



Carbon reduction plan

Octavius Infrastructure Limited

Financial Year 2023-2024

July 2024

| Name | Position | Signature | Date |
|------------|---------------------------------------|-----------------------|--------------|
| Cat Cliffe | People and Sustainability Director | <i>Catrina Cliffe</i> | 31 July 2024 |

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Executive Summary

Octavius Infrastructure Limited (Octavius) is committed to achieving net zero Emissions as soon as we possibly can and ideally by 2035. Since 2022 we have been carbon neutral Scope 1 and 2 emissions.

We are aware that reducing our Greenhouse Gas (GHG) Emissions represents significant benefits for us, our customers, suppliers and the wider community.

Our Carbon Reduction Plan (CRP) covers the strategies for Octavius's ongoing commitment to the management and reduction of our business-related carbon emissions. It includes Octavius's baseline year information, sets clear targets for reducing GHG emissions over key timeframes and lists our planned projects to achieve carbon net zero by 2035.

There have been some important changes to the business within the year. In July 2023 we acquired R & W Limited, a regional civil engineering company and in November 2023 we acquired Navitas and Permarail, two small electrical design and rail planning consultancies. As a result our carbon emissions have risen for the first time.

As a civil engineering business, we are very aware of our carbon footprint and the impact we have from our direct and indirect emissions.

The points below show the journey we are taking:

- Octavius aims to reduce its GHG emissions to net zero by 2035 based on its 19/20 baseline,
- Octavius GHG baseline emissions were 4233 tonnes in 2019/20
- Octavius GHG emissions were 3987 tonnes in 2020/21
- Octavius GHG emissions were 3945 in 2021/22
- Octavius GHG emissions were 3018 in 2022/23
- This year, our Octavius GHG emissions **have increased to 4468 in 2023/24**

The increase in carbon emissions compared to last year is largely as a direct result of

- The business making two acquisitions within the year,
- the rise in volumes of work in the business,
- the growth of the business from £215m in 2022/23 to £276m in 2023/24 representing a 28% increase in turnover within the year due to acquisitions and work winning,
- increases in business travel by our employees as we become a national rather than regional business, and
- more accurate measurement of Scope 3 emissions, the definition of which has been widened to include,
 - hotel stays,
 - home working,
 - some materials used on our projects by our supply chain.

It is anticipated that Octavius will recalculate the baseline in 2024/25 because the structural changes will result in emissions being transferred to Octavius without change to the emissions released into the atmosphere. Furthermore, the maturity and accuracy of our scope 3 emissions calculations has improved, and we have added categories into the Scope 3 inventory. To achieve this, Octavius are developing a baseline year emissions recalculation policy for implementation in 2024/25.

On our journey to net zero we have identified various carbon reduction opportunities, low carbon technologies and staff training and behaviour change projects that will support us in reducing our emissions overall.

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1. Background

Octavius Infrastructure Limited are an UK incorporated business. Under the SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year. Octavius Infrastructure Ltd separated from Osborne Group Holdings Limited in September 2021. In 2023, we acquired R&W Civil Engineering and Navitas Limited. This has meant that our calculations for carbon emissions have increased as we start measuring the carbon associated with the additional operation of these businesses.

This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance for Octavius Infrastructure Limited, under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. It also summarises, in the appendix, the methodologies utilised for all calculations related to the elements reported under Energy & Carbon

This **Carbon Reduction Plan (CRP)** is completed in compliance with [PPN06/21 as published by the Cabinet Office June 2021](#). This document will be reviewed and updated annually in line with the Octavius's Annual Report and Accounts. It will reflect any changes in organisational structure and take account of the efforts made to reduce our emissions over time to achieve the UK target of becoming net zero by 2050.

This document provides transparency and demonstrates progress towards building a robust carbon reduction programme. We consider this CRP to still be in development and we will continue to work with experts to undertake a review of our Scope 3 Inventory and collect data to help inform and improve the accuracy of our carbon emissions and reduction targets. These will meet both our Net Zero aspirations and continue to meet the requirements set out in Procurement Policy Note (PPN) 06/21. We have also pledged to use science-based targets (SBT) with full development of those targets in 2024.

1.1 Important changes in year - Acquisitions

In July 2023, we acquired R & W Limited, a regional civil engineering company with a turnover of @£30m and 100+ employees. R&W fully merged into Octavius and therefore information in relation to their offices and activities has been included in this report and this explains the increase in the carbon emissions for the business.

In November 2023, we also acquired Navitas and Permarail, small electrical design and rail planning consultancy with a turnover of @15m and 30 employees. Navitas and Permarail have remained as independent limited entities. Their energy consumption is insignificant compared with Octavius and therefore at this time, information in relation to their offices usage has not yet been included in this report.

Due to these acquisitions, it is anticipated that Octavius will recalculate the baseline in 2024/25 because the structural changes will result in emissions being transferred to Octavius without change to the emissions released into the atmosphere. Furthermore, the maturity and accuracy of our scope 3 emissions calculations has improved, and we have added categories into the Scope 3 inventory. To achieve this, Octavius are developing a baseline year emissions recalculation policy for implementation in 2024/25.

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2. Our low carbon vision

As an organisation, Octavius is committed to integrating sustainable development into everyday practice by minimising environmental impact wherever possible. Our strategic business plan sets out our ambitions for the business and our sustainable legacy commitments for the next five years.

