Commitment to Achieving Net Zero

FM Conway is committed to achieving Net Zero emissions by 2045



SEPTEMBER 2023

CARBON REDUCTION PLAN



Baseline Emissions Footprint

Baseline emissions are a record of the Greenhouse Gases (GHG) 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 and encompass all FM Conway emissions. Subsidiaries which were not part of FM Conway have been added to the emissions baseline report for consistency and accuracy of reporting.

BASELINE YEAR: 2019

Additional Details Relating to the Baseline Emissions Calculations

Our historic baseline figures include Scope 1 and 2 from data collected in real time from verified sources using Streamlined Energy and Carbon Reporting (SECR) reporting criteria. Our Scope 3 baseline has been applied retrospectively using purchase orders and conversion factors which are in line with the Greenhouse Gas Protocol for Scope 3 calculations from the following categories:

- Purchased Goods and Services
- Capital Goods
- Fuel and Energy Related Activities (not included in Scope 1 or Scope 2)
- Upstream Transportation and Distribution
- Waste Generated in Operations
- Business Travel
- Employee Commuting
- Downstream Transportation and Distribution

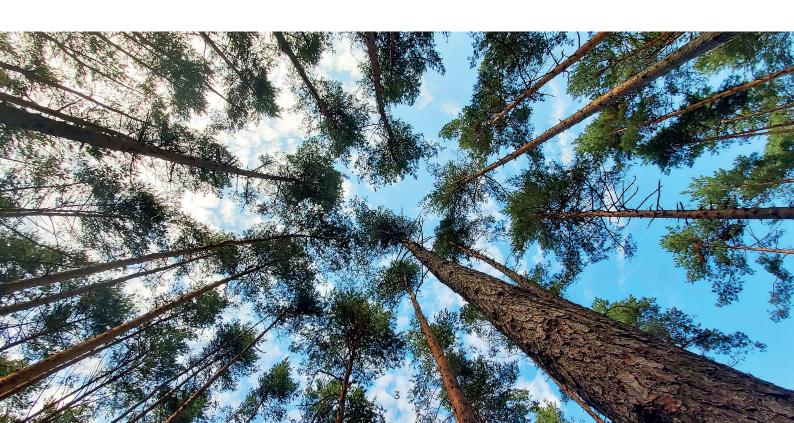
BASELINE YEAR EMISSIONS: 2019

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	52,588
Scope 2	2,581
Scope 3 (Included Sources)	153,713
Total Emissions	208,882



Current Emissions Reporting

REPORTING YEAR: 2023		
EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	53,133	
Scope 2	0	
Scope 3 (Included Sources)	176,172	
	Scope 3 Category by Category	tCO ₂ e
	Purchased Goods & Services	117,041
	Capital Goods	4,345
	Fuel & Energy Related Activities	12,994
	Upstream Transportation & Distribution	26,945
	Waste Generated in Operations	11,185
	Business Travel	461
	Employee Commuting	2,265
	Downstream Transportation & Distribution	936
Total Emissions	229,305	



Emissions Reduction Targets

In line with the latest climate science and science-based targets, we have set short, medium, and long-term net zero targets in relation to our Scope 1 and 2 emissions.

By the reporting financial year 2024/25, we will have reduced our Scope 1 and 2 emissions from the 2019 baseline of 55,169tCO₂e to 41,377tCO₂e. This is a reduction of 25%.

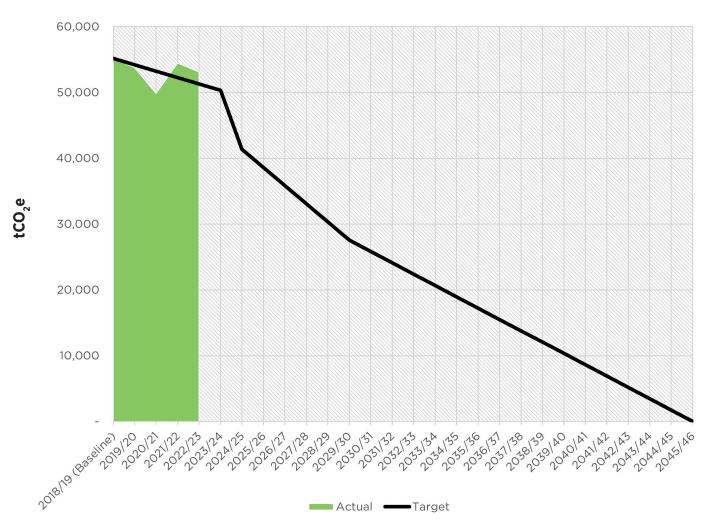
By the reporting financial year 2030/31, we will have reduced our Scope 1 and 2 emissions from the 2019 baseline to 27,584tCO₂e. This is a reduction of 50%.

