

# **PPN 06/21 - Carbon Reduction Plan**

## 1.0 SUPPLIER NAME: GRAHAM

This Carbon Reduction Plan relates to John Graham Holdings Ltd (Trading as GRAHAM) and all of its subsidiaries.

## 2.0 PUBLICATION DATE: 27<sup>th</sup> September 2021

## 3.0 COMMITMENT TO ACHIEVING NET ZERO:

At GRAHAM our commitment to achieving Net Zero has been set out within our “**Climate Action Strategy**”. The Climate Action Strategy sets out our vision and ambition for net zero across our entire value chain (scope 1,2 and 3) and aligns with Global Sustainable Development Goal 13 (Climate Action). Our strategy includes a **roadmap** with specific short- and long-term actions toward our overarching net zero ambition. To support our transition to net zero, we have set out specific areas of focus – these include net zero fleet and plant, innovation and collaboration, leading the supply chain, net zero materials, energy management and verification of carbon data.



Figure 1 - GRAHAM Climate Action Strategy

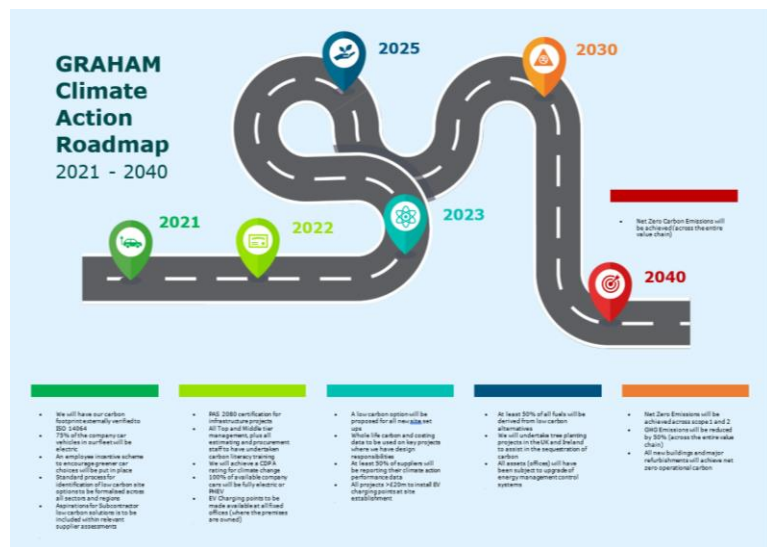


Figure 2 - GRAHAM Climate Action (Net Zero) Roadmap

## 4.0 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.

The GRAHAM emissions data contained within this CRP has been obtained in accordance with the GHG Protocol’s Corporate Standard and the corporate value chain (scope 3) accounting and reporting standard using the “operational control” approach. Baseline emissions have been calculated using Department for Business, Energy and Industrial Strategy (DBEIS) Conversion Factors for company reporting of GHG emissions. Our baseline emissions footprint has been calculated as both “market based” and “location based”. For the purposes of this CRP, we have presented the data as location based, showing emissions as per the national grid. All of our scope 1, 2 and partial scope 3 emissions have been certified to the requirements of Achilles Carbon Reduce. In this way we have received independent verification that we have measured our GHG emissions in accordance with ISO 14064-1:2006.

Following the expansion and development of our scope 3 inventory and aligned to our commitment to set and achieve science-based targets through the science-based targets initiative, our emissions baseline has been reset from financial year 14/15 to financial year 19/20.

Baseline Year – Financial Year 2019/2020	
EMISSIONS	TOTAL (TCO <sub>2</sub> e)
Scope 1	12,371
Scope 2	770 (Location based)
Scope 3	8,309 (4,484 – externally verified)  In line with the technical guidance aligned to this CRP, a subset of 5 out of the 15 categories of scope 3 emissions (as identified within the corporate value chain scope 3 accounting and reporting standard) have been included within the above total. The breakdown of these categories is as follows: <ul style="list-style-type: none"> <li>• Cat 4: *Upstream transportation and distribution (2,345)</li> <li>• Cat 5: Waste generated in operations (9)</li> <li>• Cat 6: Business travel (4,475)</li> <li>• Cat 7: *Employee commuting (1,480)</li> <li>• Cat 9: Downstream transportation and distribution (N/A)</li> </ul>
<b>Total Emissions (All scopes)</b>	<b>21,450</b>

