



Even Greener Strategy Overview & Carbon Reduction Plan

Foreword

The subject of sustainability and carbon reduction is of huge significance to the way Esh Group, and the industry, does business now and in the future. We must make changes now and contribute to a worldwide sustained reduction in greenhouse gas emissions, and it is essential that the targets and plans we make, can be achieved.

A considerable amount of work has gone on behind the scenes, with the support of an external consultant, for over a year now while we analysed our baseline data, identified opportunities and considered what steps we can take across the business towards an operating model that will reduce our carbon emissions year-onyear.

This is the beginning of our journey, one that we are committed to, and one that we are not alone on, as the construction industry discovers the best route to take.

Andy Radcliffe

Group Chief Executive

Our Even Greener Commitment

Esh Group is committed to achieving Net Zero emissions by 2040.

Our monitoring procedure covers Scope 1 and 2 sources and selected Scope 3 carbon emissions where we have the greatest level of control and can report with confidence.

Emissions are monitored and reported annually against our Carbon Reduction Plan (CRP) which sits within both our respective ISO 50001 Energy and ISO 14001:2015 Environmental Management systems and is based on the IEMA Green House Gas management hierarchy.

Our CRP includes emissions relating to the entirety of Esh Group which includes our main contracting business; Esh Construction, and private housing division; Homes by Esh.

In November 2023 Esh Group launched its 'Even Greener' strategy, a roadmap to reducing its carbon emissions to zero with minimal offsetting. In 2023 we signed up to the Science Based Targets Initiative (SBTi) committing to both near-term and longterm net zero targets.

Targets include:

A 5% reduction in business operating carbon by 2027, to 8,927 tCO2e;

A 65% reduction in business operating carbon by 2034 – specifically, Scope 1, 2, and Scope 3 waste, business travel, upstream transportation, and staff commuting;

100% of owned fleet being fully electrified or low carbon vehicles by 2035;





A reduction of Scope 1, 2 and 3 emissions by 90% by 2040;

With remaining emissions being offset using credible carbon removal or sequestering offsets. We recognise that our plan to decarbonise will rely heavily upon the decarbonisation journey of our suppliers and availability of low carbon fuel sources for heavy goods vehicles and plant machinery.

Active engagement with our supply chain will help us measure accurately and reduce our Scope 3 emissions.

Continued interaction with industry partners will help us better understand the timeframe for necessary innovation, affordability, and availability of low carbon solutions.

As a result, our Net Zero path is based on assumptions for the decarbonisation trajectory of our supply chain, the industry and sector innovations.

Baseline Emissions [2017]





Reduction Progress & Projection

Updated December 2022



Our Even Greener Commitment

Carbon Champions

We have appointed a team of Carbon Champions made up of senior representatives and subject matter experts from across our business with the relevant knowledge and authority to bring forward new low carbon products, processes, ideas and innovations. Our Champions are responsible for low carbon 'TAPs' – Trials, Adoptions and Projects.

Carbon Clienting

We continue proactive discussions with our clients regarding the commissioning of low carbon construction projects which include green engineering, the use of low carbon building materials and adopting low carbon processes. We are working with key clients to develop low carbon 'whole scheme' alternatives for our most frequently delivered projects.

Carbon Communications

We have created a 'how to guide' to guide relevant colleagues through the implementation of our Even Greener Strategy which is communicated through our company intranet My.Esh, as well as site signage, vehicle livery, posters and toolbox talks.

| Initiative | Implemented |
|---|-------------|
| Improved vehicle efficiency through Masternaut telematics | 2010 |
| Certification to ISO 14001:2015 | 2011 |
| Certification to ISO 50001:2018 | 2013 |
| Introduction of energy efficient site cabins and welfare facilities | 2016 |
| Replacement of old vehicles with Euro 6 compliant vehicles | 2016 |
| Refitting of office lighting with LED bulbs | 2016 |
| Promotion of early site grid connection to reduce use of fossil fuel on site generators | 2017 |
| Promotion of the reuse of aggregates on site | 2018 |
| Reduction of the use of virgin aggregates | 2018 |
| Reduction of the amount of non-hazardous waste sent to landfill | 2018 |
| Investment in IT infrastructure, cloud working and decommissioning | 2019 |
| Introduction of hybrid and battery electric grey fleet vehicles | 2020 |
| Introduction of 'Cycle to Work' scheme | 2021 |
| Introduction of salary sacrifice scheme to support staff to lease low carbon vehicles | 2021 |
| Promotion of hybrid working policy encouraging homeworking | 2021 |
| Headquarters fitted with new boiler controls to improve efficiency | 2022 |
| Promotion of solar 'pods' to power site setups | 2022 |
| Signed up to Science Based Targets Initiative | 2023 |