During the process of developing this CRP, key areas have been selected that will allow us to demonstrate reductions in the carbon emissions generated by our activities. This plan is developed in alignment with,

- The 1.5°C reduction goal of the Paris Agreement
- The UK's commitment to be a net zero economy by 2050
- Government's Decarbonising Transport: A Better, Greener Britain (2021) and Industrial Decarbonisation Strategy
- The Committee on Climate Change's sixth carbon budget

2.2 Our net zero commitments

Octavius has a carbon management system in place that is aligned to PA2080 Carbon management in infrastructure standard and supports energy and carbon reduction ambitions across the business. It is supported by the following documents,

- Carbon management system, the overarching management system for ensuring carbon and energy reduction occurs within the business. Link: [Octavius carbon management system.docx](#)
- Energy performance of buildings covering the process for determining the energy performance of our building : Link [Energy performance procedure](#)
- Facility management procedure covering how we effectively manage our facilities : Link [Facility management procedure](#)
- Carbon and Energy reduction policy the policy for ensuring business commitment to carbon and energy reduction: Link [carbon reduction policy](#)
- Sustainability Policy setting the overarching commitments to a sustainable legacy for Octavius. Link: [Sustainability Policy](#)

Our business is committed to the following timeline for achieving net zero carbon in our operations and activities the following targets;

- Be carbon neutral for our corporate emissions – by 2023
- Demonstrate a step change reduction in carbon emissions of 15% year on year
- Be Net zero for our delivery operations – by 2035
- Be Net zero for our supply chain – by 2040

The carbon reduction opportunities in this plan, once fully implemented, will reduce Octavius GHG emissions each year in line to achieve our goal to achieve net zero emissions by 2035. Noting the intention to rebase our emissions in 2024/25, our interim targets are to reduce our carbon intensity by 20% against the future baseline year and remain carbon neutral for Scope 1 and 2 emissions.

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Our ambition is to eliminate our corporate and project delivery emissions so we are net zero by 2035 and work with the supply chain to reduce their emissions by 2040. This includes undertaking the following:

- Ensuring 100% renewable energy on our sites by 2028
- Planting 40,000 trees by 2035
- 50% reduction on our baseline year by 2028
- Ensuring all construction plant is net zero by 2035
- Ensuring all our sites are carbon neutral by 2025 and net zero by 2035

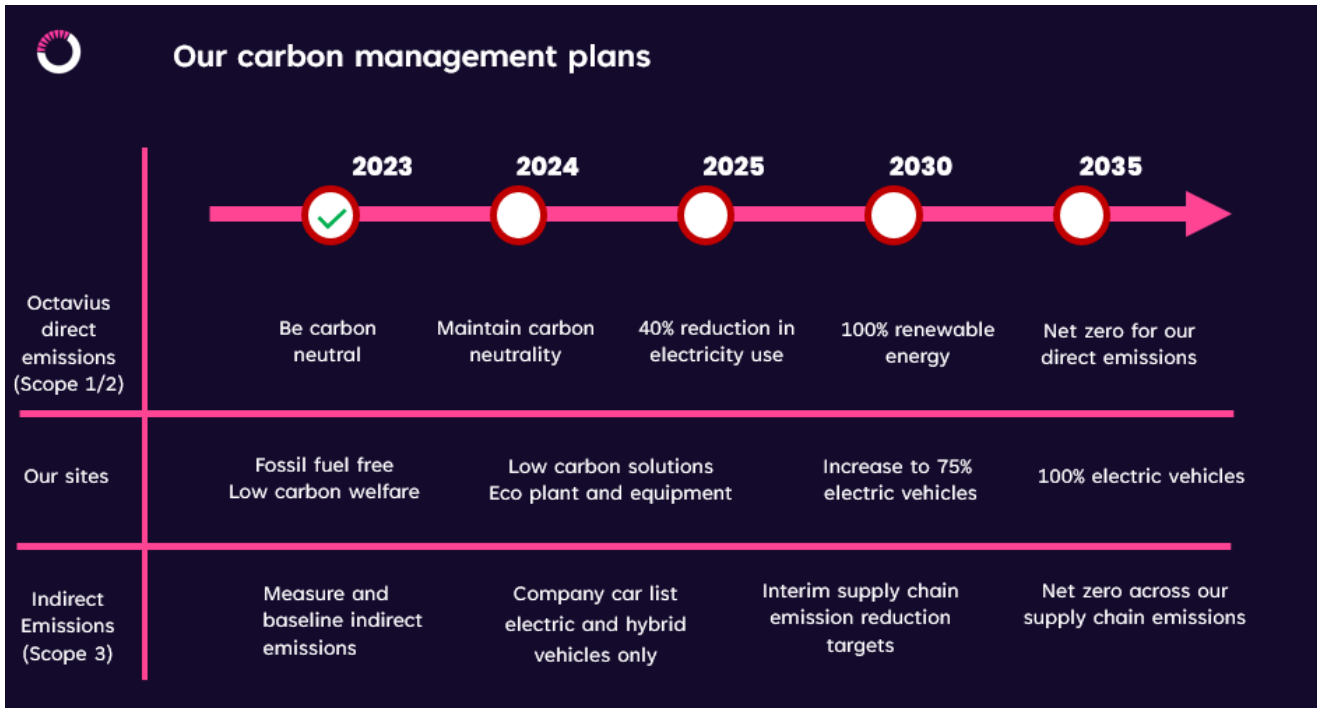


Figure 1 A summary of our carbon management plans

Key to delivering our net zero target of 2035 is the consistent consideration of carbon as part of the project delivery process and where our key intervention points are. We have used PAS2080 as a framework for the carbon management process, to ensure that elements such as leadership, governance, quantification, target setting and continual improvement are embedded in the DNA of our project management approach.

