Contents

Rev	Change details	Change by	Date	Next Review

1 Introduction

Bauvill recognises the pressing need to address climate change and reduce carbon emissions in the construction industry. As a responsible and forward-thinking organisation, we are committed to developing a comprehensive carbon reduction strategy that aligns with our values and the global imperative to achieve net-zero emissions by 2050. This strategy will outline the measures and initiatives we will undertake to minimize our environmental footprint, transition to sustainable practices, and contribute to a low-carbon future. By embracing this strategy, we aim to not only mitigate our impact on the environment but also position ourselves as a leader in sustainable construction, driving positive change within our industry and beyond. Through a combination of decarbonisation, energy efficiency, sustainable transportation, waste management, and strategic partnerships, we will embark on a transformative journey to achieve our net-zero carbon goal, creating a more sustainable and resilient future for generations to come.

2 Greenhouse Gas (GHG) Activities

Bauvill will identify the activities that are responsible for GHG emissions being released into the atmosphere. This shall be done by identifying and categorising the activities in accordance with the GHG scoping method.

The three scopes are:

Scope 1 (Direct emissions): Activities owned or controlled by Bauvill that release emissions straight into the atmosphere.

Bauvill Identified Activities:

- Fleet Vehicles
- Fuel-generated plant and equipment
- Gas boilers

Scope 2 (Energy indirect): Emissions being released into the atmosphere associated with the consumption of purchased electricity, heat, steam and cooling.

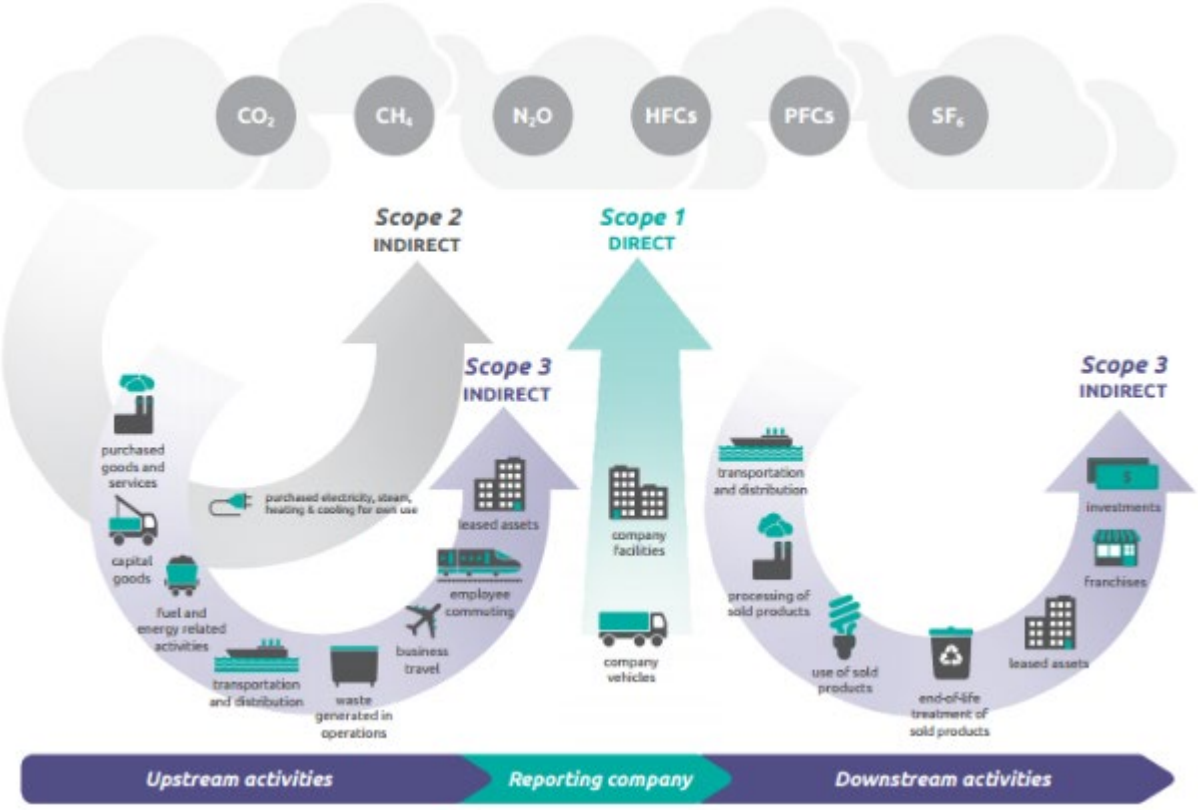
Bauvill identified activities:

- Main electricity supply to site and offices

Scope 3 (Other indirect): Emissions that are a consequence of your actions, which occur at sources which you do not own or control and which are not classed as scope 2 emissions.

Bauvill Identified activities:

- Business travel
- Contractor fuel, energy and transport
- Supplier transport
- Waste removal transport



As Bauvill primarily contracts the large majority of its project delivery activities, the scope 3 activities are likely its largest source of emissions. Bauvill is fully committed to its journey towards achieving net-zero carbon emissions by 2050. As part of our early roadmap, we recognise the significance of Scope 3 emissions and the need to address them effectively. Scope 3 emissions present a complex challenge, requiring substantial resources and administrative efforts to achieve comprehensive capture and compliance. This is why the initial data capture initiation will be limited in terms of activities that will be monitored in the phases of this strategy.

We understand that Scope 3 emissions extend beyond our immediate control and encompass a wide range of indirect emissions, including contractor fuel usage, transport, and energy consumption. We acknowledge that capturing and addressing these emissions will require close collaboration with our contractors and suppliers, as well as meticulous data collection and analysis.

So within proper timing, Bauvill will dedicate the necessary resources and administration to understand, measure, and manage the full Scope 3 emissions effectively. By engaging with contractors, suppliers, and stakeholders throughout our value chain, we aim to drive sustainability improvements and collectively work towards net-zero emissions. Our commitment to achieving full Scope 3 capture and compliance reflects our unwavering dedication to building a more sustainable future. Through transparent reporting, robust monitoring, and collaboration, Bauvill will navigate the complexities of Scope 3 emissions and make meaningful progress on our path to net zero by 2050.

3 Emissions Measuring

There are seven main GHGs that contribute to climate change, as covered by the Kyoto Protocol:

- carbon dioxide (CO2),
- methane (CH4),
- nitrous oxide (N2O),

- hydrofluorocarbons (HFCs),
- perfluorocarbons (PFCs),
- sulphur hexafluoride (SF6)
- nitrogen trifluoride (NF3).

Different activities emit different gases and so Bauvill shall collect and report on the Kyoto Protocol GHG gases produced by the specified activities identified within section 2.

Bauvill shall collect the following emission data pertaining to the GHG scope protocol.

Emission-releasing Activity	Source of Information
Electricity use	Total kilowatt hours (kWh) used from electricity bills
Natural gas use	Total kilowatt hours (kWh) used from gas bills
Water supply	Total water supplied in cubic metres (m3) from water bill
Water treatment	Total water treated in cubic metres (m3) from water bill
Fuel used in company-owned vehicles	Litres of fuel purchased from invoices and receipts (more accurate); or Vehicle mileage from vehicle log books/odometers (less accurate)
Employee passenger travel	Receipts for details of travel, and use distance calculation websites to obtain flight, rail and road distances
Waste disposal/recycling	Tonnes of waste treated by waste type (e.g. paper, glass, waste to landfill) from waste collection provider

4 Conversion factors

Conversation factors to calculate emissions shall be obtained from the Department of Energy, Security and Net Zero.

Greenhouse gas reporting: conversion factors 2023 - GOV.UK (www.gov.uk) provides the most up-to-date conversation table.

