

Commitment to Achieving Net Zero
FM Conway is committed to achieving
Net Zero emissions by 2045



AUGUST 2024

CARBON REDUCTION PLAN





Statement of Verification

Our Carbon Reduction Plan has been independently verified to the ISO 14064-3 standard, by Carbon Footprint Ltd.

Carbon Footprint Ltd provided a limited level of assurance that FM Conway's GHG emissions statement for financial year 2024 are made in accordance with the GHG Protocol and PPN 06/21, and found no evidence to suggest otherwise.

It is Carbon Footprint Ltd's opinion that FM Conway has established appropriate systems for the collection, aggregation and analysis of quantitative data for accurate determination of GHG emissions for the stated period and boundaries in accordance with the ISO 14064-3 standard, to a limited level of assurance.



CO₂e
Assessed
Organisation

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 & Services
- Capital Goods
- Fuel- & energy-related activities (not included in scope 1 or scope 2)
- Upstream Transportation & Distribution
- Waste Generated in Operations
- Business Travel
- Employee Commuting
- Downstream Transportation & Distribution

BASELINE YEAR EMISSIONS: 2019

EMISSIONS	TOTAL (tCO₂e)
Scope 1	53,801
Scope 2	2,581
Scope 3 (Included Sources)	166,807
Total Emissions	223,189



Current Emissions Reporting

REPORTING YEAR: 2024		
EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	52,190	
Scope 2	0	
Scope 3 (Included Sources)	183,958	
	Scope 3 Category by Category	tCO ₂ e
	Purchased Goods & Services	129,827
	Capital Goods	4,741
	Fuel- & Energy-Related Activities	12,655
	Upstream Transportation & Distribution	30,631
	Waste Generated in Operations	2,291
	Business Travel	499
	Employee Commuting	2,423
	Downstream Transportation & Distribution	891
Total Emissions	236,148	



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.

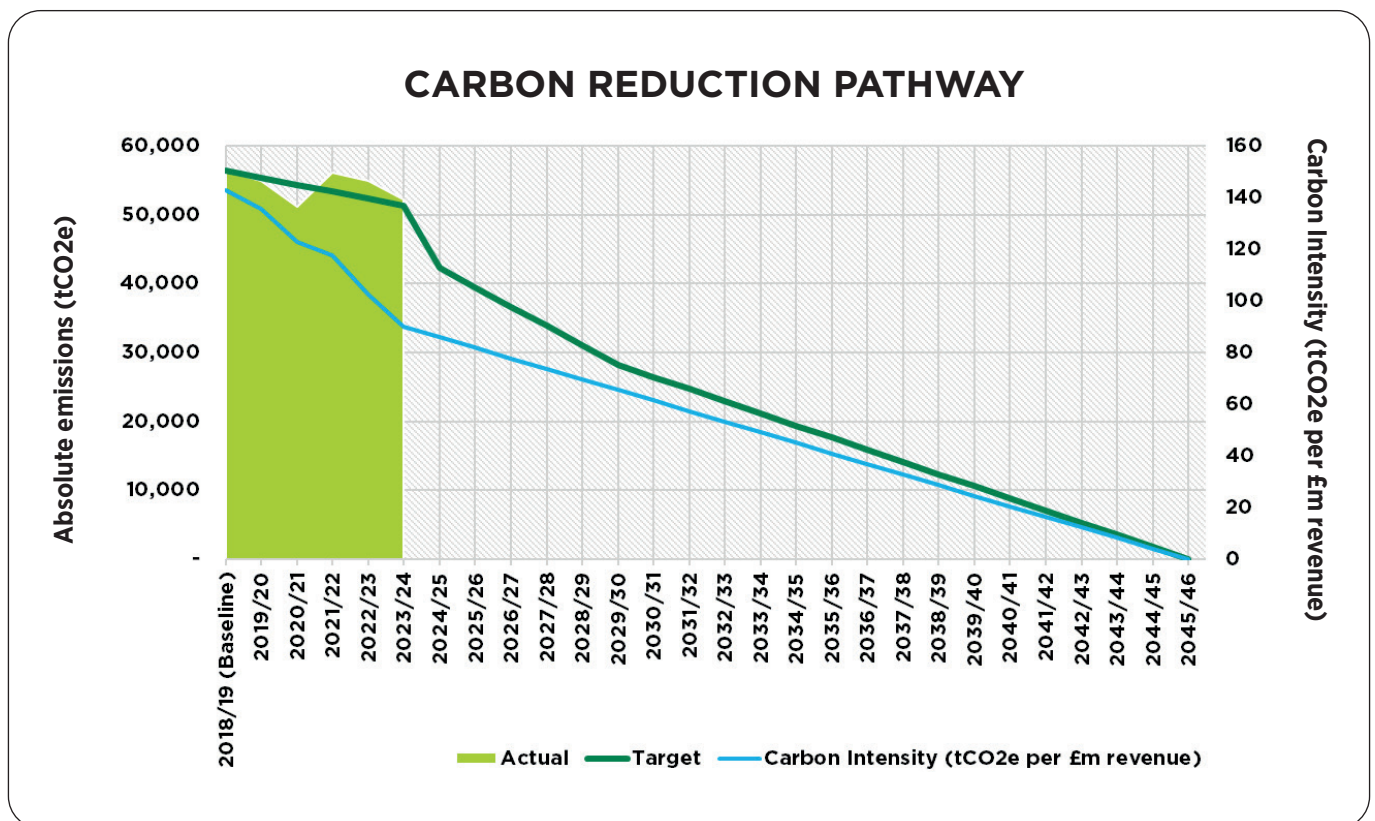
By the reporting financial year 2024/25, we will have reduced our Scope 1 and 2 emissions from the 2019 baseline of 56,382 tCO₂e to 42,286 tCO₂e. This is a reduction of 25%.