Carbon Reduction Initiatives

| | | Scope 1 | | | Scope 2 | | Scope 3 | |
|------------|---|---|--|--------------------------|--|--|--|--|
| | Solar Energy - Site Increase use of solar power on sites | | Energy Procu Use renewable from the grid | r ement energy | Solar Energy - Office Further installation of solar PV panels to our offices | Aggregates Increased use of recycled aggregates vs virgin material | Project Delivery Low carbon adjudication packs and preliminaries | Pre-Construction Offer clients low carbon alternatives |
| SHORT TERM | Electric Fleet - Vans Transition to a full plug-in electric owned fleet | EV Chargers Further installation of EV charging points at our offices and sites | | | | Materials Re-use materials on site reducing | Supply Chain Engage 80% of supply chain | |
| | | Alternative fuels | | | | carbon in transportation | offering carbon guidance, resources and training Supplier Engagement | |
| | | Use of alternative fuels to power vehicles and plant on sites | Energy Efficie | ncy | | Rainwater Harvesting Retrofit offices with | Launch supply chain school, includIng carbon reduction training | |
| | | | Retrofit offices efficient techn | ology | | rainwater harvesting technology | | |
| LONG TERM | | | | | | Inventory Work with suppliers to bring forth low carbon products | LCS Group wide adoption of low carbon | LCC Group wide adoption of low carbon |
| | Electric Fleet - HGVs Transition to a full plug-in electric owned fleet | Office Heating Transition to air/ ground source heat pumps | | | | including welfare facilities, plant, building materials, small tools, wagons, PPE and hygiene products. | steel | concrete |

Scope 1 Emissions

What does this include?

- Fuel use
- Heating

What does this mean?

We will significantly reduce our carbon emissions for activities within our control for areas where fuel is used for vehicles and plant, and where gas is used for heating in the Esh Group offices.

Examples of these areas are; company owned HGV's & LCV's and fuel used to power plant equipment on sites.

How will we achieve a reduction?

We will explore all possible energy efficiency areas that will help us to reduce or stop using products that generate emissions.

We will consider electric vehicles, electric plant, solar site compound set ups as well as procuring zero carbon energy for buildings or alternative fuels.

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Esh Construction's journey to becoming an Even Greener contractor

Scope 2 Emissions

What does this include?

• Electricity

What does this mean?

We will not create any carbon emissions from activities within our control while running our buildings.

How will we achieve a reduction?

We will be exploring all possible energy efficiency areas that will help reduce or stop using products that generate emissions.

We will procure zero carbon energy for buildings and investigate additional solar photovoltaic panels.

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Scope 3 Emissions

What does this include?

- Upstream transportation and distribution
- Waste generated in operations
- Business travel, category
- Employee commute
- Downstream transportation and distribution
- Purchased goods & services (PPN excluded)
- Water usage (PPN excluded)
- Working from home (PPN excluded)

What does this mean?

Wherever possible we will take responsibility for Scope 3 emissions where we can influence the outcome to reduce the generated emissions.

How will we achieve a reduction?

We will continue to work with clients and supply chain to find ways to improve our operations that will help to reduce overall emissions.

This could be with better planning, new technologies or new ways of working. New training measures will be implemented on site, educating the workforce on how emissions can be influenced on a site basis, and new ways will be explored for staff travel.



TECHNICAL

EDUCATION

& HIGHER

Declaration & 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 and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

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.

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

Signed on behalf of the Supplier:

Andy Radcliffe Group Chief Executive

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Our journey to becoming an **Even Greener** contractor.

www.eshgroup.co.uk