

Carbon Reduction Strategy 2024



Collins

1. Introduction

The impact of climate change has already been felt across the globe, with extreme weather conditions, such as drought, heat waves, heavy rains, floods, wildfires, and storm events becoming more frequent and increasingly more deadly to all life on earth. The Intergovernmental Panel for Climate Change (IPCC) has advised that the world should aim to limit global warming by 1.5 degrees Celsius to sustain life on Earth, this means that reaching carbon neutrality by 2050 is essential.



As a company, Collins Construction is committed to reaching carbon neutrality by 2045 to help reduce the carbon burden on the planet and play our part in sustaining a healthy environment for all life, as well as reducing the risk of extreme weather events which have been increasing rapidly in the last century.

Collins Construction works exclusively in the refurbish and fit out construction space, providing high end projects with quality finishes in line with our client requirements. Due to the nature of refurbishment and fit out projects, our carbon footprint is already significantly lower than new construction developments as we use considerably less high emitting materials such as concrete and steel which are generally used in frames and foundations. As a construction company, we have a responsibility to the environment, our employees, and the communities that we work in to help ensure that the projects we develop adhere to the environmental standards that align with becoming a net zero company by 2045. This also plays an integral role in our ESG framework, where the KPI within the Environmental pillar is to reduce carbon emissions.



Anisha Mayor

COLLINS HEAD OF SUSTAINABILITY

ENVIRONMENTAL

Building a Sustainable Tomorrow, Today

FOCUS ON: CARBON REDUCTION

Implementation of carbon reduction strategy



10% annual corporate carbon reduction



Off-setting Collins Scope 2 & 3 emissions



As a company we have been measuring our carbon footprint and offsetting the amount since 2019 based upon our scope 2 and 3 emissions. Through the reporting period since 2019 we have seen a reduction in the amount of emissions that we have produced through our business operations, as shown in the table below.

Table 1:
Collins Historical
Carbon Emissions

	Unit	2019 (Calendar Year)	2020 (Calendar Year)	2021/2022 (Financial Year)
HQ (Scope 2)	tCO ₂ e	12.3	13.6	12.47
Business Mileage Not company owned (Scope 3)	tCO ₂ e	8.8	13.5	11.94
Sites (Scope 3)	tCO ₂ e	178.0	294.0	168
Total	tCO ₂ e	199.0	321.1	192.41
Intensity Metric	Employees	152	150	142
Tonnes of CO ₂ per employee	tCO ₂ e	1.3	2.1	1.3

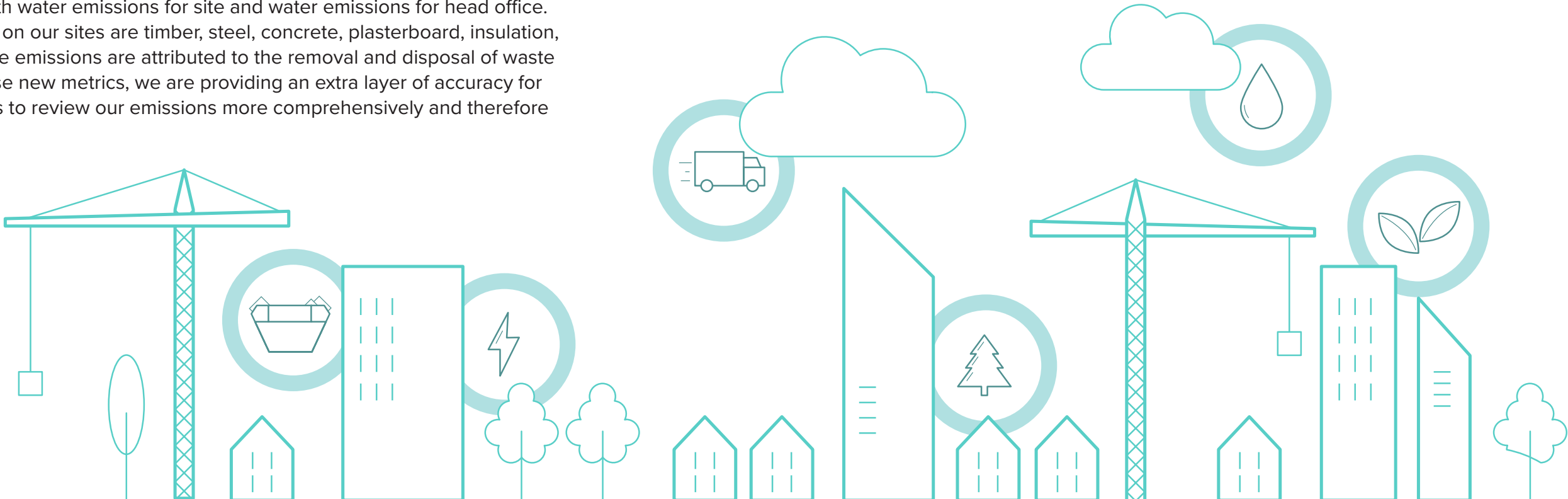
Due to the excellent work undertaken by our employees and the strategies which we have implemented over the previous years, our carbon reduction process has been successful in reducing our total amount of carbon emissions. However, for the 2022/23 financial year, we are adjusting the way we are reporting our emissions to include extra information which was previously not available to us. This means that we are re baselining our emissions starting in 2022/23 to include the CO2e of key materials on our sites and the emissions associated with waste on our projects, along with water emissions for site and water emissions for head office. For definition, the key materials on our sites are timber, steel, concrete, plasterboard, insulation, glass, and metals. And the waste emissions are attributed to the removal and disposal of waste from our sites. By including these new metrics, we are providing an extra layer of accuracy for our reporting which will allow us to review our emissions more comprehensively and therefore offset more efficiently.