## 5.0 CURRENT EMISSIONS REPORTING

Baseline Year – Financial Year 2020/2021	
EMISSIONS	TOTAL (TCO <sub>2</sub> e)
Scope 1	11,131
Scope 2	783 (Location based)
Scope 3	4,650 (2195 - externally verified)  In line with the technical guidance aligned to this CRP, a subset of 5 out of the 15 categories of scope 3 emissions (as identified within the corporate value chain scope 3 accounting and reporting standard) have been included within the above total. The breakdown of these categories is as follows: <ul style="list-style-type: none"> <li>• Cat 4: *Upstream transportation and distribution (1,768)</li> <li>• Cat 5: Waste generated in operations (9)</li> <li>• Cat 6: Business travel (2,086)</li> <li>• Cat 7: *Employee commuting (787)</li> <li>• Cat 9: Downstream transportation and distribution (N/A)</li> </ul>
<b>Total Emissions (All scopes)</b>	<b>16,564</b>

\*Data includes some estimates

## 6.0 EMISSIONS REDUCTIONS TARGETS

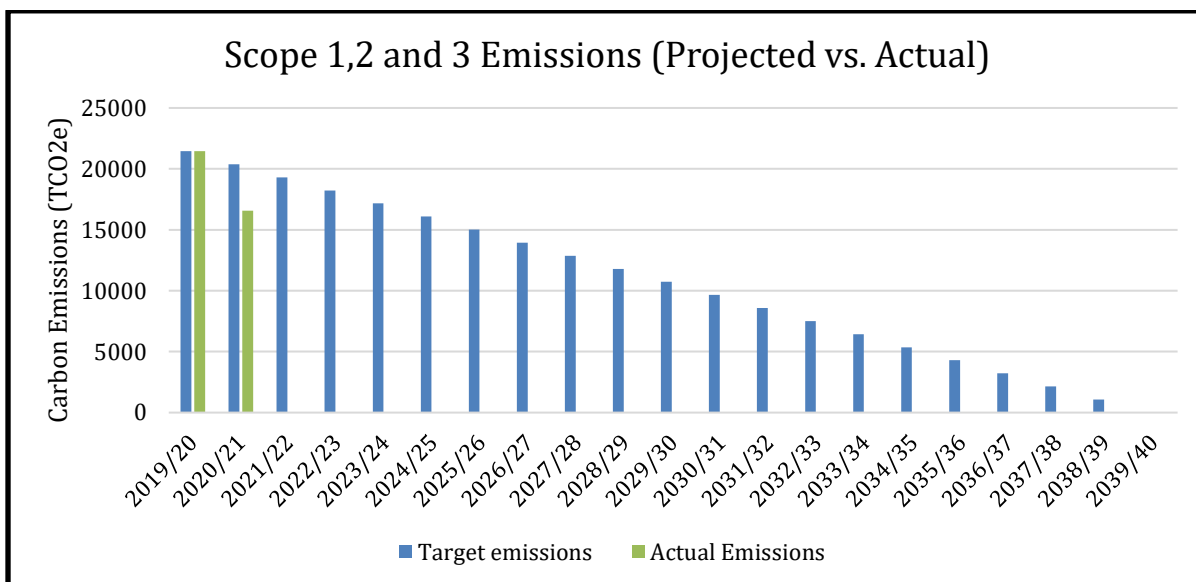
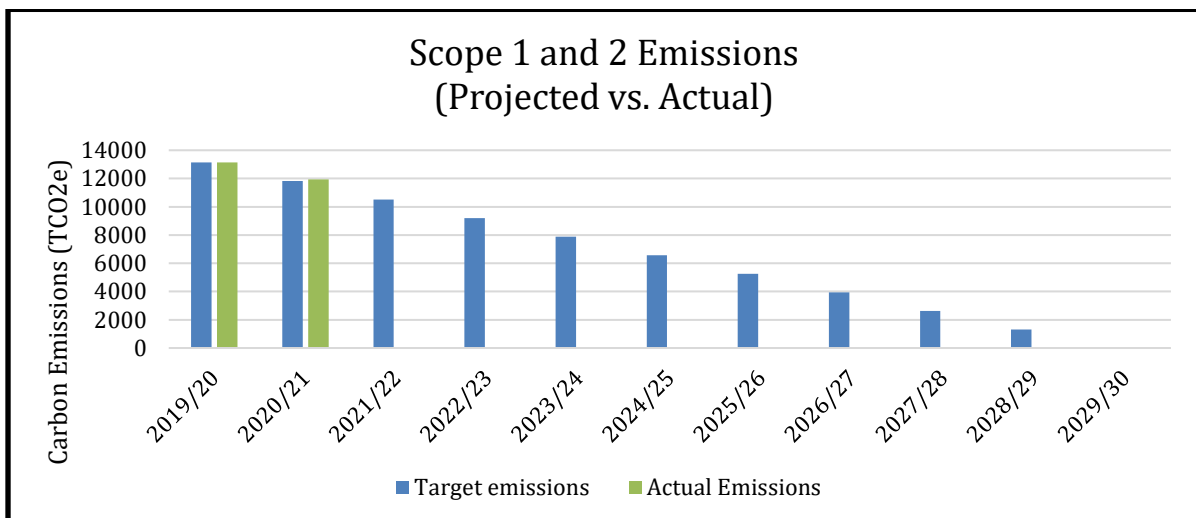
In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

