



mcavoy

PPN 06/21

Carbon Reduction Plan

26th September 2022



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1.0 Supplier Name: McAvoy Group.

McAvoy Holdings is a Private Limited Company, incorporated in Northern Ireland. Their registered address is 2 Ferguson Road, Knockmore Hill Industrial Estate, Lisburn, BT28 2FW.

This plan covers all McAvoy operations.

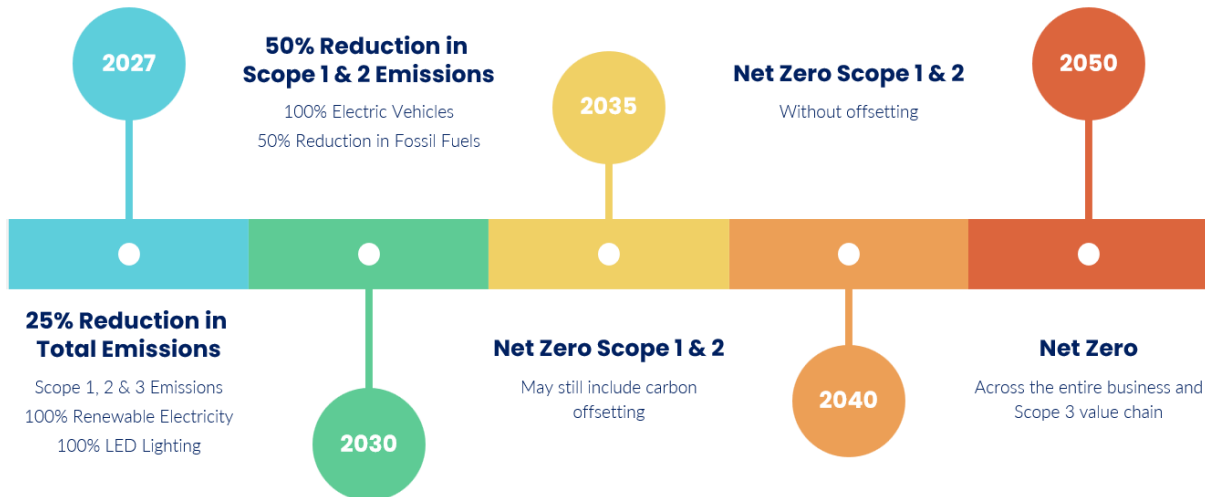
2.0 Publication Date: 26th September 2022

3.0 Commitment to Achieving Net Zero:

In 2019 the UK Government amended the Climate Change Act 2008 by introducing a target of at least a 100% reduction in the net UK carbon account by 2050. This has become commonly known as the 'Net Zero' target. In line with this, McAvoy are fully committed to playing our part and ensuring that our business achieves Net Zero by 2050.

McAvoy's commitment to achieving Net Zero by 2050 is set out in its "**Net Zero Carbon Plan 2050**". This outlines out the company's vision and strategy for achieving Net Zero across its entire value chain (Scope 1, 2 and 3) in line with the government's Streamlined Energy & Carbon Reporting guidelines.

Carbon Reduction Timeline



This Carbon Reduction Plan sets out the company’s vision and strategy for achieving Net Zero across its entire value chain (Scope 1, 2 and 3).

McAvoy Group employ the services of GM Energy Management, a consultancy providing carbon accounting and advisory services. GM Energy Management undertake a series of quality management checks in line with the requirements ISO 14064-1.

The emissions data contained within this CRP has been obtained in accordance with the GHG Protocol’s Corporate Standard and the corporate value chain (Scope 3) accounting and reporting standard. Emissions have been calculated using Department for Business, Energy, and Industrial Strategy (BEIS) Conversion Factors for company reporting of GHG emissions.

4.0 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: 2021/22 (1st June 2021 – 31st May 2022)

Additional Details relating to the Baseline Emissions calculations:

The emissions reported below were quantified within McAvoy's 2021/22 Annual Energy & Carbon Report. That report was produced in accordance with the government's requirements for Streamlined Energy and Carbon Reporting (SECR). It was based on the 2013 UK Government environmental reporting guidance and used the GHG Protocol Value Chain (Scope 3) Standard.

Base Year Recalculation

Following the introduction of PPN 06/21, in June 2021, McAvoy produced their first SECR Annual Energy & Carbon Report. The report provided the foundation for the group's first Carbon Reduction Plan, which was published in September 2021.

