

1- 0.8K Carbon Reduction Plan

Policy

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1 Supplier Name and Contact Details

Supplier name: Keller Limited (00485692)

Plan Publication date: 02/03/2023

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2 Commitment to Achieving Net Zero

Keller Limited is committed to achieving Scope 2 Net Zero emissions by 2030, Scope 1 by 2040 and Scope 3 Operations by 2050.

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.

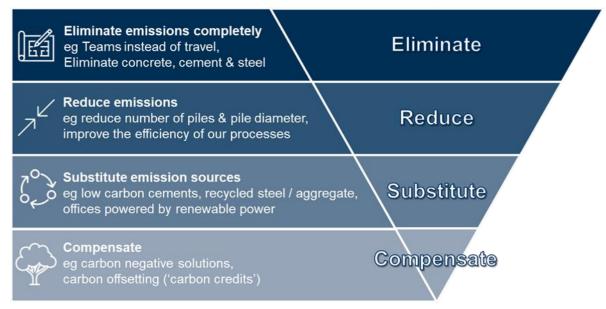
3.1 **Baseline Year**

2019

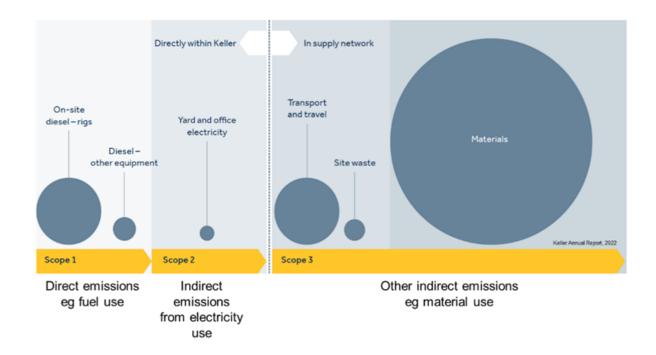
3.2 Additional Details Relating to the Baseline Emissions Calculations

- Keller Limited is committed to reducing our carbon emissions. This is driven in part by existing and upcoming UK legislation, client, public and investor demand and our own employees. More fundamentally though, we must decarbonise for the sake of our planet and future generations.
- We use a carbon hierarchy to prioritise carbon reduction initiatives and structure our leading targets.





- Scope 1 and 2 emissions are third-party verified to ISO 14064-3, SECR and the GHG Protocol.
 Scope 2 is calculated by the location-based approach for the baseline year, but by market and location-based approaches for all future years.
- Our Scope 3 recording has not been independently verified, however, from trials of carbon calculations on site, Scope 3 makes up 80% to 90% of all emissions on non-ground improvement projects. This makes Scope 3 by far our largest source of emissions. These emissions are predominantly from our use of cement and steel. Whilst most of these emissions occur in our supply network, we still have an influence over these emissions in our designs, procurement and final execution of projects.





4 Baseline Year Emissions

Baseline Year: 2019

EMISSIONS

Scope 1 (Direct emissions from burning fossil fuels)

Scope 2 (Indirect emissions from using grid electricity)

Scope 3 Operations (Business travel, transportation of materials & waste)

Scope 3 Materials (Materials inc. supply network)

TOTAL (tCO2e)

3,915

[Not verified]

Total Emissions (Scope 1 & 2)
Total Emissions (Scope 1 & 2) per £M revenue

4,180 64

38

38

Keller UK 2019 emissions

4,180 tCO₂e (Scope 1 and location-based Scope 2) **64** tCO₂e / £m revenue



5 Current Emissions Reporting

Reporting Year: 2022

EMISSIONS	TOTAL (tCO2e)
Scope 1 (Direct emissions from burning fossil fuels)	4,790
Scope 2 (Market-based Indirect emissions from our green energy tariff	0
Scope 2 (Location-based Indirect emissions from using grid electricity)	117
Scope 3 Operations (Business travel, transportation of materials & waste)	[Not verified]
Scope 3 Materials (Materials inc. supply network)	[Not verified]
Total Emissions (Scope 1&2 market-based)	4,790
Total Emissions (Scope 1&2 location-based)	4.907