3. Reporting Methodology

In accordance with the GHG protocol's corporate standard, the reported emissions should be reported against an operational boundary using one of three types of reporting methodology:

- equity share
- financial control
- operational control

Octavius reports on all sources of carbon emissions using the operational control methodology as we have operational control and provide a civil engineering service for our customers with full authority to introduce and implement operating policies. We also have premises that are owned or leased or temporarily controlled by us during our operations.

3.1 Scope reporting

The following data summarises the relative carbon emissions over a 12 month period between April 2023 and March 2024.

Consideration has been given to all carbon and energy sources used by the Company, e.g., electricity, diesel generator fuel, and fuel usage for car & van business journeys and carbon emissions associated with our Scope 3 emissions. Details on the reporting methodology is provided in Appendix 1.

The total consumption and emissions figures for Octavius Infrastructure Limited include,

Scope 1 carbon emissions (direct emissions)

Those emissions produced from our operations that are under our direct control. Typically, this includes all types of fuel used for building consumption and fuel used for owned vehicles, and onsite generators for our compounds for heating and air conditioning.

Octavius own vehicles and purchase fuel to run our vehicles and therefore we report these emissions under scope 1.

The data that supports the calculation of the consumption data for Scope 1 emissions is related to,

- **Company facilities information** – energy sources for offices and sites
- **Purchased fuel data** – for building consumption by our site compounds
- **Final Summary report fuel cards** - Describes all the fuel bought using fuel cards for transport and delivery
- **Lightfoot company van data** - Describes the type of company van in the business and associated mileage details

Scope 2 carbon emissions (indirect emissions)

Those emissions indirectly produced by the purchase of electricity used to power offices, sites and battery-powered tools, electric plant, and vehicles. Procuring electricity from a 'green' energy supplier can significantly reduce or even eliminate these carbon emissions.

Octavius do not directly purchase energy from all the buildings we lease as this is covered by the landlord. Where we have a direct connection to the national grid at our construction sites and offices or have specific clauses to pay for electricity separately, we will report these emissions using invoice data from the provider.

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Scope 3 emissions (indirect emissions)

Those emission indirectly generated by our operations from sources out of our immediate control. These are typically where most of an organisation's emissions are and can make up to 70-80% of the carbon footprint. Scope 3 emissions can include those from purchased goods and services, business travel, employees commuting, upstream and downstream transport, and distribution, waste and water. Identifying and measuring Scope 3 emissions can be a challenge.

- In the baseline year 2019 / 2020 our scope 3 emissions were limited to business travel.
- In 2020/21 our scope 3 emissions included Business travel and some upstream transportation and distribution linked to the movement of waste as part of our business.
- In 2021/22 we extended our scope 3 emissions to include Business travel, employee commuting and waste transportation and distribution.
- In 2022/23 we added hotel stays, homeworking in our Scope 3 emissions.

Our scope 3 inventory is provided in Appendix 2 and we have calculated emissions for ;

- Upstream distribution and transport
 - Purchased goods and services from the supply chain
 - Transportation and distribution Fuel for transport and distribution of site vehicles
- Waste generated in operations
- Business travel mileage
- Employee commuting mileage
- Homeworking and hotel stays

Downstream transportation and distribution

By their nature our products are not typically transported or distributed to the end customer, this aspect is therefore not considered relevant to our emissions reporting. This shall be confirmed as part of our Scope 3 Inventory, since we acknowledge under PPN that a non-materiality clause is not accepted.

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3.2 Baseline year FY 2019/2020

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 reductions can be measured.

| Baseline Year: 2019/20 (Part of Osborne Group Holdings Limited) | |
|--|---------------------------------|
| Additional Details relating to the Baseline Emissions calculations. | |
| <i>The GHG emissions scope boundary, used to establish our 2019/20 baseline, was determined via an operational control model following the GHG protocol. The baseline includes all Scope 1 and 2 emissions in accordance with SECR requirements (excluding operations over which the Group does not have controlling share), this includes subcontractor fuel usage onsite and Scope 3 emissions from grey fleet for business travel only.</i> | |
| Baseline year emissions: | |
| EMISSIONS | TOTAL (tCO₂e) |
| Scope 1 | 3,101 |
| Scope 2 | 613 |
| Scope 3 (Included Sources) Business travel | 519.19 519.19 |
| Total Emissions | 4,233 |

3.3 Financial year 2020/2021

| Financial Year: 2020/21 (Part of Osborne Group Holdings Limited) | |
|---|---|
| Additional Details relating to these FY Emissions calculations. | |
| <p>The GHG emissions scope boundary, used to establish the GHG emissions for Financial Year 2020/2021, was determined via an operational control model following the GHG protocol. This year includes all Scope 1 and 2 emissions in accordance with SECR requirements. It also includes the following scope 3 emissions Business travel, and upstream transportation and distribution associated with subcontractor fuel usage onsite and from grey fleet.</p> <p>Note also that for 2020/21, the global Covid-19 pandemic meant that all of our office staff worked from home for the entire financial year however operatives and site personnel remained working on site.</p> <p>Intensity metrics have been calculated utilising the 2020/21 reportable figures, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric:</p> | |
| Total emissions: | |
| EMISSIONS | TOTAL (tCO₂e) |
| Scope 1 | 2,389 |
| Scope 2 | 381 |
| Scope 3 (Included Sources) | 1,244 |
| Business travel | 749 |
| Upstream transportation and distribution | 468 |
| Total Emissions | 3,987 |
| Intensity Metrics | <p>Total number of employees on 01 April 2021 = 359</p> <p>Tonnes carbon per employee = 11.18tCo₂</p> <p>Tonnes carbon per million turnover = 23.87tCO₂e/£mTO</p> |