To comply with PPN 06/21 in the time frame required, McAvoy's first Annual Energy & Carbon Report was produced retrospectively to align with the company's financial year May 2020 – April 2021. At that stage, robust data collection systems and processes had not yet been established within the group, to accurately gather all the information required for Scope 1,2 & 3 reporting. Hence, that report contained a significant amount of estimated data.

Following its completion, McAvoy conducted a detailed review of their data collection and storage processes. In particular, this review focused on the

elements where estimates had been required in the initial report, as actual data was not available.

As an organisation who consume energy and emit carbon from a wide range of sources throughout the UK & Ireland, establishing a suitable Data Collection & Storage System has been a significant undertaking and one which has required collaboration between many sites and departments throughout the business. This has now been established, with a dedicated cloud-based folder created which offers two-way access to both McAvoy staff and GM Energy Management.

As part of an Annual Energy Management Contract, GM Energy Management now provide McAvoy's with Quarterly Energy Reports. Following a review of the 2021/22 Q3 Report, covering May 21 – January 22, it became clear that much of the estimated data included in the 2020/21 Annual Report was inaccurate. In particular, the volume of grid electricity consumed on the construction sites had been significantly overestimated and the volume of red diesel consumed on these sites had been significantly underestimated. In the 2021/22 Annual Report, these two elements account for 29% of the McAvoy's total carbon emissions.

We also reflected on the fact that much of the 2020/21 reporting period included Covid 19 related restrictions and lockdowns, when operating conditions were not typical.

Finally, McAvoy have this year altered the dates of their financial reporting year, to now end on 31st May, rather than 30th April, as was the case for 2020/21.

When all these factors were considered together, we concluded that the data reported for 2020/21 could not be considered an accurate baseline of McAvoy's annual carbon emissions. Hence, the decision was taken to discard

the 2020/21 figures and reset 2021/22 as the company's Base Year, against which future performance will be measured.

Baseline Year Emissions: 2021/22 (1st June 2021 – 31st May 2022)

EMISSIONS	TOTAL (tCO₂e)
Scope 1	427.22
Scope 2	74.69
Scope 3	<p>350.87</p> <p>This figure includes the emissions from the required subset of 5 out of the 15 Scope 3 Categories (as identified within the Scope 3 – Corporate Value Chain Accounting & Reporting Standard). They are:</p> <ul style="list-style-type: none"> • Cat 4: Upstream Transportation & Distribution* • Cat 5: Waste Generated in Operations* • Cat 6: Business Travel • Cat 7: Employee Commuting* • Cat 9: Downstream Transportation & Distribution
Total Emissions	852.78

5.0 Current Emissions Reporting:

Reporting Year: 2021/22 (1 st June 2021 – 31 st May 2022)	
Additional Details relating to the Reporting Year calculations: As noted in Section 4.0, McAvoy Base Year has been reset this year and, as such, 2021/22 has now been set as the company's Base Year. Hence, in this Carbon Reduction Plan, the current year and the base year are the same.	
Baseline Year Emissions:	
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Scope 3	350.87 This figure includes the emissions from the required subset of 5 out of the 15 Scope 3 Categories (as identified within the Scope 3 – Corporate Value Chain Accounting & Reporting Standard). They are: <ul style="list-style-type: none"> • Cat 4: Upstream Transportation & Distribution* • Cat 5: Waste Generated in Operations* • Cat 6: Business Travel • Cat 7: Employee Commuting* • Cat 9: Downstream Transportation & Distribution
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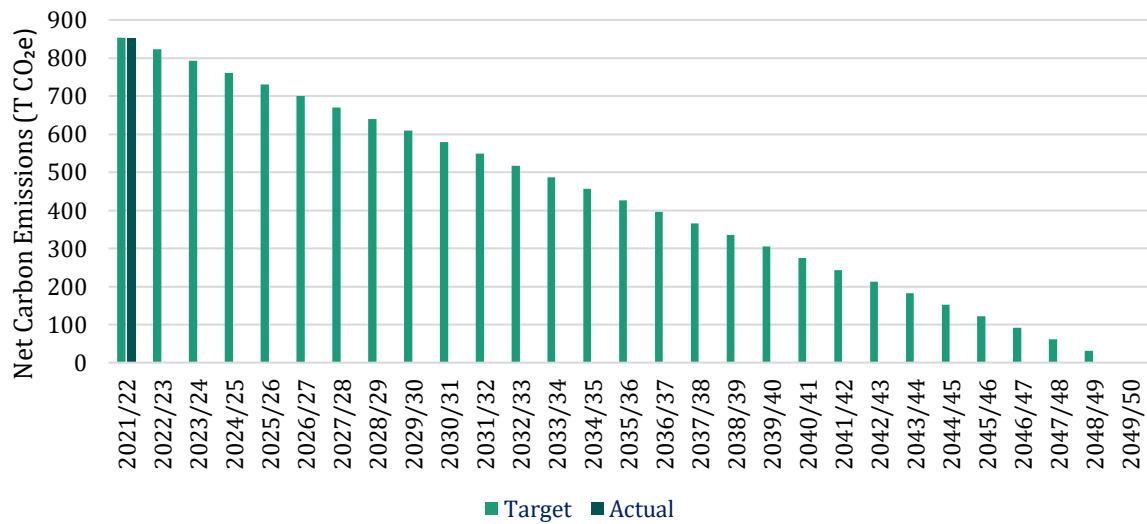
*Data includes estimates.