Another way in which we are altering our reporting is by changing the intensity metric of our calculations. Originally our intensity metric has been based upon employee numbers, it will now be based upon project spend. This is due to our total project numbers becoming lower, however with a higher value as we undertake continuously larger projects. By switching to project spend as the intensity metric we can more accurately account for this change in operations.

After considering these changes in reporting, our total emissions for the 2022/23 reporting period, and our new baseline, are as below.

Table 2:
Collins Carbon Emissions

	Unit	2022/2023 (Financial Year)
HQ Electricity (Scope 2)	tCO ₂ e	11.84
HQ Water (Scope 2)	tCO ₂ e	65.93
Business Mileage Not Company Owned (Scope 3)	tCO ₂ e	10.69
Site Electricity (Scope 3)	tCO ₂ e	175.09
Site Water (Scope 3)	tCO ₂ e	40.49
Waste (Scope 3)	tCO ₂ e	30.63
Key Materials (Scope 3)	tCO ₂ e	999.11
Total	tCO ₂ e	1,333.78
Tonnes of CO ₂ per £ million turnover	CO ₂ e per £ million turnover	9.18

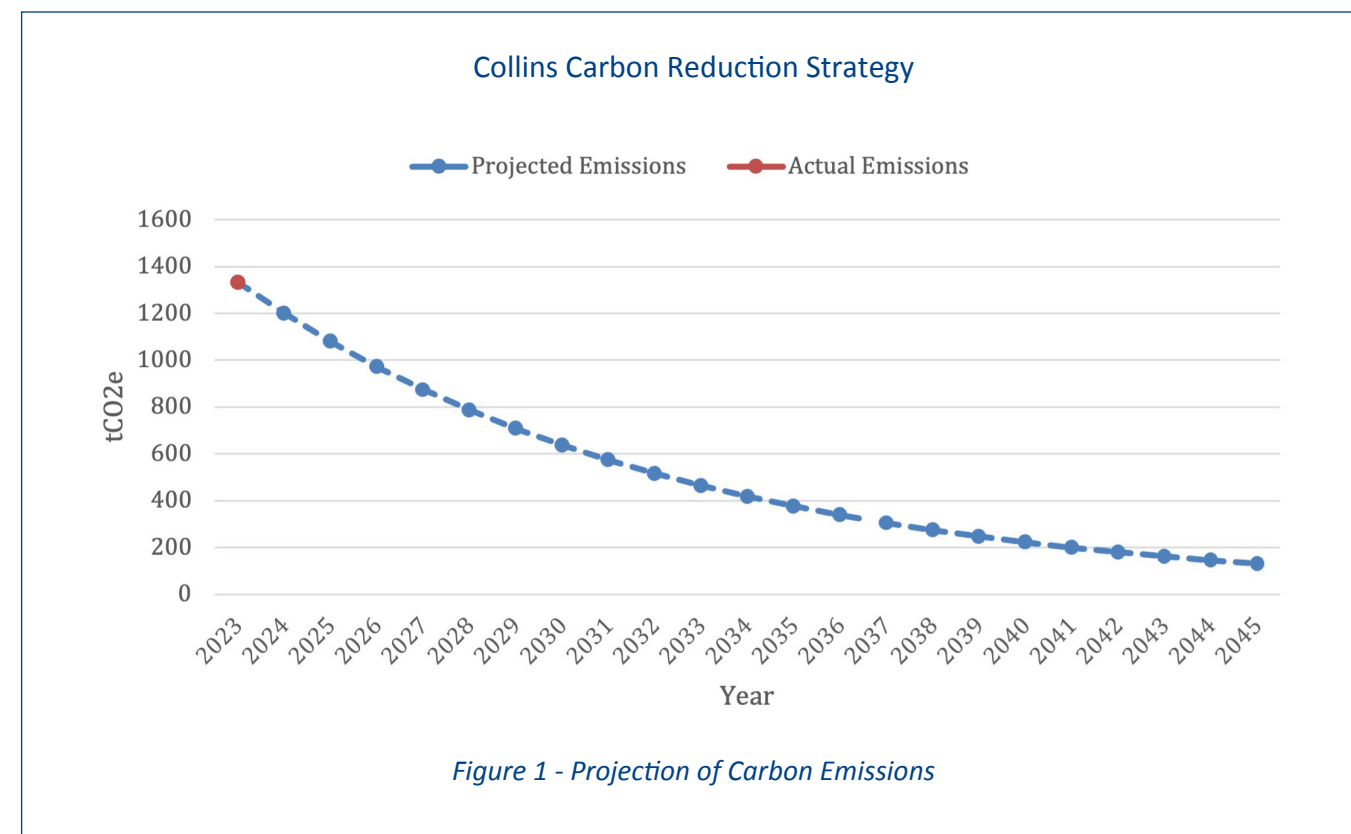


3. Emissions Reduction Targets

To continue our progress to achieving Net Zero, we have adopted the following carbon reduction target, to align and meet the latest climate science-based targets necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

As a business we are aiming to achieve a 10% year on year reduction of our CO₂e emissions to reach our target of being net zero by 2045. To achieve this target we have listed a number of carbon reduction projects which will be undertaking in the next 1 year and the next 5 years to continuously reduce our emissions. These projects and their successes will be continuously updated and reviewed each year to ensure we are keeping on track with our goals. Should any new key developments in construction be realised within these years to help us on our decarbonisation journey then they will be implemented where possible and updated in the following iteration of our carbon reduction strategy, as the list we have provided includes the strategies that we have available to us now.