3.4 Financial year 2021/2022

| Financial Year: 2021/22 (Part of Osborne Group Holdings Limited until 16/09/21) | |
|--|--|
| Additional Details relating to these FY Emissions calculations. | |
| <p>The GHG emissions scope boundary, used to establish the GHG emissions for Financial Year 2021/2022, was determined via an operational control model following the GHG protocol. This year includes all Scope 1 and 2 emissions in accordance with SECR requirements. It also includes the following scope 3 emissions.</p> <p>Business travel, and upstream transportation and distribution associated with subcontractor fuel usage onsite and from grey fleet. This year also includes details additional scope 3 emissions relating to employee commuting and the generation of waste transportation and distribution from sites.</p> <p>Note also that for 2021/22 the global Covid-19 pandemic still meant that most of our office staff worked from home for the entire financial year however operatives and site personnel remained working on site.</p> <p>Intensity metrics have been calculated utilising the 2021/22 reportable figures, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric:</p> | |
| Total emissions: | |
| EMISSIONS | TOTAL (tCO₂e) |
| Scope 1 | 1886 |
| Scope 2 | 76 |
| Scope 3 (Included Sources) | 1836 |
| Business travel ¹ | 556 |
| Employee commuting ² | 112 |
| transportation and distribution ³ | 1168 |
| Total Emissions | 3798 |
| Intensity metrics | <p>Total number of employees on 01 April 2022 = 393</p> <p>Tonnes carbon per employee = 9.66tCo₂</p> <p>Tonnes carbon per million turnover = 19.38tCO₂e/£mTO</p> |

¹Business travel includes grey fleet but excludes air travel (in line with our SECR reporting obligations). Please refer to the supporting notes in the Appendix.

² Fuel used on our sites by contractors

³ Employee commuting to our sites

3.5 Financial year 2022/2023

| Financial Year: 2022/23 | |
|--|--|
| Additional Details relating to these FY Emissions calculations. | |
| <p>The GHG emissions scope boundary, used to establish the GHG emissions for Financial Year 2022/2023, was determined via an operational control model following the GHG protocol. This year includes all Scope 1 and 2 emissions in accordance with SECR requirements. It also includes the following scope 3 emissions. Business travel, and upstream transportation and distribution associated with subcontractor fuel usage onsite and from grey fleet, employee commuting and waste transportation and distribution from sites.</p> <p>This year we have also taken into account homeworking and hotel stays.</p> <p>Note also that for 2022/23 the introduction of hybrid and flexible working at Octavius has meant that many of our office staff work from home a minimum of 2 days per week however operatives and site personnel remained working on site.</p> <p>Intensity metrics have been calculated utilising the 2022/23 reportable figures, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric:</p> | |
| EMISSIONS | TOTAL (tCO₂e) |
| Scope 1 | 1095 |
| Scope 2 | 34 |
| Scope 3 (Included Sources) | 1889 |
| Supplier fuels for distribution and transportation ³ | 331 |
| Business travel ⁴ | 622 |
| Employee commuting ⁵ | 449 |
| transportation and distribution ⁶ | 249 |
| home working ⁷ | 201 |
| hotel stays ⁸ | 37 |
| Total Emissions | 3018 |
| Intensity metrics | <p>Total number of employees on 01 April 2023 = 473</p> <p>Tonnes carbon per employee = 6.38</p> <p>Tonnes carbon per million = 14.04tCo₂e/£mTO</p> |

³Supplier fuel for transportation and distribution

⁴Business travel includes grey fleet but excludes air travel (in line with our SECR reporting obligations).

⁵ Employee commuting to our sites and offices

⁶ materials and equipment

⁷ Homeworking for heating and office equipment

⁸ Hotel stays

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3.6 Financial year 2023/2024 Current Emissions reporting

| Financial Year: 2023/24 | | |
|---|---|-------------------|
| Additional Details relating to these FY Emissions calculations. | | |
| <p>The GHG emissions scope boundary, used to establish the GHG emissions for Financial Year 2023/2024, was determined via an operational control model following the GHG protocol. This year includes all Scope 1 and 2 emissions in accordance with SECR requirements. It also includes the following scope 3 emissions. Business travel, and upstream transportation and distribution associated with subcontractor fuel usage onsite and from grey fleet, employee commuting and waste transportation and distribution from sites.</p> <p>This year we have also taken into account some purchased goods and services from our supply chain, homeworking and hotel stays and materials purchased.</p> <p>Note also that for 2023/24 the introduction of hybrid and flexible working at Octavius has meant that many of our office staff work from home a minimum of 2 days per week however operatives and site personnel remain working on site at variable locations included in business travel.</p> <p>Intensity metrics have been calculated utilising the 2023/24 reportable figures, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric:</p> | | |
| EMISSIONS | TOTAL (tCO₂e) | Total as % |
| Scope 1 | 1367 | 30.6% |
| Purchased fuel for buildings consumption | 954 | 21.4% |
| Purchased fuel for fleet | 413 | 9.2% |
| Scope 2 | 47 | 1.1% |
| Scope 3 (Included Sources) | 3054 | 68.4% |
| Purchased goods and services ¹ | 1197 | 26.8% |
| Supplier fuels for distribution and transportation ⁴ | 128 | 2.9% |
| Waste generated in operations ⁵ | 590 | 13.2% |
| Business travel ⁶ | 703 | 15.7% |
| Employee commuting ⁷ | 83 | 1.9% |
| home working ⁴ | 351 | 7.9% |
| hotel stays ⁴ | 1.4 | <1% |
| Total Emissions | 4468 | 100% |
| Intensity metrics | <p>Total number of employees on 04 April 2024 = 621 Tonnes carbon per employee = 7.19 Tonnes carbon per million = 16.07</p> | |

With reference to the GHG protocol guidance (See also Appendix 2)

¹Purchased good and services

⁴Supplier fuel for transportation and distribution

⁴Homeworking for heating and office equipment and Hotel stays

⁵ Waste generated in operations

⁶Business travel includes grey fleet but excludes air travel (in line with our SECR reporting obligations).

