

Carbon Reduction Plan - Spencer Group

Reporting Period: 01 April 2022 – 31 March 2023

Commitment to achieving Net Zero

Spencer Group is committed to achieving Net Zero for carbon emissions by 2050 with an aspiration to achieve this significantly before this date as opportunities to adopt low carbon solutions become available.

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.

2020/21 has been selected as our baseline year from which point forwards our Carbon emissions reporting has included Scope 1, 2 and 3 (mandatory categories), prior to this C Spencer Limited had reported Carbon emissions against Scope 1 & 2 only. Best endeavours have been used to measure emissions based upon limitations in the methods and types of information available at the time. It is our aim to develop improved measurement and reporting mechanisms during subsequent years, particularly with regard to Scope 3 emissions.

2020-21 Emissions (Baseline)

REPORTING YEAR: 2020/21 (01 APRIL 2020 – 31 MARCH 2021)

EMISSIONS	TOTAL (tCO ₂ e)
SCOPE 1	1,452
SCOPE 2	132
SCOPE 3 <i>Mandatory categories 4/5/6/7/9</i>	1,089
TOTAL EMISSIONS	2,673

2021/22 Emissions

REPORTING YEAR: 2021/22 (01 APRIL 2021 – 31 MARCH 2022)

EMISSIONS	TOTAL (tCO ₂ e)
SCOPE 1	2,113
SCOPE 2	128
SCOPE 3 <i>Mandatory categories 4/5/6/7/9</i>	1,480
TOTAL EMISSIONS	3,721

2022/23 Emissions

REPORTING YEAR: 2022/23 (01 APRIL 2022 – 31 MARCH 2023)

EMISSIONS	TOTAL (tCO ₂ e)	CHANGE FOR PREVIOUS YEAR
SCOPE 1	1,705	19% SAVING
SCOPE 2	86	33% SAVING
SCOPE 3 <i>Mandatory categories 4/5/6/7/9</i>	1,768	19% INCREASE
TOTAL EMISSIONS	3,559	4% SAVING