6.0 Emissions Reduction Targets:

McAvoy Group’s ultimate target is to achieve Net Zero emissions by 2050 (across the full value chain – scopes 1, 2 & 3).

To achieve this McAvoy are committed to reducing their total Net Emissions by 3.6% per year and a minimum reduction of 18% in the next 5 years.

McAvoy Group Annual Net Carbon Emissions (Target vrs Actual)



7.0 Carbon Reduction Projects:

Performance to Date

Since the publication of McAvoy's first Carbon Reduction Plan in September 2021 a vast amount of work has been completed within the business to establish robust data collection systems and processes. In line with the requirements of ISO 14064-1, these have been designed to ensure that the data reported is true and accurate.

A quarterly Energy & Carbon reporting structure has also been established. Following the release of each report, our Carbon Management Team now meet to review performance throughout the various departments of our business and progress against our carbon reduction targets.

In addition to this, a number of carbon saving initiatives have been delivered in the last year, including:

- In December 2021 McAvoy developed and implemented a bespoke Company Energy Policy. This policy is now displayed prominently on noticeboards throughout the business.
- In January 2022 McAvoy commenced a new two-year, electricity supply contract which will ensure that all the electricity consumed at our Lisburn factory is supplied from 100% renewable sources. This will reduce McAvoy's Scope 2 emissions by an estimated 68 Tonnes CO₂e per annum.
- In March 2022, McAvoy commissioned a Professional Energy Consultancy to deliver a detailed Energy Audit of our business operations. This included surveys of our Lisburn factory and a sample of 7 live construction sites throughout the UK & Ireland. The opportunities identified during this process, provided the foundation for our new Register of Carbon Saving Opportunities – a live document which will now be updated following each Quarterly Review.

- As a result of recommendations made during the Energy Audit, a number of lighting control modifications were made at our Lisburn factory and additional LED light fittings installed, in place of traditional low efficiency fittings. This has resulted monthly electricity consumption savings of up to 22% in summer months, when compared to the same period of the previous year.
- In May 2022 Energy & Carbon Awareness Training was delivered to staff throughout the business.

Plans for Future Carbon Reduction

Lead by our Carbon Management Team, McAvoy are committed to delivering the following carbon saving initiatives:

- Appoint 'Energy Champions' in key areas throughout the business.
- Engage with the company's supply chain to promote the benefits of Energy Management Best Practice.
- Install a 60 kW Solar PV System at our Lisburn factory.
- Transition to an ultra-low emissions vehicle fleet.
- A phased replacement of diesel forklift trucks, with electric equivalents.
- Develop and implement a standard, low carbon specification for all site accommodation installed after 1st January 2023.
- Ensure that 100% of lighting in McAvoy's sites is LED by 2025.
- Where possible, procure all electricity from 100% renewable sources.

8.0 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.

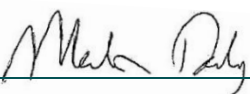
Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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 director with responsibility for ESG.

Name: Martin Daly

Position: Chief Finance Officer

Signed: 

Date: 26th September 2022

¹ <http://ghgprotocol.org/corporate-standard>

² <http://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <http://ghgprotocol.org/standards/scope-3-standard>