



Cabinet Office

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:Skanska UK plc

1st Publication date:30th September 2021.....

Revision date:14th August 2023.....

Commitment to achieving Net Zero

Skanska UK 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: 2015 | |
| Additional Details relating to the Baseline Emissions calculations. | |
| Skanska UK has measured and reported carbon emissions since 2010. This reporting has been verified under the CarbonReduce scheme to the ISO14046:1 standard. The data for the preparation of this plan has been drawn from this verified data set. During 2021 Skanska UK completed the divestment of part of its UK business. To account for this change the emissions associated with the divested operating unit have been removed from our 2015 baseline and all passed data used in this plan. | |
| Baseline year emissions: 2015 | |
| EMISSIONS | TOTAL (tCO₂e) |
| Scope 1 | 19,921 |
| Scope 2 | 4,508 |
| Scope 3 (Included all sources required by PPN06/21) | 15,969 |
| Total Emissions | 40,398 |

Current Emissions Reporting

| Reporting Year: 2022 | |
|--|----------------------------|
| EMISSIONS | TOTAL (tCO ₂ e) |
| Scope 1 | 2,803 |
| Scope 2 | 1,831 |
| Scope 3 (Included all sources required by PPN06/21) | 10,702 |
| Total Emissions | 15,354 |

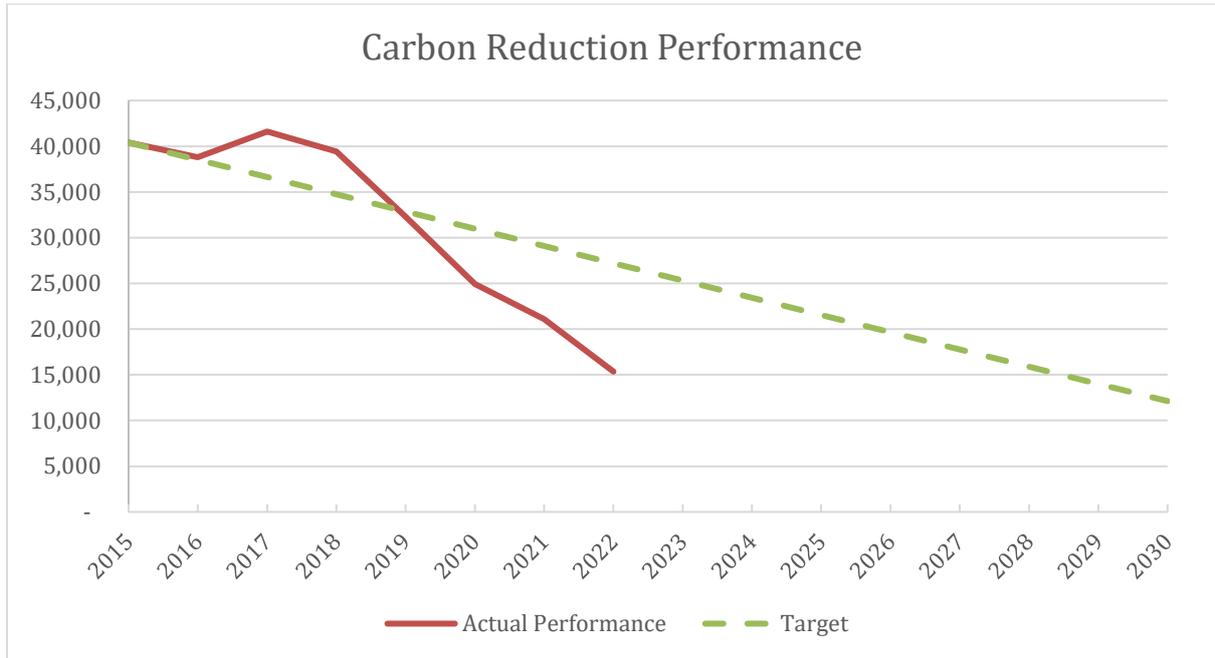
Emissions reduction targets

In order to continue our progress towards achieving Net Zero, we have adopted the following carbon reduction targets.

- Skanska UK is targeting net zero emissions across all its activities by 2045. This target includes the full activity of our supply chain working on our behalf and includes all emission sources covered in PPN06/21
- Skanska UK is targeting a 50% reduction in emissions against all GHG scopes by 2030 and aims to achieve an emission intensity of 130tCO₂e/£m
- Skanska also aims for a 70% reduction in Scope 1 and 2 emissions by 2030 from a 2015 baseline. For the purposes of this plan we have extended the scope of this target to include the emission sources covered by PPN06/21

We project that carbon emissions will decrease over the next five years to 14,500 tCO₂e. This is a reduction of 45% against 2021 emissions and 64% against our 2015 baseline. We anticipate the rate of emission reduction will slow through to our target date of 2030

Progress against our PPN06/21 target can be seen in the graph below:



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2015 baseline. The carbon emission reduction achieved by these schemes equate to 25,044 tCO₂e to date, a 62% reduction against the 2015 baseline and the measures will remain effective during the delivery of this contract.

Carbon reduction initiatives implemented to date

- Skanska 'Electric First' company car policy
- The switching of site fuel from red diesel to sustainably sourced HVO (a second generation biofuel) under our Low Emission Fuel Policy. This also includes trials of electric and hydrogen solutions on heavy plant and equipment
- Flexible working policy
- Continued certification to the PAS:2080 Carbon Management in Infrastructure
- Low carbon development of Skanska London office
- Low carbon development of Skanska Bentley site
- Implementation of Skanska green travel allowance
- Green car policy implemented to Skanska car allowance scheme
- Roll out of carbon training and competency framework.

In the future we plan implement further measures such as:

- Net zero site set up policy
- Net zero commercial vehicle policy
- Zero carbon supply chain collaboration initiative
- Implementation of zero waste strategy
- Development and launch of biodiversity net gain strategy

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:



Adam Crossley, Director of Environment, Skanska UK

Date:14th August 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>