

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier entity and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

Carbon Reduction Plan Template

Supplier name: **Heron Bros Ltd**

Publication date: 04/01/2023

Commitment to achieving Net Zero

Heron Bros Ltd is committed to achieving Net Zero emissions by 2045.

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.

Baseline Year: 2021	
Additional Details relating to the Baseline Emissions calculations.	
Our baseline year 2021 emissions include Scope 1 and Scope 2	
Baseline year emissions:	
EMISSIONS	TOTAL (TCO₂)
Scope 1	1,960,.57
Scope 2	124,.64
Scope 3 (Included Sources)	Our data was insufficient for the year
Total Emissions	2,085.21

Current Emissions Reporting

Reporting Year: 2022	
EMISSIONS	TOTAL (TCO ₂ e)
Scope 1	924.77
Scope 2	177.49
Scope 3 (Included Sources)	881.68 (4. Upstream Transportation and Distribution, 5. Waste Generated in Operations and 6. Business Travel)
Total Emissions	1,983.94

Emissions reduction targets

We have rebased our carbon reduction targets to 2021 in light of better reporting data being recorded. We have developed our Net Zero Roadmap as part of our ESG Vision 2030 Strategy launched in February 2023 and the target reductions outlined below are in line with our overall strategy.

To ensure we progress and achieve our goal of Net Zero, we have adopted the following carbon reduction targets by 2025.

Scope 1 = 25% reduction

Scope 2 = 25% reduction

Scope 3 = 10% reduction

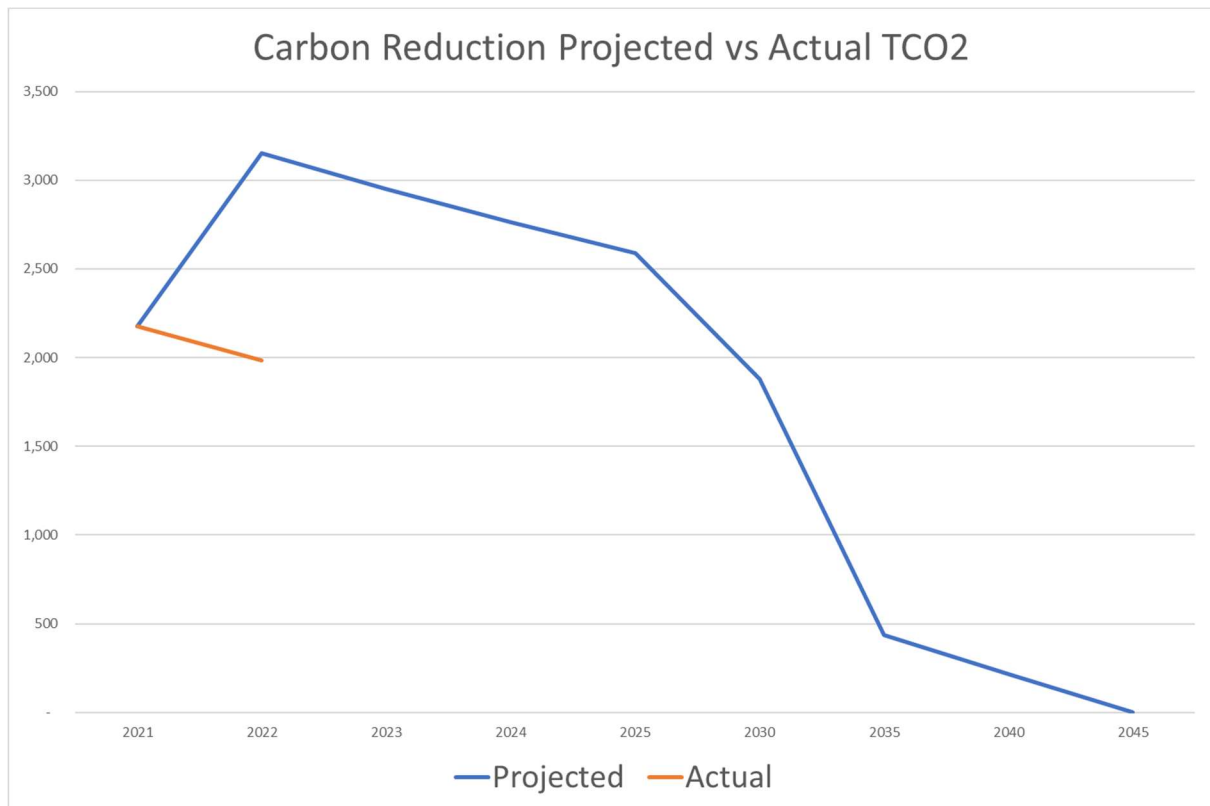
Progress against these targets can be seen in the graph below. Please note that projected targets for 2022 include which has therefore shown a natural spike against the 2021 baseline against which we are recording data. The Scope 3 emissions data includes: -

- 4. Upstream Transport and Distribution,
- 5. Waste Generated in Operations, and
- 6. Business Travel

We have not included for the following Scope 3 emissions in our calculations: -

- 7. Employee Commuting – we have not yet started to collect this data however aim to start collecting no later than the 2025 reporting year.

9. Downstream transportation and distribution – as a construction company our end product is a finished building therefore there is no downstream transportation. All data relating to transportation is covered by section 4. Upstream transport and distribution.



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have either been completed or are being or planned to be implemented since the 2021 baseline. The carbon emission reduction achieved by these schemes will be in effect when performing the contract.

Heron Bros has implemented a net zero strategy to challenge the business to reduce emissions and achieve net zero by 2045. We recognise our responsibility to eliminate and to reduce our emissions over the coming years in line with our targets. These include:

- Implementation of ISO 14001
- Implementation of ISO 50001
- Investment in ESG / sustainability reporting software
- Full carbon audit to understand emissions
- Compliance with ESOS and SECR Regulations
- Production of carbon itinerary across scope 1, scope 2 and scope 3 emissions
- Net Zero Roadmap as part of our overall ESG Vision 2030 Strategy produced outlining targets to be achieved across the business
- Project Carbon Reduction Plan implemented across all projects
- Monitoring, measuring and reporting of Scope 1 and Scope 2 emissions

- Continuing to increase monitoring, measuring and reporting of Scope 3 emissions (supplier deliveries and waste transport) in 2023.
- Installation of biomass boilers at Head Office and Factory
- Installation of LED lighting throughout head office
- Additional EV charge points installed at new head office premises.
- Transport strategy to progressively switch to EV/PHEV vehicles.
- Carbon literacy course to our staff and supply chain
- Signing up to green renewable energy tariffs across our offices and sites
- Converting our cabins to eco cabins and installing sensors to monitor and manage our electricity usage.

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

- Implement wind and solar installations combined with battery storage at our offices in Draperstown to eliminate the need for purchased energy.

Declaration and Sign Off

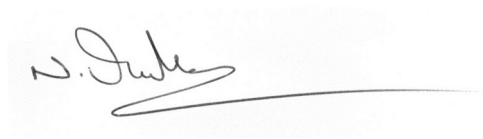
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate 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 signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:



Noel Mullan – Commercial Director on behalf of HBL Board of Directors

Date: 04/01/2023

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>