- Phase 1: By 2030 at the latest, achieve Net-zero carbon emissions (across our scope 1 and 2 emissions)
- Phase 2: By 2040 at the latest, achieve Net-zero carbon emissions (across the full value chain – scope 1,2 &3).

Having committed to setting our targets through the “Science Based Targets Initiative” we are aligning our approach with a 1.5degree scenario in line with what the latest climate science deemed necessary to meet the goals of the Paris Agreement.

We project that our scope 1 and 2 carbon emissions will decrease over the next five years to 5,256 tCO<sub>2</sub>e by 2026. This is a reduction of 60%. Additionally we project that our scope 1, 2 and 3 emissions will decrease over the next five years to 15,015 tCO<sub>2</sub>e by 2026. This is a reduction of 30%.

Progress against these targets can be seen in the graph below:



## 7.0 CARBON REDUCTION PROJECTS

### Completed Carbon Reduction Initiatives:

The following environmental management measures and projects have been completed or implemented since the 2019/20 baseline. The carbon emission reduction achieved by these schemes equate to 4886 tCO<sub>2</sub>e, a 23% reduction against the 2019/20 baseline and the measures will be in effect when performing the contract.

- GRAHAM have met the requirements of Achilles Carbon Reduce certification having measured our greenhouse gas emissions in accordance with ISO 14064-1:2006 and having committed to managing and reducing our emissions in respect of the operational activities of our organisation.
- In demonstrating our organisational commitment reducing energy usage and GHG emissions, GRAHAM have committed to setting a science-based Target through the "Science-Based Targets Initiative". In this way have used a science-based approach to ensure our targets align with requirements to ensure a 1.5° scenario, limiting the effects on climate change. We are also signatories to the "Pledge to Net Zero", have joined the "Contractors Declare" movement and we have also committed to "The Climate Action Pledge".
- Along with three other contractors, GRAHAM worked with BITCNI and KSB in early 2021 to develop the UK's first construction orientated Carbon Literacy Training. We are now in process of rolling this training out throughout our organisation, starting from the top down. By investing in our people's awareness of the climate emergency, we ensure that our teams understand the urgency with which we must all act.
- We worked with our energy management consultancy to procure new electricity connections for sites and offices. In the period covered by the report, we purchased 1,796MWh of renewable energy, backed by Renewable Energy Guarantees of Origin (REGO's).
- Our company IT systems continue to be used to support the use of online meeting platforms to reduce emissions associated with business travel and commuting.
- In line with our Climate Action Strategy, we trialled new technologies to gain understanding of the advantages and potential barriers to low or zero carbon technologies and alternative sources of energy. This has included a fully electric digger, hydrogen tower lighting, HVO fuel, battery banks, zero-carbon welfare units and "load on demand" power solutions.
- We continued to develop our bespoke software system (Cora) to enable the enhanced visibility of energy and carbon data arising at site level.
- Energy audits were completed on sites. Opportunities such as installation of smart meters, zoning and controls within temporary electrics and grid connections to replace diesel generators were highlighted and actioned.
- We worked with our fleet provider to accelerate our transition to low and zero carbon company cars. 75% of all available vehicles now fully electric or plug-in hybrid (PHEV).
- In order to incentivise driver uptake of ultra low emission vehicles, Electric Vehicle Charging Points were installed at our Head Quarters.
- Due consideration was given to energy efficiency and emissions for all plant, equipment and vehicles researched for potential purchase.
- We partnered with Queens University to work with a Masters student on a research project centered around "decarbonization of construction".

### In future, we hope to implement further measures such as:

- Our Climate Action Strategy details a range of carbon reduction projects that we propose to undertake in the future. This includes PAS 2080 certification for infrastructure projects, continuing to work with our supply chain to reduce their emissions, upgrade of energy management control systems within our offices and continuing our transition to an ultra-low emissions fleet.

## 8.0 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 GHG 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 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 GRAHAM:**

Name: Andrew Cooke

Role: SHE Director

Date: 27<sup>th</sup> September 2021

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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>