



CARBON REDUCTION PLAN

PPN-06/21

www.breedongroup.com

Carbon Reduction Plan

Supplier name: [Breedon Trading Limited](#)

Publication date: [20 May 2022](#)

Latest Revision date: [31 October 2023](#)

Commitment to achieving Net Zero

Breedon Trading Limited is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2022

Additional Details relating to the Baseline Emissions calculations.

This Carbon Reduction Plan covers the activities carried out by Breedon Trading Limited, a subsidiary of the Breedon Group.

The original publication of this Carbon reduction plan used a baseline year of 2021, however in July 2022 Breedon Group formally committed to developing science-based targets aligned to the SBTi, and are in the process of developing these targets using a baseline year of 2022 (this was the first year that our Scope 1 and 2 emissions were subject to external verification).

As part of the process of developing new SBTi aligned targets, all Scope 3 categories were reviewed and an overstatement error was noted for the previous 2021 Category 4 – Upstream Transport and Distribution emissions.

Therefore, as part of the 2023 review process, the baseline for this carbon reduction plan has been updated to be 2022, thereby aligning our roadmaps and making our external messaging clearer and more transparent, and the Scope 3 Category 4 Upstream Transport and Distribution emissions have been corrected.

The methodology applied to our GHG emissions reporting is the 'Greenhouse Gas Protocol Corporate Accounting and Reporting Standard'. Scope 3 emissions reporting utilises the methodology outlined in 'The GHG Protocol - Corporate Value Chain (Scope 3) Accounting and Reporting Standard'. An 'operational control' approach has been taken in relation to the reporting boundary. All Scope 1 and 2 emission sources have been included within the baseline and targets, as have a sub-set of Scope 3 emission sources. Scope 2 emissions are reported as both location and market based. Scope 3 emissions categories included are: Category 4: Upstream Transport and Distribution, Category 5: Waste Generated in Operations, Category 6: Business Travel, Category 7: Staff Commuting, and Category 9: Downstream Transport and Distribution.

Baseline year emissions: 2022

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	154,731 tCO ₂ e
Scope 2	Location Based – 18,057 tCO ₂ e Market Based – 0 tCO ₂ e
Scope 3 (Included Sources)	80,839 tCO ₂ e (Upstream transportation and distribution, Waste generated in operations, Business travel, Employee commuting, Downstream transportation and Distribution)
Total Emissions	Location Based – 253,626 tCO₂e Market Based – 235,570 tCO₂e

Current Emissions Reporting

Reporting Year: 2022

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	154,731 tCO ₂ e
Scope 2	Location Based – 18,057 tCO ₂ e Market Based – 0 tCO ₂ e
Scope 3 (Included Sources)	80,839 tCO ₂ e (Upstream transportation and distribution, Waste generated in operations, Business travel, Employee commuting, Downstream transportation and Distribution)
Total Emissions	Location Based – 253,626 tCO₂e Market Based – 235,570 tCO₂e

Emissions reduction targets

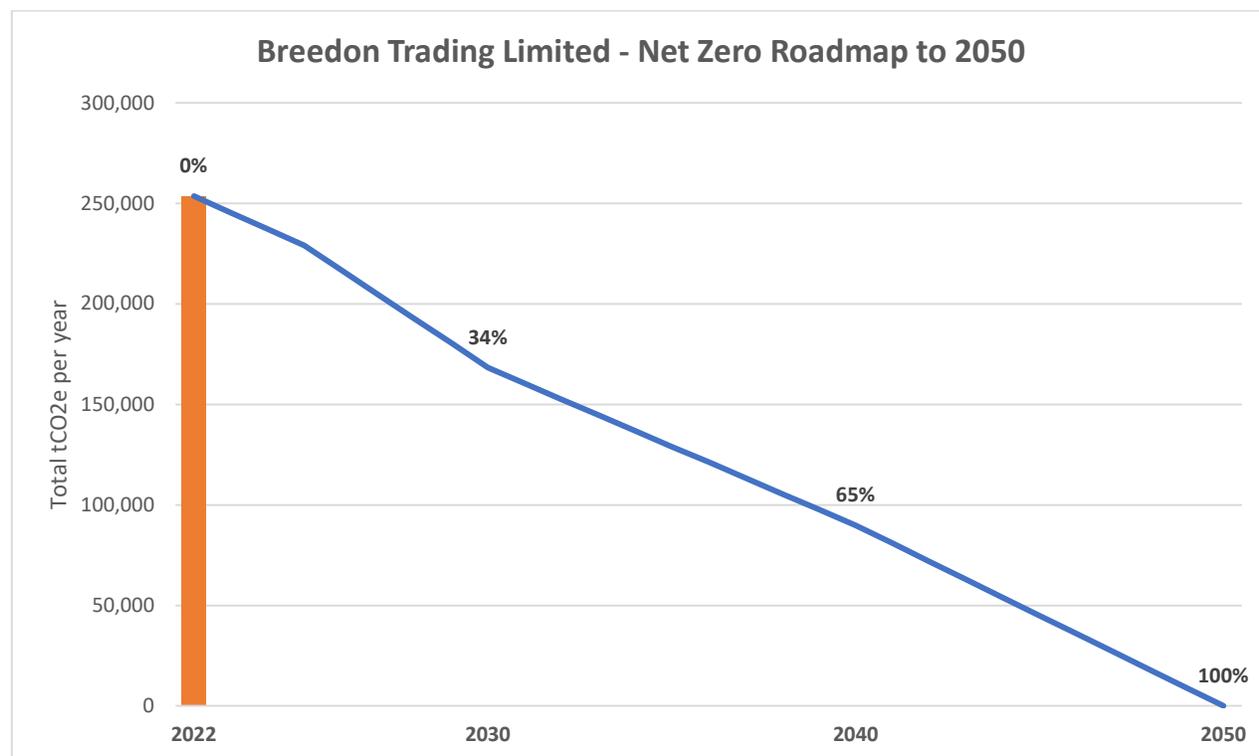
To continue our progress towards achieving Net Zero, aligned to the Science Based Targets 1.5°C warming pathway, Breedon Trading Limited has adopted the following targets for carbon reduction:

Scopes	2022 Baseline	2030 (SBTi near term target)	2040 (Extrapolated target)	2050 (SBTi net zero target)
Scope 1	100%	42%	70%	95%
Scope 2	100%	42%	70%	100%
Scope 3*	100%	16%	52%	95%
Total	100%	34%	65%	100% (Including Offsets)

*Scope 3 target not aligned with SBTi

By 2050 it is projected that emissions will drop to around 10,000 tCO₂e, with any residual carbon emissions subject to carbon credits generated through in-setting programmes or established local offsets as required to achieve our Net Zero target. These targets are based on the Location Based carbon emissions rather than Market Based approach, in the event that market conditions beyond our control may impact REGOs.

Progress against these total Scope 1, 2 and 3 targets can be seen in the graph below:



Data will be collated on an annual basis and the relevant GHG emissions calculated for that period using the methodology described above. Performance against the targets will be reviewed annually, the impact of carbon reduction measures assessed, the potential impact of future measures reviewed, and the potential to bring forward or improve any targets will be considered.

A re-baseline exercise will be undertaken if significant changes have been made to company structure, as described in the GHG Protocol Corporate Accounting and Reporting Standard e.g. significant company acquisitions or divestments. Re-baselining will also be undertaken if improvements in data collection/accuracy result in a significant change to the original data.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented prior to the 2022 baseline.

- Following a Materiality Assessment Exercise in 2020, Breedon launched its Sustainability strategy in 2021, focussing on three key pillars of Planet, People and Places, underpinned by fundamental operating Principles to ensure we are a sustainable business.
 - The Planet pillar focusses on carbon and energy reductions, responsible resource use and waste reduction, and on creating a positive impact on nature and biodiversity.
 - The People pillar focusses on developing and empowering a diverse and talented workforce and creating a positive impact on the communities in which we operate.
 - The Places pillar focusses on our products and services to ensure they deliver higher performance, resource efficient buildings and resilient, low impact infrastructure, and collaborating and developing innovative solutions to help customers mitigate impacts of climate change.
 - Our underpinning Principles ensures a focus on safety, health and wellbeing; quality products and processes; ethics and integrity; on having a well governed, financially robust business; and stakeholder engagement.
- Targets and roadmaps are in place and performance against the strategic deliverables is monitored and reported externally in the Annual Report.
- In July 2022, Breedon formally submitted its commitment to develop science-based targets that aim to restrict global temperature rises to 1.5oC. These targets are currently being reviewed and have been incorporated into this carbon reduction plan.
- Breedon operates an environmental management system externally certified to the ISO 14001 Standard. The management system comprises of policies, standards and procedures to ensure that environmental impacts from our operations and value chain are understood and managed and that best practice controls are in place. The system is subject to robust internal audit through a dedicated internal auditing team, along with external verification.
- The majority of materials we produce also hold the BES 6001 Responsible Sourcing Standard.
- Work has been ongoing throughout 2023 to implement the ISO 50001 Energy Management Standard across all operational sites.
- Environmental Sustainability training developed in conjunction with the IEMA (Institute of Environmental Management and Assessment) has been rolled out from 2022.
- Increased the number of asphalt sites with the capability to use Reclaimed Asphalt Pavement (RAP), saving primary raw materials and reducing the amounts of bituminous binder required.
- 100% electricity purchased is from renewable source generation and covered by guarantee of origin certificates.
- Innovative materials and services offered to customers, including:

- Foam mix: On-site recycling of road surfaces into new roads, avoiding emissions from haulage to and from the work site and less primary raw materials.
- Warm-mix asphalt: Producing asphalt at a lower temperature to achieve energy and carbon savings whilst still retaining the performance and workability required by our customers.
- Innovative concrete designs: Collaborating with partners to develop alternatives to traditional concrete mix designs to offer positive environmental benefit in areas such as carbon reduction, increased use of recycled materials and reduced water demand.

In the future Breedon hopes to implement further measures such as:

- Increase the visibility of embodied carbon contents for our products to ensure our customers can make informed purchasing decisions.
- Further trials of low carbon alternative fuels and innovative technologies in our plant machinery and mobile equipment.
- Further rollout of onsite renewables across viable Breedon sites, focusing on rooftop/ground solar, wind and hydro-electric generation.
- Further investment in asphalt plant monitoring systems to monitor and minimise CO2 emissions.
- Further reduction of transportation and haulage impacts through specific targets for an all-electric business car and van fleet, and a roadmap for our internal haulage fleet towards electric / hydrogen.
- Focus on sustainable procurement processes.

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:

A handwritten signature in black ink, appearing to read 'Mike Pearce', with a long horizontal line extending to the right.

Mike Pearce - Managing Director, Breedon GB Materials

Date: 03/11/2023

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>