

CARBON REDUCTION PLAN

October 2021

McGee is committed to achieving Net Zero emissions by 2040.

We have continued to evolve over our rich 60-year history. We have come a long way in that time, and particularly in the past 10 years. In 2011, our carbon intensity was ~150tCO₂e/£m of turnover; today it's ~50tCO₂e/£m.

Baseline emissions are a record of the greenhouse gases that were emitted in our financial year 2020. Our progress will be measured from this point. We have implemented many carbon reducing strategies, such as conversion of some of our plant and haulage fleet to electric and hybrid.

Baseline Year: 2020

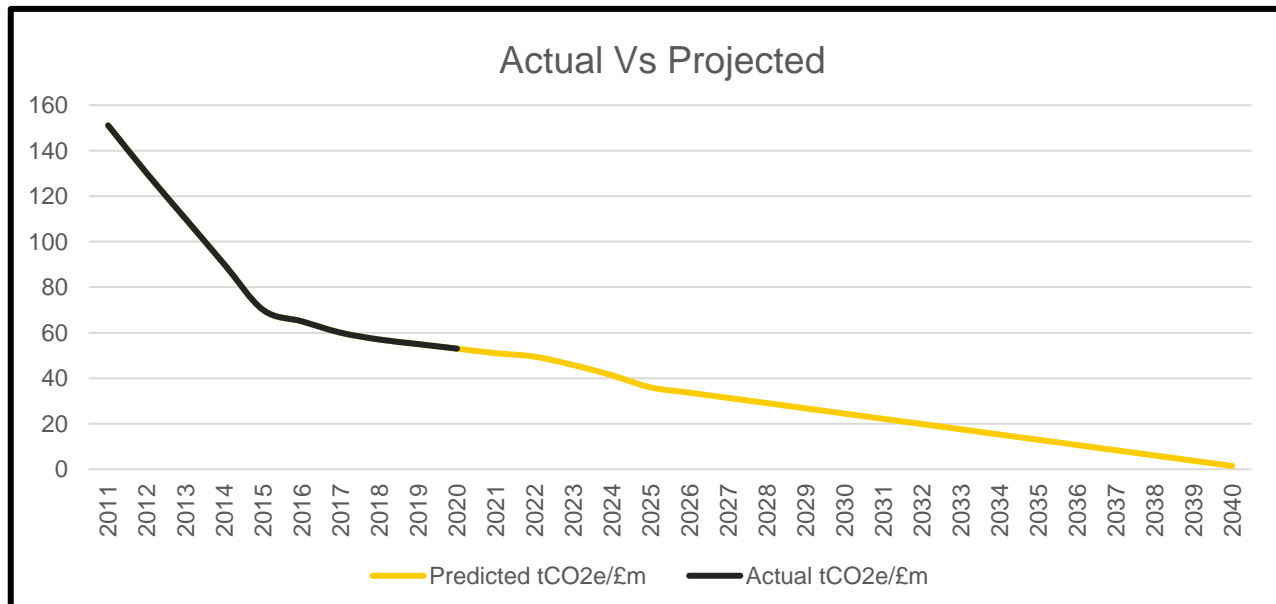
Baseline year emissions:

Emissions source	tCO ₂	% Share
Scope 1	3,938	97%
Scope 2	110	3%
Scope 3	21	<1%
Total emissions (tCO ₂ e)	4,069	

Scope 1: Company-operated transport and fuel usage. Scope 2: Electricity. Scope 3: Losses from electricity distribution and transmission, private vehicles used for business travel. This only includes emissions reportable under SECR and may not reflect the entire carbon footprint of the organisation.

Emissions reduction targets

We are projecting that our carbon emissions will decrease over the next five years by 25%, when compared to the baseline.



Carbon reduction initiatives

At McGee we are committed to improving efficiencies of our business with new technology and investment.

We are currently in the process of finalising our Group Sustainability Strategy as part of the Tactical Plan. We will focus on key areas of our business from energy saving measures, carbon neutrality and the wellbeing of our workforce.

Our data collection processes have been refined and developed in line with PAS2080 throughout 2020 and is a key factor in informing our overall Sustainability strategy. Our Carbon calculations will be reviewed independently by an accredited external third party to ensure our techniques and approaches are scrutinised prior to publishing.

We continue to invest heavily in technology, including the development of McGee Apps, which has contributed immensely to our Transport division. Route planning and real time tracking of our vehicles allows us to ensure our fleet are running on optimum routes based on traffic and site logistics, and to avoid idling congestion on site thus reducing our inefficiencies traditionally experienced without the use of technology.

PIRs and LED lighting is actively promoted and used on our sites and yards to save energy where possible.

Recommendations from our ESOS Phase 1 & 2 assessments were implemented and adopted as best practice.

Environmental & Sustainability champions are allocated at our Head Office and yard locations acting as a point of contact to drive our core business objectives forward. Through our links with the Supply Chain School of Sustainability with whom we are Silver Members we provide a range of Internal and External CPD opportunities for staff to improve knowledge of Sustainability issues and Energy performance & drive innovation in these areas.

Transport

In this current reporting period, we have a fleet of Euro 6 HGVs that benefit from the following:

1. Night heaters installed in all HGVs that keeps the cabs warm thus reduces switching on the engines.
2. Start stop technology to reduce idling.

An anti-idling campaign is run on our site and depots to educate drivers on reducing carbon emissions and the impacting on employee health. At McGee we actively promote this initiative through active engagement with our people.

Telematics data from the fleet allows us to monitor driver behaviours looking for trends. Adopting changes with our drivers through education and behavioural changes will improve efficiencies.

Plant

Our Plant department, which provides machinery and plant to our sites, is owned by the Group. In this reporting period we have increased the number of hybrid and fully electric plant in the fleet.

Telematics datasets are available on an increasing number of our plant and machinery. Analysing trends and communicating improved operating practices with our operators will improve efficiencies.

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 standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting

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) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the Group Managing Director.