1. Electricity Use:

- Market-based approach: Obtain emission factors from electricity suppliers or renewable energy certificates (RECs) to account for the specific environmental attributes of the purchased electricity.
- Location-based approach: In the UK, the commonly used emission factor for grid electricity is approximately 0.233 kg CO2e/kWh.

2. Natural Gas Use:

- The commonly used emission factor for natural gas in the UK is approximately 0.184 kg CO2e/kWh (assuming a conversion factor of 0.202 kg CO2e/m^3 and an average thermal efficiency of 90%).

3. Water Supply and Water Treatment:

- Water supply and treatment processes typically do not have direct greenhouse gas emissions associated with them. Therefore, conversion factors related to GHG emissions are not applicable in this context.

4. Fuel Used in Company-Owned Vehicles:

- Gasoline (petrol): The commonly used emission factor for gasoline in the UK is approximately 2.31 kg CO2e/litre.
- Diesel: The commonly used emission factor for diesel in the UK is approximately 2.68 kg CO2e/litre.

5. Employee Passenger Travel:

- Passenger cars (average occupancy): The commonly used emission factor for passenger cars in the UK is approximately 0.251 kg CO2e/passenger-kilometre.

5 Collection and Reporting Period

The collection and reporting period shall cover 12 months from the point of the baseline report to report on annual statistics to the board of directors and required client reporting.

A monthly and annual report shall be provided with a summary table of the GHG emissions data showing the previous year's performance and the base year.

Gross Emissions Date	Format
Total annual gross global Scope 1 GHG emissions	In tonnes of CO2e
Total annual gross global Scope 2 GHG emissions	In tonnes of CO2e
Discretionary: Significant annual gross global Scope 3 GHG emissions	In tonnes of CO2e
Total annual gross global GHG emissions	In tonnes of CO2e
Comparative emissions data from previous reporting year	In tonnes of CO2e
Base year data	In tonnes of CO2e

6 Base Year Calculation and Re-calculation Policy

Bauvill recognizes the importance of accurate and reliable base year emissions data as the foundation for tracking progress towards its net-zero carbon goals. To ensure transparency and consistency, Bauvill has developed a base year calculation and recalculation policy that guides its approach to these crucial aspects.

Base Year Calculation: Bauvill will determine its base year by selecting the earliest year for which verifiable emissions data is available. This ensures a solid starting point for tracking emissions performance over time. The base year may be a single year or a multi-year average, such as a three-year period (e.g., 2020-2023). Bauvill will collect comprehensive data and use appropriate methodologies to calculate emissions for the chosen base year.

Base Year Recalculation: Bauvill acknowledges that certain circumstances may warrant the recalculation of base year emissions to ensure accurate and consistent tracking of its emissions reduction efforts. The company will consider the following situations for potential base year recalculation:

a. Structural Changes: Significant structural changes that have a substantial impact on the base year emissions, such as mergers, acquisitions, divestments, outsourcing, or insourcing of emitting activities, will be evaluated for potential base year recalculation. The cumulative effect of multiple minor structural changes will also be considered.
b. Calculation Method Improvements: If changes in calculation methods or improvements in the accuracy of emission factors or activity data result in a significant impact on the base year emissions, Bauvill will assess the need for base year recalculation.

c. Significant Errors: The discovery of significant errors or a number of cumulative errors that collectively have a significant impact on the base year emissions will prompt a review and potential recalculation.

Bauvill will apply a significance threshold to determine whether a base year recalculation is necessary in these cases. The company's base year recalculation policy provides clear guidance on the basis and context for any recalculation, ensuring transparency and consistency in reporting.

Bauvill recognizes the importance of regularly reviewing and updating its base year emissions to ensure accurate tracking of progress. The company will undertake base year recalculation in a consistent manner, prioritizing data accuracy and reliability.

As the business grows and evolves, Bauvill remains committed to refining its base year emissions calculations and recalculation processes. By adhering to this policy, Bauvill aims to maintain a robust foundation for monitoring and achieving its net-zero carbon aspirations in a transparent and responsible manner.