Due to the nature of the construction industry, it will not be possible for us the reach zero emissions unless there is a breakthrough in how construction materials are produced in the coming years. Because we can't rely on this happening, we will reduce our emissions as far as we possibly can, and then offset our remaining emissions through verified off setting schemes which will bring us to net zero as a company.





4. Carbon Reduction Projects

As a company, Collins have already introduced several strategies to help manage, report, and reduce our carbon impact. Our current strategy includes:

1. ISO14001 BSI certified Environmental Management System.
2. ESOS (Energy Savings and Opportunities Scheme) Phase 1 compliant.
3. Compliant with the new SECR (Streamlined Energy and Carbon Reporting) legislation which have been independently assessed and verified by Carbon Footprint Limited, in accordance with the 'Environmental Reporting'.
4. Collins also offsets any remaining carbon through Carbon Footprint LTD plus an extra 20% achieving carbon neutral plus status. These chosen carbon offset projects are internationally certified and align with the UN Sustainable Development Goals and aim to achieve a better and more sustainable future for all, aligning with our goals at Collins.
5. Our target of planting 1000 trees by the end of 2024 has been completed already through our contributions to Trees For Life.
6. As the UK energy grid continues to decarbonise, the emissions associated with operational energy will naturally decrease. This means we need to focus our efforts on the embodied carbon emissions our projects produce. To do this, we are now including our key material emissions from our sites in our calculations.

While we have already made great progress at Collins to reduce our emissions, we are planning on going further to help meet our target of 10% year on year reductions. This includes both our 1-year targets and 5-year targets:

1 YEAR:

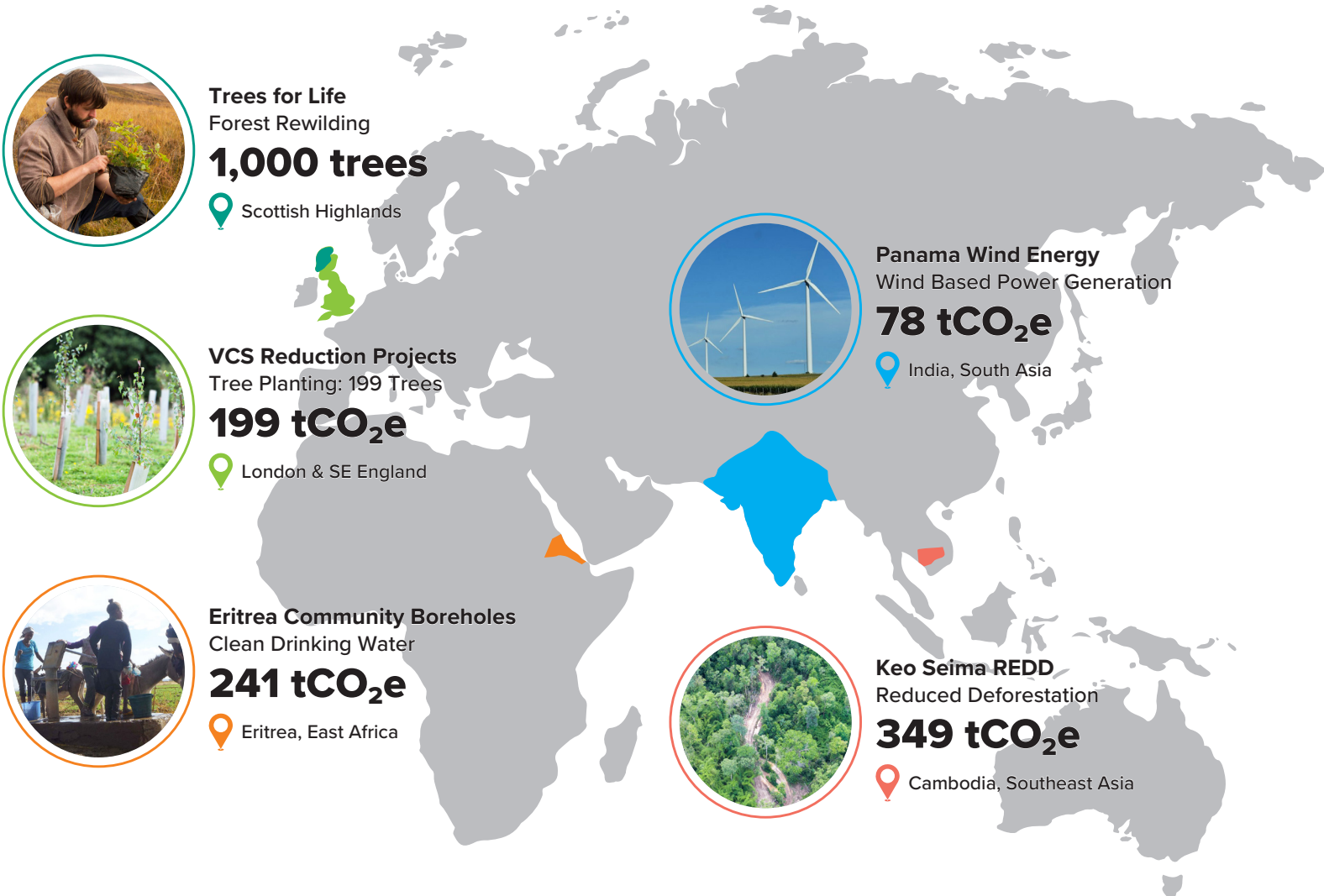
- Provide a mandatory carbon training module for all staff.
- Include an introduction to carbon during our compliance induction for all new starters.
- Expand our sub metering strategy to allow us to gather more accurate site data.
- Capture carbon emissions from projects which are undertaking Life Cycle Analysis as this data will be available to us.
- Introduce recycled corex on our sites to help reduce waste emissions.
- Implementing pre refurbishment audits for all our sites to reduce waste emissions.

5 YEAR:

- Introducing operational carbon targets in line with LETI (London Energy Transformation Initiative) for our head off emissions, reaching 55kWh/m2.

Many of our strategies moving forward includes improving the amount of data that we report on and how this will then affect our emissions. Due to the increased amount of data we will be publishing, we expect to see our emissions to rise in the first few years to accommodate for this improved reporting methodology. From there we will be able to accurately project our reduction trajectory, but we believe we will still be able to follow the 10% reduction year on year development and meet our 2045 goal.

In order to ensure that our targets are being met we will be assigning responsibility to our goals to help increase our accountability of our carbon reduction journey and continue to review these goals each year with out Carbon Reduction Strategy.



Target	Responsibility
Mandatory carbon training module	Sustainability Team
Introduction to carbon	Sustainability Team
Expand sub metering strategy	Sustainability and Site Teams
Capture LCA data	Sustainability Team
Introducing recycled corex	Sustainability and Site Teams
Implementing pre refurbishment audits	Sustainability Team
Introducing LETI operational targets	Sustainability Team
Overall responsibility of targets	Collins Board

Table 3 - Responsibility Table

5. Declaration and Sign Off

Our carbon reduction strategy has been completed with emissions which 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. Our Scope 2 and 3 emissions have been reported in accordance with the SECR reporting requirements.

To ensure that Collins Construction commits to our carbon reduction strategy, the steps taken within this strategy have been signed off by the board of directors and the head of sustainability to ensure that this process is engrained within the company's overall ESG strategy.





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