

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier entity and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

Carbon Reduction Plan Template

Supplier name: Story Contracting Ltd

Publication date: 30th September 2021

Commitment to achieving Net Zero

Story Contracting Ltd 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: 2019/20

Additional Details relating to the Baseline Emissions calculations.

The year 2019/20 was used as the baseline for our first SECR report and our reported Scope 1 & 2 carbon emissions data. An estimate of Scope 3 emissions was made (limited to Scope 3 Category 1), on the basis that this was likely to change considerably as we gathered more data and information to develop our Carbon Reduction Strategy and associated Scope 1, 2 and 3 Route Maps (showing emissions reduction targets and key milestones).

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	7,105.6 tonnes CO₂e
Scope 2	267.6 tonnes CO₂e
Scope 3 (Included Sources)	Scope 3, Categories 4, 5, 6, 7 were not assessed for our 2019/20 baseline year. NB. Partial Scope 3, Category 1 carbon emissions were reported for 2019/20 based on aggregates usage only. This figure was subsequently refined and expanded to include the carbon impact of our top purchased materials.
Total Emissions	7,373.2 tonnes CO₂e

Current Emissions Reporting

Reporting Year: 2020/21		
EMISSIONS	TOTAL (tCO₂e)	
Scope 1	8,396.5 tonnes CO₂e	
Scope 2	222.1 tonnes CO₂e	
Scope 3 (Included Sources)	Scope 3, Categories 4, 5, 6, & 7 were not reported, but were part of an ongoing scoping and evaluation exercise. These figures will be reported in 2021/22.	
Total Emissions	8,618.6 tonnes CO₂e	

Our year 2020/21 data was unsurprisingly affected by the impacts of the Covid-19 global pandemic, and as such our performance against our Scope 1 fuel reduction targets was not as expected across the business — our diesel and gas oil usage increased overall. Whilst it may have decreased due to reduced business travel because of furlough, home working and temporary site closures during lockdown, this was outweighed by carrying out a larger volume of rail contracts as a result of Network Rail's programme of works during the pandemic, and the emergency Carmont recovery works (an unforeseen project in a remote location). In addition, prolonged single occupancy restrictions in vehicles due to social distancing protocols increased the number of vehicle journeys and hence fuel use.

Emissions reduction targets

If existing emissions reduction targets are in place for your organisation, please provide details below.

In March 2021, Story Contracting Ltd submitted a formal letter of Commitment to the Science Based Targets initiative, with a Business Ambition of keeping global warming to less than 1.5°C, and we are currently in the process of setting carbon reduction targets for our Scope 1, 2 and 3 emissions, for validation by SBTi this financial year.

In order to continue our progress to achieving Net Zero, and in accordance with the output of the SBTi target-setting tool, our targets will be:

- 46% reduction in Scope 1 carbon emissions (direct fuel use at sites/offices/depots) by 2030 (subject to validation by SBTi);
- 46% reduction in Scope 2 carbon emissions (purchase and use of electricity) by 2030 (subject to validation by SBTi);
- 30% reduction in Scope 3 (Supply Chain) carbon emissions across the categories of most significance to the business, including Purchased Goods and Materials, by 2030 (N.B. This is a proposed target, subject to the ongoing screening and evaluation of Scope 3 categories, and subsequent validation by SBTi).

We have produced Scope 1, 2 and 3 Route Maps for the business that show key milestones which are guiding us internally on the actions to take to meet the overall targets to reach Net Zero.

We project that Scope 1 & 2 carbon emissions will decrease over the next five years to 5,825 tCO_2e by 2025. This is a reduction of 21%.

Progress against these targets will be reported as a minimum annually once they have been validated by the SBTi.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental and carbon management measures and projects have been completed or implemented since our 2019/20 baseline year.

- Recertification to the ISO 14001 Environmental Management standard, incorporating carbon reduction/environmental improvement targets.
- Formal commitment via SBTi to set targets to reduce our emissions to a level commensurate with maintaining global warming to below 1.5° C (as stated earlier).
- Development of a Carbon Reduction Strategy and route maps showing actions and milestones towards decarbonisation.
- Creation of a Carbon Reduction Steering Group comprising senior managers across the business to define and drive the implementation of Scope 1, 2 and 3 carbon reduction projects, and report on progress to our Executive Leadership Team.
- A Sustainable Innovations Group and team of Sustainability Champions have been established to identify, research and implement new initiatives, and engage with other employees, clients and relevant external parties on carbon reduction activities and opportunities across the business.
- We have started to engage with our Tier 1 Suppliers to discuss our carbon reduction targets and requirements and to share experiences and best practice; this will be further informed by a Supplier Carbon Reduction & Social Value Questionnaire launched in September 2021.
- We are gradually replacing our company petrol and diesel car fleet with EVs, to be followed by our van fleet when charging infrastructure and EV range has improved, with the aim of having a completely emission-free fleet by 2030. From a figure of zero in 2019, we now have 6 fully electric cars and 52 more on order. We have also undertaken an Employee Travel & Transport Survey – to identify the barriers and incentives to choosing an EV – and have increased our number of office EV charging points to over 20, with more to come at our new Birmingham depot.
- We have carried out trials at selected sites, and held supplier discussions, to evaluate the
 potential for replacing diesel plant (including generators and lighting) with zero or low
 emission alternatives such as solar power; we are currently undertaking a full tender exercise
 to select the most suitable suppliers of welfare units and associated equipment to enable us
 to achieve the transition to the low carbon construction site of the future.

The reductions in carbon emissions arising from these actions are still being evaluated and the impact of these changes across the business will be reported in 2021/22.

We anticipate that the reduction of carbon emissions by these schemes will be approximately 620 tCO_2e , an 8.4% reduction against the 2019/20 baseline, in accordance with our SBTi Scope 1 and 2 targets (subject to evaluation in 2021/22). These measures will be in effect when performing relevant contracts.

In the future, in accordance with our Scope 1, 2 and 3 carbon reduction route maps, we will implement further measures such as:

- Moving to 100% REGO certified renewable electricity contracts at all offices and depots by 2025, eliminating 100% of our Scope 2 National Grid electricity emissions. N.B. Our new Birmingham depot has already been set up with a 100% renewables tariff contract for electricity and a 'green gas' offset arrangement while supplies of green (bio)gas increase. We will also investigate ways to improve energy efficiency at our offices and depots, and consider replacement of existing systems with alternative technologies, such as air or ground source heat pumps, when appropriate.
- Switch consumption of diesel on our construction sites to HVO, hydrogen and/or other viable low carbon alternative fuels and replace plant vehicles with electric versions once they become more readily available. We will undertake further trials to assess feasibility, infrastructure and other changes required and measure actual carbon emissions reductions achieved by vehicles and different categories of site plant and equipment.
- Build on site trials already carried out to further evaluate emissions reductions from the use
 of solar-powered welfare facilities on construction sites, to include the use of battery storage
 and fuel cell technology.

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 GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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) Standard³.

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

¹ https://ghaprotocol.org/corporate-standard

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

³ https://ghgprotocol.org/standards/scope-3-standard

Signed on behalf of the Supplier:

Alan Taylor, HSQE Director at Story Contracting Ltd

Date: 30th September 2021