7 Reduction Targets

No	Target	Timeframe
1	Absolute GHG Reduction Target: Bauvill will strive to achieve a 30% reduction in absolute greenhouse gas (GHG) emissions by 2030 compared to a base year of 2023-26. This target encompasses Scope 1, 2, and significant Scope 3 emissions within its operational control.	2030
2	Scope 3 Emissions Reduction Target: Bauvill will work towards a 15% reduction in Scope 3 emissions by 2030, focusing on significant categories such as contractor fuel usage, contractor transport, and employee passenger travel. This target aligns with the company's commitment to addressing emissions across its value chain.	2030
3	Renewable Energy Transition Target: Bauvill will strive to transition to 100% renewable energy sources for its operational needs by 2030. This target involves increasing the share of renewable electricity procured and exploring on-site renewable energy generation options.	2030
4	Sustainable Transport Target: Bauvill aims to reduce business travel emissions by 25% by 2025 by promoting remote work options, encouraging the use of public transportation, and incentivizing low-carbon transportation alternatives such as cycling or carpooling.	2025
5	Waste Reduction Target: Bauvill will implement waste reduction initiatives to achieve a 50% decrease in waste sent to landfill or incineration by 2025. This target involves improved waste management practices, recycling partnerships, and promoting the use of reusable packaging solutions.	2025
6	Supplier Engagement Target: Bauvill will engage its key suppliers to establish a sustainability program, setting targets and collaborating on emissions reduction initiatives. The goal is to achieve a 20% reduction in emissions across the supply chain by 2030.	2030

8 Carbon Off-Setting

Bauvill recognizes the importance of addressing its carbon footprint and is committed to taking a responsible and proactive approach to carbon offsetting as part of its overall carbon reduction strategy. While our primary focus is on reducing our own greenhouse gas (GHG) emissions through internal initiatives and operational improvements, we understand that there may be residual emissions that cannot be eliminated entirely.

In line with industry best practices and the GHG Protocol guidelines, we will carefully consider the option of purchasing external emission reductions from credible and verified projects. We will prioritise projects that

meet the "good quality" criteria, including additionality, avoiding leakage, permanence, validation and verification, timing, avoiding double counting, and transparency.

Our approach to carbon offsetting will be based on the following principles:

1. Robust Evaluation: We will thoroughly evaluate the carbon offset projects available to ensure they align with our values and contribute to real and verifiable emissions reductions. We will consider projects that have a measurable and lasting impact on reducing or removing greenhouse gas emissions.
2. Transparency and Credibility: We will prioritise transparency in our carbon offsetting activities. This includes transparently reporting the projects we support, the number of carbon credits retired, and the impact achieved. We will communicate openly about our carbon-offsetting efforts to stakeholders, including employees, clients, and the wider public.
3. Additionality and Permanence: We will prioritise projects that demonstrate additionality, meaning they result in emissions reductions that would not have occurred without the support of carbon finance. We will also consider the permanence of the projects, taking into account any potential risks or challenges to their long-term effectiveness.
4. Verification and Certification: We will ensure that any carbon credits we purchase come from verified and certified sources, adhering to recognised standards such as the Verified Carbon Standard (VCS) or the Gold Standard. We will work with reputable suppliers and project developers who have undergone rigorous third-party verification processes.
5. Continuous Improvement: We understand that carbon offsetting is not a standalone solution but a complementary measure to our ongoing efforts in emissions reduction. We will continuously review and improve our carbon offsetting approach, considering new opportunities, technologies, and best practices that emerge in the field.

By incorporating carbon offsetting into our carbon reduction strategy, Bauvill aims to take responsibility for our residual emissions and contribute to global efforts in mitigating climate change. We are committed to transparently reporting on our carbon offsetting activities and engaging with stakeholders to raise awareness and promote sustainability in the construction industry.

Signed

Damien South, Managing Director Bauvill Ltd