Total Emissions (Scope 1&2 Inarket-based)
Total Emissions (Scope 1&2 location-based)
Total Emissions (Scope 1&2 market-based) per £M revenue
Total Emissions (Scope 1&2 location-based) per £M revenue

Keller UK 2022 emissions

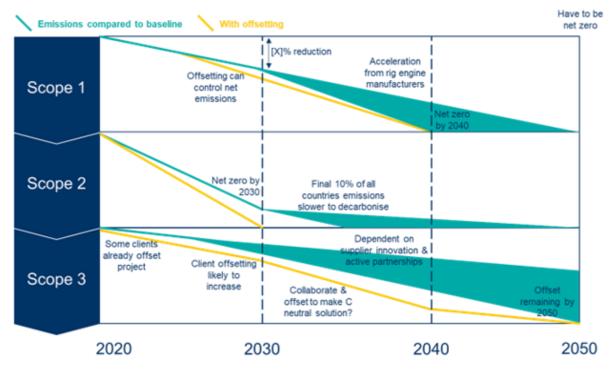
4,790 tCO_2e (Scope 1 and market-based Scope 2) **4,907** tCO_2e (Scope 1 and location-based Scope 2)





6 Emissions Reduction Targets

Before considering specific targets, we must consider our end goal. The Paris Accord and resulting legislation means that we must be net zero for Scope 1 and Scope 2 by 2050. We do, however, recognise the wider opportunities to reach net zero for specific Scopes ahead of these targets. For this reason both Scope 1 and scope 2 net zero will be achieved more than a decade prior to 2050.

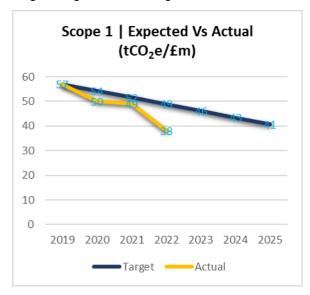


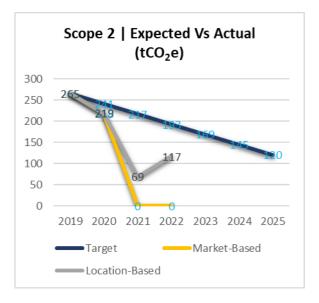
Whilst there are greater uncertainties in the rate of Scope 3 decarbonisation, our supply chains are also expected to be net zero by 2050. To achieve net zero, we may need to purchase accredited carbon offsets as a last resort. This may be considered as an internal carbon price. In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets:

Our green energy tariffs already result in zero Scope 2 market-based emissions. However, because this carbon reduction is important to our business, we recognise the need to decrease our electricity usage and our Scope 2 location-based emissions. We project that carbon emissions for location-based Scope 2 will decrease over the next five years to 130tCO₂e by 2025. This is a reduction of 55%.

We project that carbon emissions for Scope 1 per £M revenue will decrease over the next five years to 41tCO2e/£M by 2025. This is a reduction of 55%.

Progress against these targets can be seen in these graphs below:







Our Leading Targets

We have put in place a number of leading targets to drive decarbonisation underneath each of the net zero targets.