⁷Employee commuting to our sites and offices

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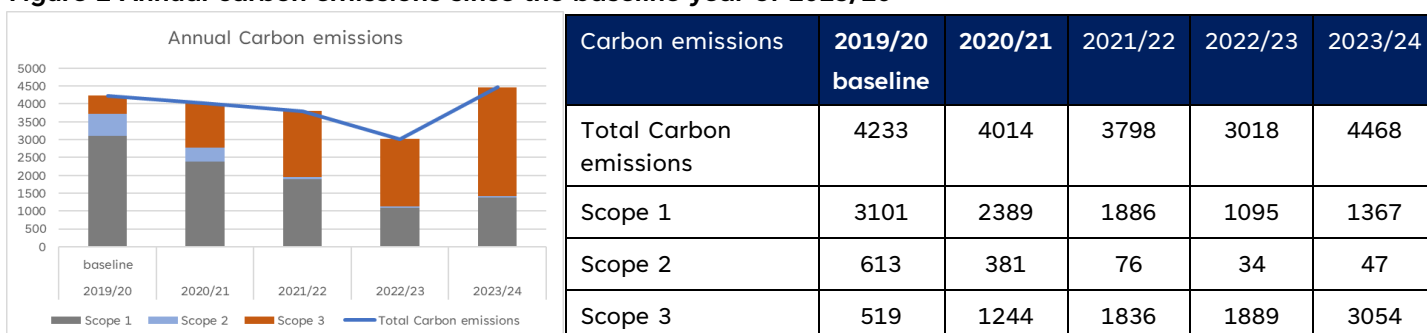
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3.7 Summary of carbon emissions figures

All 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.

In summary the data shows the following carbon emissions year on year and shows a reduction from the baseline until this year.

Figure 2 Annual carbon emissions since the baseline year of 2019/20



The increase in carbon emissions seen this year is largely as a direct result of

- The acquisition of two businesses into the Octavius group,
- the rise in volumes of work in the business
- the growth of the business from £215m in 2022/23 to £276m in 2023/24 representing a 28% increase in turnover within the year due to acquisitions and work winning,
- increases in business travel by our employees as we become a national rather than regional business, and
- more accurate measurement of Scope 3 emissions, the definition of which has been widened to include,
 - hotel stays,
 - home working,
 - some materials used on our projects by our supply chain.

Due to these changes, it is anticipated that Octavius will **recalculate the baseline in 2024/25** because the structural changes will result in emissions being transferred to Octavius without change to the emissions released into the atmosphere. Furthermore, the maturity and accuracy of our scope 3 emissions calculations has improved, and we have added categories into the Scope 3 inventory. To achieve the rebaselining exercise, Octavius are developing a baseline year emissions recalculation policy for implementation in 2024/25.

Summary of Emission Intensity Metrics

Carbon intensity metrics have been calculated for the annual total emissions for Octavius Infrastructure Limited of tCo2e/£m turnover and tCO2e per employee. The methodology of the intensity metric is based on a turnover of £276m and 621 permanent employees on 4th April 2024. Previous years are shown for comparison.

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| Intensity Matrix | 2023/24 | 2022/23 | 2021/22 |
|------------------------------|---------|---------|---------|
| Intensity tCo2e /£m turnover | 16.07 | 14.04 | 19.38 |
| Intensity tCo2e / employee | 7.19 | 6.38 | 9.66 |

Figure 3 Annual Emission intensity matrices

4.0 Strategies for carbon reduction

The carbon reduction opportunities in this plan, once fully implemented, will reduce Octavius GHG emissions each year in line to achieve our goal to achieve net zero emissions in line by 2035. Figure 4 below shows our forecast reduction in emissions v actuals. To achieve this, we were initiating a step change in implementation to achieve a 15%-20% reduction year on year for the until 2025 and from then an accelerated programme of reduction as more low carbon technologies and materials become available.

We know we do not capture all our scope 3 emissions from our supply chain and therefore we have also shown our likely emissions for illustrative purposes. We estimate that in addition to the carbon emissions measured and calculated, we anticipate a further 12,000 tonnes CO2e can be attributable to our Scope 3 activities mainly within the purchased goods and services area. Our reporting and recording of Scope 3 indirect emissions is something we will continue to address over the next two years. We also intend to undertake a process of rebaselining in 2024/25 due to our acquisitions and improved reporting.

