by 2.5% per annum.

Using our baseline year, we originally projected that carbon emissions will decrease over five years to **8,188 tCO<sub>2</sub>e** by **2026**. This would represent a 12.5% reduction in emissions. However, with the first full years of emissions data, in this five-year term, now understood we can see that we are currently *ahead* of our projected original target.

Notwithstanding this we consider there is the potential to significantly improve our performance further by the implementation of *enhanced* measures, which are now included within the company's SHEQ247 Carbon Reduction Strategy. By implementing these enhanced measures there is the potential to reduce carbon emissions to 5,821 t CO<sub>2</sub>e by 2026. This would represent a reduction of 38.9% from our 2019/2020 baseline year.

This potential comes from significant uptake of hydrotreated vegetable oil (HVO) as a replacement for red and white diesel and speeding up the switch over to lower carbon vehicles. Significantly, it does not consider any increase in business operations. With regards to HVO, we are continuing to closely monitor industry developments around its continued usage, through close liaison with our key clients, the Environment Agency, and the Supply Chain Sustainability School.



## 5.0 Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been implemented since our 2019/2020 baseline:

**Certification Schemes:** AmcoGiffen Ltd is certified to ISO 14001:2015 under Certificate Number 00005377, with the certification body as LRQA Ltd. The business also has corresponding certifications with ISO 9001:2015, 44001 (Network Rail Framework Contracts) and 45001:2018.

**Science Based Targets Initiative:** In August 2021 we became signatories of the Science Based Targets Initiative (SBTI) and committed to reducing carbon emissions in line with the Paris Agreement. Efforts to work towards the initiative continued throughout 2022.

**Green Electricity Tariff:** In late 2021, via our energy broker, we signed up to a renewable electricity tariff for all depots and offices whose electricity supply is under our control. In accordance with carbon reporting requirements, carbon emissions from electricity consumption will still be reported using DEFRA electricity carbon conversion factors.

**Trial to Reduce Gas Oil Consumption:** In 2022 we increased our efforts to trial the practicalities of using, and the potential carbon savings from the use of HVO, a renewable biodiesel fuel with a carbon footprint 94% lower than gas oil. We also trialed the use of battery storage units to power sites. The battery storage units (BSU) control site generators and switch the generators off when not required. Power to the site is provided from the battery, therefore supplying an accurate power demand rather than running a large generator inefficiently.

**Battery Operated Power Tools:** We've held several events demonstrating battery operated hand tools in 2022 such as during projects; part of a safety stand down events; an environmental innovation days; and, at the launch of our Representatives of Employee Safety Conference. Our aim is to encourage and promote using this technology in place of existing units powered by petrol/diesel.

## 6.0 Future Proposals

The SBTI and PPN 06/21 both require commitment to reduce absolute carbon emissions. It is clear from the increase in emissions between the benchmark year and current reporting year the importance of monitoring absolute carbon emissions rather than setting carbon reduction targets against output. Although successful in our previous target, we must now concentrate on reducing absolute emissions regardless of the size of the organisation. We must also ensure we capture all data required by the SBTI and PPN06/21, in particular relevant Scope 3 data. Therefore, we propose to undertake the following:

**Data Monitoring and Reporting:** Our approach to carbon reduction and data monitoring will change in line with our commitment to the SBTI and PPN06/21. We will not benchmark carbon reduction against turnover/headcount/output but commit to absolute reduction. We will expand our formal monitoring program for Scope 3 emissions under our direct control, as required by the SBTI and PPN, but not previously required.

**Roll-Out HVO and BSU:** The trial using HVO fuel and battery storage units at Cefn Mawr was so successful in 2021 that we are continuing our commitment to replace gas oil with HVO fuel wherever practicable (ensuring that we continue to monitor industry developments), as well as maximise the potential for use of BSUs on site compounds.

**Decarbonising our Fleet:** Carbon emissions from AmcoGiffen's leased fleet accounts for 39% of its Scope 1 emissions. Using vehicle telemetry, we have extensively analysed our driver profiles and are currently unable to switch completely to electric vehicles. This is due to the limited range offered by existing electric commercial vehicles compared to our vehicle usage. We are continuing to trial EV vans to see whether they can work for our site-based operatives. If successful we will roll these out further. Elsewhere, for our company car fleet, we now have several EVs on order, albeit most having significant lead times for delivery.

As an interim measure we are trialling the use of white HVO in designated vehicles. We have on-hired two FPod fuel stations which are controlled through unique driver passcodes and fobs. We intend to distribute FPods across our work sites and depots so that drivers can refuel with HVO on site and in depots.

**Offsetting:** AmcoGiffen's Carbon Reduction Plan does not currently consider offsetting as a strategy to reach Net Zero. Further investigation into offsetting as well as alternative ways to reduce carbon are required before a decision on whether to include offsetting as part of the strategy is agreed.

## 7.0 Declaration and 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 greenhouse gas reporting protocol corporate standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR (Streamlined Energy and Carbon Reporting) 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<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of AmcoGiffen:



Date: 7 March 2023

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<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>