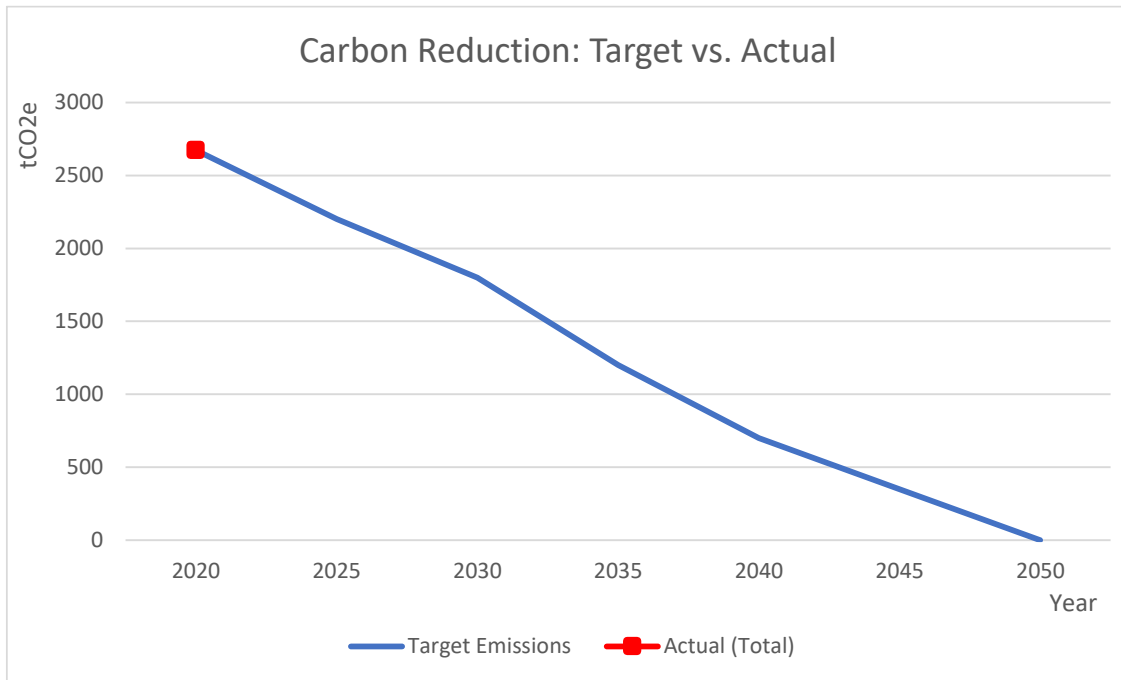
Carbon Reduction Plan - Spencer Group

Emissions Reduction Targets

In order to progress towards achieving Net Zero, we have set an interim carbon reduction target to decrease carbon emissions to 2,200 tCO₂e by 2025.

This represents a carbon reduction target by 2025 of 18% against baseline levels.

PROGRESS AGAINST THESE TARGETS CAN BE SEEN IN THE GRAPH BELOW:



Progress

Spencer Group's baseline year of 2020/21 was severely impacted by COVID-19 which resulted in a significant reduction in business activity and a corresponding drop in carbon emissions, typically related to fuel usage for business travel, employee commuting, operating construction plant, purchase/hire and delivery of goods and equipment. This affected Scope 1 and Scope 3 emissions that year.

The subsequent year saw the business increase its turnover (49%) as construction projects returned to higher levels of activity and employee commuting and business travel increased with a return to office working.

Judging our 2022/23 performance against the previous year is a more realistic approach to assessing progress against our target. On this basis it can be seen that:

- Scope 1 emissions from direct fuel sources such as gas/oil heating, operation of diesel/petrol vehicles, machinery and plant, has decreased by 19%
- Scope 2 emissions, largely associated with the electricity supply to company premises, has decreased by 33%
- Scope 3 emissions have increased by 19% largely due to the 'Upstream Transportation and Distribution' category which is directly related to an increased spend over the year in the goods/equipment delivered to offices and construction sites.

Carbon Reduction Plan - Spencer Group

Carbon Reduction Initiatives

COMPLETED CARBON REDUCTION INITIATIVES

Environmental management measures and projects which have been completed or implemented within the last two years include:

- The Humber Quays office has now been fully converted to LED lighting alongside the three-level car park and external Plaza areas. Upgrades and modifications have been made to the BMS to effectively manage gas and electricity use which is reflected in the savings made during 2022/23.
- The Barrow office and workshop/ yard have been converted to LED lighting during the past year.
- Electric charging points have been installed at Humber Quays in previous financial years, these have proven to be beneficial with an increasing number of employees choosing all electric or plug-in hybrid e-vehicles which are charged whilst using the car park.
- The company car list includes a large number of fully electric vehicles. The majority of new purchases or leases by the business are now fully electric or plug-in hybrid.
- The commercial vehicle fleet continues to be dominated by diesel or petrol models due to the operational requirements of the business.
- Virtual meetings via Team/Zoom have reduced some journeys which would have previously been made for face-to-face meetings.
- Solar and battery charging systems are being trialled across a number of projects to assess the most viable option for construction site set-ups. Direct connection to the national grid (DNO connection) is being pursued at every opportunity.

PLANNED CARBON REDUCTION INITIATIVES

We are currently assessing the following carbon reduction solutions to determine their viability:

Energy

- Investment in higher efficiency and/or alternative fuel plant, equipment and processes.
- Enhanced energy performance of existing premises.
- Development of on-site renewable energy generation for site establishments.

Construction Plant and Materials

- Switching to lower carbon fuel sources.
- Assessing further options for sustainable procurement.
- Increased awareness amongst employees and the supply chain.

Transport

- Assessing the practicality of expanding the use of electric-only and hybrid vehicles into the commercial fleet and on-site plant.
- Continued reduction in waste produced and its associated transport.

Design and Materials

- Assessing the opportunities to design and build with low carbon materials.
- Select low carbon materials as the default position for identified projects.

Carbon Reduction Plan - Spencer Group

Declaration and Sign Off

The Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance, and the 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 use 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.

Signed on behalf of C Spencer Limited



GARY THORNTON, MANAGING DIRECTOR

DATE: 30/06/2023