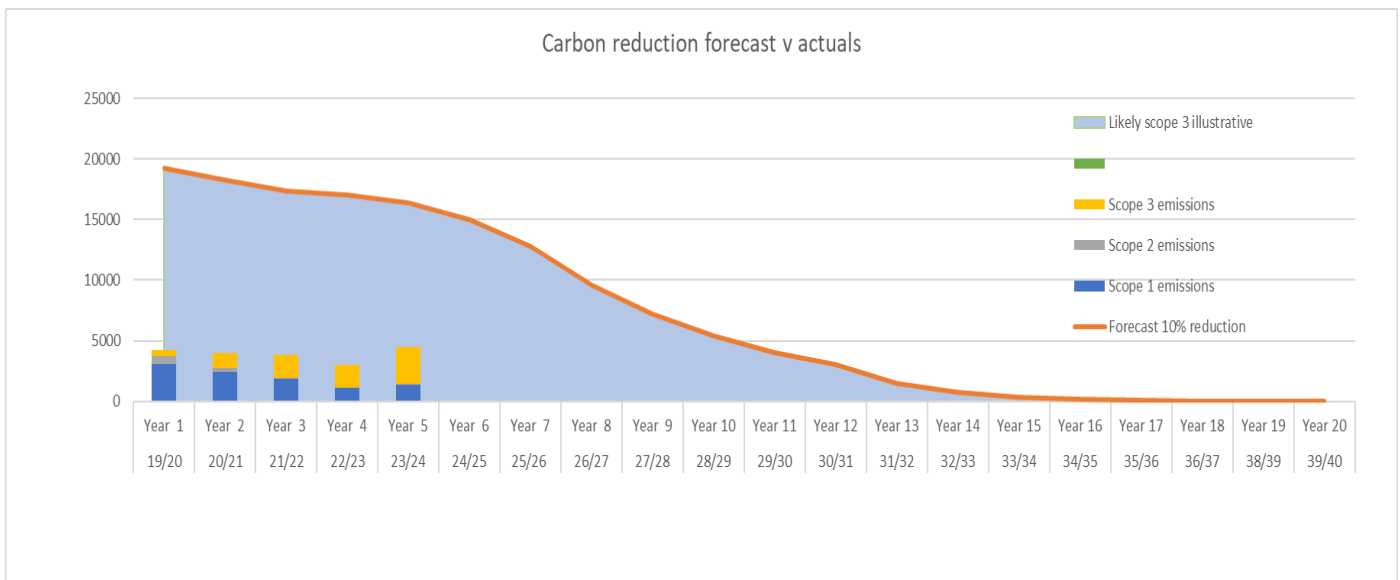


Figure 4 Our carbon forecast for carbon reduction

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4.1 Completed carbon reduction projects

The following environmental management measures and projects have been completed or implemented to help reduce our carbon emissions since the 19/20 baseline:

- Actively identifying opportunities focusing on high impact elements of our operations, focused on those which we have the greatest potential influence / control,
- Increase availability of hybrids on company car scheme,
- Development of a low carbon options guide,
- Increase use of low carbon onsite equipment and lower carbon mobile site accommodation,
- Implementation of Action Sustainability, a Sustainability Tool to increase capture of scope 3 emissions,
- Procure electricity on a low carbon basis from renewable sources,
- Move to alternative low carbon fuels with our supplier Watsons to source and provide fuel for our sites,
- Use of eco cabins that use renewable energy for site welfare to avoid the need for diesel generators, and
- Introduce an improved car scheme for electric vehicles to encourage our employees to adopt and use.

Alongside the carbon reduction measures we have also implemented as programme of carbon offsetting. In Financial year 2023-24 we offset 3000tCO₂e on certified offset projects with our supply chain partner Carbon Footprint Limited. Examples of the types of offset are included in Appendix 3.

In years, we have also planted 3000 trees in the UK and abroad as part of our contribution to reducing the global impacts of climate change and improve resilience.

4.2 Future reductions in emissions

In 2024/25 the following initiatives to reduce our emissions, as follows,

Scope 1 emissions (directly fuels)

- move to alternative fuels with our supplier Watsons to source and provide fuel for our sites,
- all sites to use hydrogenated vegetable oil (HVO) and biofuels as an alternative to diesel and petrol for use of generator where supply is available,
- installation of EV charging points at our sites,
- use of eco cabins that use renewable energy for site welfare, and
- introduce a leasing arrangement for our van fleet so that they convert to electric vehicles.

Scope 2 emissions (indirectly electricity)

- seek to reduce electricity use in our offices with PIR systems and heating control in our offices, and
- move to renewable sources electricity for purchased electricity

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Scope 3 emissions (indirect emissions)

Our strategy to reduce our Scope 3 emissions with our employees and supply chain includes the following measures in relation to,

Materials management

- Introduce a better reporting mechanism for recording the use of purchased goods and materials to track all the materials we purchase and where they come from and associated embodied carbon,
- Measure the total amount of materials used on behalf of our customers working with our supply chain partners and
- Work with our customers, supply chain partners and designers to use low carbon materials such as warm asphalt, recycled aggregate and low carbon concrete.

Fleet and equipment

- Seek to trial alternative fuel plant and equipment on our sites working closely with our supply chain to find the best solutions for carbon reduction including using hydrogen as a fuel source.
- Use of electric and battery equipment as an alternative to diesel based equipment.

Business travel

- Introduce an improved car scheme for electric vehicles to encourage our employees to adopt and use alternative vehicles to those run on petrol or diesel and,
- Provide driver and staff awareness training to help reduce idling and improve fuel consumption and
- Introduce a leasing arrangement for our van fleet so that they convert to electric vehicles electrical vehicles.

Employee commuting

- Introduce an improved car list for electric vehicles to encourage our employees to adopt and use alternative vehicles to those run on petrol or diesel, and
- Continue to encourage hybrid working for staff where appropriate
- Encouraging the use of bicycle through a cycle scheme, and
- Encouraging the use of public transport for business related travel wherever possible..

Waste management

- Actively seek to reuse as much material as we can on our sites to avoid the need for transportation to waste recovery or disposal facilities and,
- Use local facilities to our sites to reduce transportation needs and fuel use.