By the reporting financial year 2030/31, we will have reduced our Scope 1 and 2 emissions from the 2019 baseline to 28,191 tCO₂e. 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 has been comprehensively assessed since the baseline financial year 2018/19 and in the previous two financial years we have developed an activity tracker to facilitate a move away from the spend-method approach to instead use the activity-based approach where applicable. This change in approach has increased the accuracy of our estimates and now sets the correct baseline from which scope 3 targets can be developed. During FY25 we will 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:



We are pleased to confirm that as of the latest reporting financial year 2023/24, we have delivered an annual emissions reduction for the 2nd year in a row.

Compared with the baseline reporting financial year, annual emissions reduced by 4,192 tCO₂e – representing a 7.4% reduction.

On an intensity ratio basis of tCO₂e per £1m revenue, compared with the baseline reporting year of 143 tCO₂e per £1m, this has reduced to 90 tCO₂e per £1m – representing a 37% reduction.

Carbon Reduction Projects

COMPLETED CARBON REDUCTION INITIATIVES

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

- Certification by the British Standards Institute (BSI) to PAS 2080:2023, the global standard for the management and reduction of whole-life carbon in infrastructure and the built environment. The assessment was concluded with zero non-conformities
- Selected as Business Champions of the CO2nstruct Zero Programme, led by the Construction Leadership Council
- Established our Net Zero Action Delivery Group (“NZAD”), comprising of the Managing Directors within the business and responsible for the delivery and implementation of our Net Zero Strategy. Progress is reported to the board on a bi-monthly basis
- Hosted a sustainability event with our local authority customers, TfL and National Highways which included a panel discussion on the “Circular Economy in Construction”. The event showcased the collaborative efforts needed through the whole value chain to deliver on our aligned sustainability goals
- Rolled out our “Sustainability Fund” which is an employee incentive scheme to generate novel ideas from within the business regarding sustainability, with the best ideas rewarded financially
- Developed our low carbon workshop (“The Road to Net Zero”) module and toolbox talk which has been rolled out to our staff, to promote and influence carbon reduction within every division
- In collaboration with Westminster City Council, we laid a record-breaking proprietary thin-surface course “SureLayer” which included 92% recycled content. This was also done as a “warm-mix”, with HVO in the surfacing kit and 100% green electricity at the asphalt plant. This scheme included a footways element which together saved over 100 tonnes CO₂e overall, with the residual carbon neutralised through carbon removal offsets
- In collaboration with Westminster City Council, we have continued the low carbon footways model and delivered over 40 schemes in total since the initial King Street trial in 2020, including a public realm scheme in St Johns Wood
- All electricity across the group continues to be purchased from renewable sources, backed by OFGEM issued REGO certificates; eliminating scope 2 emissions completely
- Warm-mix asphalt has been set as the default option at key asphalt plants
- Switched all our gas-ready asphalt plants to run on natural gas, instead of more carbon intensive alternative fuels
- Newhaven asphalt plant has been switched to run on LPG, instead of more carbon intensive alternative fuels
- Installed mains gas and high voltage electric connections to our Aldershot asphalt plant – removing the need for onsite generators and fuel oil in the burner
- Full year operation of our fully electric plug-in Sennebogen Wharf crane, saving 130 tonnes of CO₂e annually