Scope	Lagging target	Leading targets	Metrics
1 _	Net zero by 2040	By 2023: Release our own first electric rig	Rig released yes / no
		By 2023: Carry out at least one carbon saving case study in each business unit, including 6 HVO fuel trials across the Group	No. of case studies collected No. of HVO trials conducted
2	Net zero by 2030	By 2023: 38% reduction in Scope 2 emissions from baseline	Absolute Scope 2 – remuneration linked
食		By 2023: Implement short-term savings from audit	No. of initiatives recorded in quarterly updates & case studies
3 Operational	2050	By 2023: Introduce increased car incentives for hybrid and electric vehicles.	No. BUs with electric / hybrid car incentives
		By 2023: begin tracking business travel flights	No. of BUs reporting flights
3 Materials	2023	By 2023: Offer training to all estimators on C calculator	No. of estimators trained
		By 2025: For alternative solutions tendered in category 1.4, 2 and 3, carry out a C comparison	No. of projects with C comparison offered
All reduction target	s use 2019 as a b	aseline year	

All targets are to be achieved by the end of the year stated

Note to achieve net zero, we may need to purchase accredited carbon offsets as a last resort. This may be considered as an internal carbon price.

* Operational Scope 3 emissions cover transportation of materials, business travel and waste disposal

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. The carbon emission reduction achieved by these schemes equates to at least 2833tCO2e reduction against the 2019 baseline. Our overall emissions have fallen from the 2019 baseline by 42%, although this is mainly owing to changes within the market as a result of Covid, the implementation of Brexit and other external factors.

We have completed a number of projects specifically designed to reduce our carbon emissions per £M revenue. These include:

- Investing in new replacement plant and rigs (Scope 1)
 - We upgraded 3 of our rigs with state-of-the-art tier 5 rigs delivering an improvement in carbon emissions, noise pollution and air quality.
- Generating own electricity from photovoltaic saved 4.88tCO₂e (23,000kWh) in 2021.
- Development of Halocrete®. (Scope 3)
- Development of Neutrogel®. (Scope 3)
- Re-use of jet grouting spoil (Scope 3)
- Energy Saving Opportunity Scheme (ESOS) has seen us make us office improvement savings e.g. office lighting and educating employees about energy saving initiatives. (Scope 2)
- We continue to work to ISO14001:2015 environmental standards; we have achieved the Supply Chain Sustainability School Gold Award; we 3rd party verify our Scope 1 & 2 emissions to ISO14064-3; we annually disclose our carbon and climate change performance to CDP.
- Onsite recycling and re-use of bentonite.

$$\int £=174.5 \text{K} \downarrow \text{CO}_2 \text{e} = 307 \text{t OR approx.} 114 \text{x} \downarrow_{\text{year}}^{\text{CO}_2 \text{e}} \downarrow_{\text{year}}$$

- We have an established review and innovation programme in place to reduce carbon, minimise material usage and programme.
- HVO fuel trials conducted in our yards and on special projects. (Scope 1)





- Embedding the carbon calculator within our estimating spreadsheets.
- A renewed company car scheme with a vastly reduced CO₂e threshold.
- Collaborating with industry partners to identify and share carbon reduction best practices through client meetings and representation on the FPS sustainability committee.
- The use of coarser a grout mix to reduce the wastage of microfine cement.

$$\int_{\mathbb{C}} 250 \text{K} \int_{\mathbb{C}} C0_2 e = 2015 \text{t OR approx. } 746 \text{x} \int_{\text{UK}}^{\text{CO.e.}} e^{-\text{per}} e^{-\text{per}}$$

- Sharing our knowledge and carbon reduction strategy with schools, colleges and university students through our STEM programme to help develop this focus in future generations.
- Value Engineering the HS2 D-Wall.

$$\downarrow$$
£=1.2m \downarrow CO₂e= 270t OR approx. 100x \downarrow CO₂e \downarrow Per year

8.2 Ongoing or Planned Carbon Reduction Initiatives

In the future we hope to implement further carbon reduction measures such as:

- The use of HVO fuel on special projects and when accepted/specified. (Scope 1)
- Introducing a rig decarbonisation strategy into our existing rig renewal programme.
- Engaging our supply network, both upstream and downstream, on capturing and reducing our Scope 3 carbon emissions.
- Decarbonising our maintenance yard and office space with a number of specific initiatives.





9 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 standard⁷ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁸.

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) Standard⁹.

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:

David De Sousa Neto – Managing Director (Keller UK)

March 2023