4.2.1 Offsetting programme

In conjunction with the carbon reduction strategies, in 2023 / 24, we also instigated investment in ethical and verifiable carbon offsets with our supply chain partner Carbon Footprint Limited. In 2023/24 we offset a total of 3,000 tCO₂e and planted 3,000 trees on a variety of projects abroad. The certificate is found in Appendix 3.

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4.3 General carbon reduction activities in our project lifecycle

We're targeting Net Zero carbon in 2035 and are carbon neutral now for our direct emissions. We have a programme for further reducing our direct and indirect emissions in alignment with the carbon hierarchy and wider agenda of natural capital ensuring a holistic approach is adopted:

- Avoiding carbon emissions by scoping out and refining scopes of work
- Minimising emissions using the carbon hierarchy of
 - building less and avoiding high carbon options,
 - switching to alternative energy sources, and
 - building more efficiently with less fuel, fewer materials, and using materials with lower embodied carbon
 - Using alternative energy sources such as renewables and fuels sources such as certified and sustainable HVO and biofuels
- Applying best practice principles in the delivery of our projects including innovation, low carbon alternatives, ensuring we have a better understanding of eco-system services, lean management and more efficient ways of working
- Reducing avoidable waste using circular economy principles and targeting single use plastics.

Where we have exhausted the above options and have residual emissions, we have implemented a programme of certified offsetting both in the UK and abroad. This delivers on the UN COP27 ambition to support developing countries with the challenge of climate finance.

Our framework to achieve this is based on the principles of PAS2080 carbon management and ISO20400 responsible procurement accreditation with the aim of achieving this by 2024.

We have a carbon steering group, consisting of enthusiastic volunteers from across the business, helping to shape and prioritise what we can do on our sites. Colleagues are welcome come along and support with ideas and actions.

4.5 Communication

We work with key partners and other stakeholders to achieve a better understanding of our emission contributions in the energy usage, material goods and services and waste emission categories. Even with these categories being out of our direct control, we work with our customers to support their emission reductions. We ensure that contractual arrangements in relation to carbon measurement and reduction are understood by the supply chain and share our learning with the supply chain sustainability school.

4.6 Employee learning and behaviour change

We continue to instigate a programme of engagement and awareness training for site staff, office staff, employees and with our supply chain.

Working with all employees, we will encourage better energy use, carbon and climate change awareness and improvements in resource efficiency. We have actively engaged with the Supply Chain sustainability school to work with them on modules for learning and development of our people. We have provided Site Environmental Awareness Training (SEATs), carbon and climate change awareness sessions, newsletter articles and publications.

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4.7 Leadership

The Executive Board of Octavius has given, and will continue to give, its full support to this carbon reduction programme and the team required to achieve Octavius's Net Zero ambitions. The carbon reduction opportunities in this plan, once fully implemented, will reduce Octavius GHG emissions each year in line to achieve our goal to achieve net zero emissions by 2035.

Noting the intention to rebase our emissions in 2024/25, our interim targets are to reduce our carbon intensity by 20% against our baseline year and remain carbon neutral for Scope 1 and 2 emissions.

The Executive Board will be led by our People and Sustainability Director who has direct accountability to the board ensuring carbon reduction is part of our business offering. Our business strategy has been developed with sustainable legacy in mind and particularly focusses on carbon reduction, climate resilience, resource efficiency and biodiversity enhancement. The Executive Board is also committed to modelling best practice behaviours in carbon reduction wherever possible, by helping to push for and then implementing changes, along with arranging for specific sub-project funding if, and when, needed.

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5.0 Declaration and sign-off

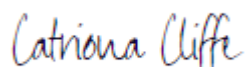
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.

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 board of directors (or equivalent management body).

Signed on behalf of Octavius Infrastructure Limited

A handwritten signature in blue ink that reads "Catriona Cliffe".

Catriona Cliffe
People and Sustainability Director
July 2024

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Appendix 1: Reporting Methodology

Scope 1 and 2 consumption and CO₂e emission data has been calculated in line with the 2021 UK Government environmental reporting guidance. The following Emission Factor Databases consistent with the 2021 UK Government environmental reporting guidance have been used, utilising the current published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for reporting year 01/04/2023–31/03/2024: Database 2024, Version 1.0.

Estimations undertaken to cover missing billing periods for properties directly invoiced to Octavius Infrastructure Ltd were calculated on a kWh/day pro-rata basis at meter level. These estimations equated to 3.63% of reported consumption.

For properties where Octavius Infrastructure Ltd is indirectly responsible for utilities (i.e. via a landlord or service charge), either (a) an average consumption for properties with similar operations, was calculated at meter level and applied to the properties with no available data, or (b) a benchmark kWh/m² consumption was used based on the nature and size of operations with no available data. These full year estimations were applied to 2 electricity supplies at Rugby and Reigate offices. Intensity metrics have been calculated utilising the 2023/24 reportable figures for turnover and employees, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric

Our GHG Reporting – Supporting Notes for PPN

In response to this new requirement for a Carbon Reduction Plan as part of the Procurement Policy Note (PPN) 06/21 we, like much of our sector, are increasing the scope and accuracy of our GHG reporting. This section offers supporting notes to put our reporting into context against the PPN requirements and set out our ambition over the next 12 months so that we can report in full for the first time. While we have been actively reporting and targeting GHG emissions (exceeding the requirements for other schemes such as SECR), we have not had any mandated requirement to report wider Scope 3 emissions as we are not a listed company. We trust these supporting notes provide an acceptable explanation of our current position regards our emissions reporting.