- Developed our carbon assessment tool for asphalt products, to provide cradle-to-gate and whole-life carbon impacts, including transportation and laying, of >2,500 asphalt products from 7 asphalt plants
- For all ready-mix concrete we have switched to a lower carbon cement (CEM II) as default – delivering 15% carbon reductions versus standard cement
- All commercial vehicles have Samsara telematics system installed to optimise logistics planning and monitor driver performance in both a safety and efficiency capacity
- All company car choices continue to be only 100% electric
- Rolled out our salary sacrifice EV scheme via Octopus Energy for our employees and seen a large uptake
- Over 2,700 EV lamp column charge units “SureCharge” now installed in London
- Increased charging capacity at our sites and depots to support EV expansion plans
- Switched 25% of our <1.5 tonne fleet to fully electric
- Took delivery of the first fully electric MVC gully truck “eWhale”, saving up to 50 tonnes CO₂e per year
- Switched over 40% of our powered tools to electric, switching away from their fossil fuel alternatives
- Rolled out Eco-Max welfare cabins with full solar array and lithium battery for energy storage
- Completed our bio-diversity baseline assessment for 5 key sites and have identified options to increase our Net Gain at these sites
- Potable water usage baseline was set at 76m³ per £1m revenue
- Implemented bee-hives and water harvesting technology at our Beddington Lane site
- Personal Protective Equipment (PPE) carbon baseline, including end-of-life, has been set at 309kgCO₂e per capita
- PPE recycling initiative has been rolled-out across FM Conway depots to divert our used PPE from landfill



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 March 2025:

- All company cars to be switched to electric
- Continued electrification of our power tools – have already surpassed our target of 25% (now at 40%)
- Certification to PAS2080 – already achieved ahead of the target
- 55% of our <1.5t fleet to be electric
- Switch power generators from diesel to use HVO fuel or switch to grid/solar power
- Increase the electric charging capacity at all FM Conway-owned sites proportional to the number of electric vehicles which are based there
- Invest and research new technology that utilises electricity or another low/zero carbon alternative for large plant operations
- Implement heat recovery and/or combined heat & power units at our asphalt plants and/or bitumen terminal, following the feasibility study carried out in FY24
- Trial sustainable alternatives to virgin bitumen and invest more into materials innovation to create products that have the potential to withstand various climate change scenarios
- Commission a waste audit to be carried out to understand our biggest waste streams, focussing on plastics, and set reduction targets
- Set a baseline for the GHG emissions associated with skipped waste sent to landfill
- Collaborate with supply chain to remove the use of single-use plastics from all material deliveries at depots and sites
- Develop our carbon estimating tool (ConEst) for estimating carbon emissions from standard design and task orders using schedule of rates
- Develop a sustainable framework for our canteen at Conway House, updating the current products and serving style to follow a circular approach
- Implement identified measures from the Energy Saving Opportunity Scheme (Phase 3) assessment

To be completed by end of 2030:

- 100% of <1.5.t fleet to be electric
- 100% of <5t fleet to be zero emission
- 50% of >5t 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:



Mark Goldsworthy
CFO

Date: August 2024



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

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

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





AUGUST 2024

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