By the reporting financial year 2045/46, we will have become a net zero organisation for Scope 1 and 2.

Our Scope 3 carbon impact previously utilised the spend-method approach where applicable. However, for 2023, the approach was to focus mainly on the activity-data approach, to derive more meaningful conclusions of our Scope 3 impact. Using this refined Scope 3 assessment approach, we will be able to develop our Scope 3 reduction targets and incorporate these into our Carbon Reduction Plan going forward.

Progress against the Scope 1 and Scope 2 reduction targets can be seen in the graph below:

CARBON REDUCTION: ACTUAL VS TARGET



Carbon Reduction Projects

COMPLETED CARBON REDUCTION INITIATIVES

The following environmental management measures and projects have been completed or implemented since the 2019 baseline:

- Half hourly monitoring of gas and electric at all FM Conway sites
- Electricity purchased across the FM Conway Group sites is 100% renewable and backed by Guarantees of Origin certificates
- 28% of FM Conway mobile tools are now electric, removing petrol disc cutters, wacker plates and pokers from schemes and projects, where applicable
- 20% of our <1.5t fleet across the Group is now electric
- New electric port crane for operation at Erith wharf was delivered and commissioned and is now fully operational. Estimated savings to be ca. 45,000 litres of diesel per year
- All new company cars from 2022 to be electric
- HVO fuel has been trialled on all plant and used where applicable, including on selected grabs, sweepers and gully trucks
- Samsara telematic monitoring system has been rolled out across the FM Conway commercial fleet
 increasing safety, efficiency, and sustainability
- Personal Protective Equipment (PPE) 2022 carbon baseline, including end-of-life, has been set at 309kgCO₂e per capita
- Potable water usage 2022 baseline has been set at 76m³ per £1m revenue

The carbon emission reductions achieved by these measures equates to $2,035tCO_2e$, which is a 3.7% reduction against the 2019 baseline. These measures will remain in effect and be part of our ongoing management processes throughout FM Conway's projects and schemes.

Our Scope 3 analysis has been completed in accordance with the Greenhouse Gas Protocol guidelines, however we are continually evaluating our Scope 3 activity data to refine the analysis. Specific Scope 3 reduction targets will then be produced during 2023/24.



Future Carbon Reduction Measures

Our publicly available Net Zero Strategy outlines our measures to meet our short and medium-term objectives for Scope 1, 2 and 3.

To be completed by end of 2024:

- 100% of company cars to be electric
- Set PPE baseline of CO₂e per capita completed
- Set water usage baseline of m³ per £1m revenue completed
- 25% of small tools to be electric
- Certification to PAS2080
- Certification to PAS2050 (carbon life cycle assessment of our asphalt products)
- 55% of <1.5t fleet to be electric
- Diesel power generators to use HVO fuel or switch to grid/solar power
- Removal of single use plastics

To be completed by end of 2030:

- 100% of <1.5t fleet to be electric
- 100% of <5t fleet to be zero emission
- 50% of >5t fleet to be zero emission
- Mobile plant to use HVO fuel or zero emission alternatives
- Reduce waste by 40% from baseline figure
- Reduce potable water by 25% from baseline figure



Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards 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 is signed by a member of our board.

Signed on behalf of the Supplier:

Adam Green CEO

Date: 5th September 2023





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

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

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



SEPTEMBER 2023

CARBON REDUCTION PLAN



CARE

As a family business we act with care and compassion



EXCELLENCE

Great people delivering great work, always



INTEGRITY

A business committed to doing the right thing



INNOVATION

Our passion is to always find a better way