We are undertaking a comprehensive review of our operations and the recently published requirements set out within PPN 06/21 and are implementing actions to close identified gaps in our Scope 3 reporting. The focus of our Scope 3 emissions accounting shall be focused on, but not necessarily limited to, the following GHG categories:

- Upstream transportation and distribution
- Waste generated in operations
- Business travel
- Employee commuting
- Downstream transportation and distribution

The Scope 3 section above outlines our intended actions and demonstrates our commitment to reaching Net Zero.
CRP Review

We review our Carbon Reduction Plan no later than September each year.

CRP Published

This is our preliminary carbon reduction plan, published to meet the need of PPN 06/21. We continue to work on increasing the scope and accuracy of our reporting. Our intention is to have a complete baseline and confirmed target, which we shall publish in 2022 as part of our wider reaching carbon reduction program.

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Appendix 2: Scope 3 inventory

Scope 3 emissions (indirect emissions) are those we produce indirectly by our operations from sources out of our immediate control. These are typically where most of an organisation's emissions are and can make up to 70-80% of the carbon footprint.

Scope 3 emissions can include those from business travel, employees commuting, upstream and downstream transport, and distribution, purchased goods and services, waste and water. Identifying and measuring Scope 3 emissions can be a challenge.

- In the baseline year 2019 / 2020 our scope 3 emissions were limited to business travel.
- In 2020/21 our scope 3 emissions included Business travel and some upstream transportation and distribution linked to the movement of waste as part of our business.
- In 2021/22 we extended our scope 3 emissions to include Business travel, employee commuting and waste transportation and distribution.
- In 2022/23 we added hotel stays, homeworking in our Scope 3 emissions.

There are 15 categories of Scope 3 emissions defined by the GHG Protocol. As part of our Scope 3 Inventory, we collect the following information

- Purchased goods and services
- Transportation and distribution Fuel for transport and distribution of site vehicles
- Waste generated in operations
- Business travel mileage
- Employee commuting mileage
- Some purchased goods and services records

In completing our CRP, we are required to detail our emissions for five of these categories as detailed below.

Upstream distribution and transportation – item 4 in GHG protocol

Transportation and distribution of products purchased by the reporting company in the reporting year between our suppliers and our own operations (in vehicles and facilities not owned or controlled by the reporting company)

Transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics (e.g., of sold products), and transportation and distribution between a company's own facilities (in vehicles and facilities not owned or controlled by the reporting company)

As part of our Scope 3 Inventory, we collect further information to support the monitoring and targeting of products used and generated in operations (in facilities not owned or controlled by ourselves). We have started using a tool to support us with the data collection to report GHG emissions.

Purchased goods and services

At Octavius we both purchase and use goods and materials as part of our business and therefore we are planning to start reporting on materials purchased in 2023/24. This shall be confirmed as part of our Scope 3 Inventory, since we acknowledge under PPN that a non-materiality clause is not accepted.

Fuels used on site

Includes all fuels purchased for site use for transport and distribution – i.e. site vehicles. Data is collected from site using Smart waste data tool.

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Home working

This year we have included in our scope 3 emissions details on the number of hours that individuals in our business are working from home. We have used the Defra combined value of both office equipment and heating. This is confirmed as part of our Scope 3 Inventory, since we acknowledge under PPN that a non-materiality clause is not accepted.

Hotel stays

This year we have included in our scope 3 emissions details on the nights individuals in our business spent in hotel stays. We have used the Defra combined value of London and the UK values. This is confirmed as part of our Scope 3 Inventory, since we acknowledge under PPN that a non-materiality clause is not accepted.

Waste generation and distribution – item 5 in GHG protocol

Due to the nature of our work, we generate waste products from construction and renewal projects. Data in relation to this is collected and analysed and we calculate the emissions from multiple waste streams and use factors in relation to the relative waste management options. Where appropriate we use factors in the GHG protocol guidelines that include all emissions in relation to collection, transportation and landfill. This is confirmed as part of our Scope 3 Inventory, since we acknowledge under PPN that a non-materiality clause is not accepted.

Business travel – Item 6 in GHG protocol

Business travel includes the transportation of employees for business related activities during the reporting year (in vehicles not owned or operated by the reporting company) and includes grey fleet but excludes air travel (in line with our SECR reporting obligations). Please refer to the supporting notes in the Appendix.

The requirement to report on emissions above those set out in SECR includes business travel and this is measured and reported in the organisation's Annual Report and Accounts each year.

We have reported on business travel since our baseline year.

Employee commuting – item 7 in GHG protocol

As part of our Scope 3 Inventory, we collect information to determine the emissions from employee commuting to and from their places of work. These figures have been included in the total GHG emissions reporting since 2021 but were not included in the baseline year. Since our introduction of hybrid working, our employees have not travelled as much as they did, and their movements are more variable. Our data on commuting takes account of how frequently our employees travelled into the office or to the sites at which they work and it has increased in 2023/24 compared with 2022/23.

We have calculated a worst-case scenario and assumed that as a maximum employees commuted to their place of work on average 3 days per week. We then calculated the associated emissions by taking the distance between their home to their office / worksite location and applying the carbon factors associated with that distance and the average vehicle or train journey.

Downstream transportation and distribution – item 9 of GHG protocol

Covers transportation and distribution of products sold by the reporting company in the reporting year between the reporting company's operations and the end consumer (if not paid for by the reporting company), including retail and storage (in vehicles and facilities not owned or controlled by the reporting company).

By their nature our products are not typically transported or distributed to the end customer, this aspect is therefore not considered relevant to our emissions reporting. This shall be confirmed as part of our Scope 3 Inventory, since we acknowledge under PPN that a non-materiality clause is not accepted.

Appendix 3 Offsetting certificate

