

Carbon Reduction Plan

Equans UK & Ireland

April 2024 Version 2





1. EQUANS CARBON REDUCTION PLAN

This Carbon Reduction Plan reports Equans UK & Ireland's (Equans) progress towards achieving net zero greenhouse gas emissions from its baseline, set in 2019. It reports annual greenhouse gas emissions and the steps we shall put in place to achieve net zero.

This document was produced in response to Policy Procurement Note (PPN) 06/21: *Taking Account of Carbon Reduction Plans in the Procurement of Major Government Contracts*¹ and NHS England's Net Zero Supplier Roadmap.²

This Carbon Reduction Plan covers all Equans entities, reporting the total UK and Ireland emissions as well as each entity's emissions separately. The commitments in this plan are supported by all entities within Equans. This Carbon Reduction Plan is updated annually.

2. COMMITMENT TO ACHIEVING NET ZERO

Equans is fully committed to achieving net zero emissions across all scopes by 2050. This supports the UK Government's commitment for the UK to achieve net zero by 2050 under the Climate Change Act 2008, as amended and NHS England's commitment to Net Zero by 2045 under the Health and Care Act 2022.

Our commitment to net zero has two milestones:

- Net zero carbon emissions by 2035 for our scope 1 and 2 emissions; and
- Net Zero carbon emissions by 2050 across all scope 3 emissions.

Equans group has received full independent validation of its decarbonisation plans by the Science Based Targets initiative (SBTi).

3. BASELINE EMISSIONS FOOTPRINT

Equans emissions are calculated in tonnes of carbon dioxide equivalent (tCO₂e) using the appropriate conversion factors published by the Department for Energy Security and Net Zero and the Department for Energy and Industrial Strategy³. This ensures our data includes the emissions from the seven greenhouse gases (GHG) named by the Kyoto Protocol.

Our emissions data is reported in line with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard⁴, and Corporate Value Chain (Scope 3) Standard⁵, using the 'Operational Control' approach.

¹ www.gov.uk/government/publications/procurement-policy-note-0621-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts

² www.england.nhs.uk/greenernhs/get-involved/suppliers/

³ www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

⁴ www.ghgprotocol.org/corporate-standard

⁵ www.ghgprotocol.org/standards/scope-3-standard

4. BASELINE

Baseline Year: 2019

Additional details relating to the Baseline Emissions calculations:

We use a 2019 baseline to monitor our progress towards net zero. This covers the calendar year January 2019 to December 2019, which is also Equans' financial year. We continue to improve our carbon accounting methodology in line with best practice. We continue to ensure our carbon emission inventory accurately reflects any structural changes that affect the scope or boundary of our emissions. Following such events, we recalculate our baseline to ensure we apply a consistent approach to reflect our decarbonisation journey accurately and transparently.

In 2023 Bouygues Energies & Services became part of Equans UK and Ireland and became Equans Energies and Services. Therefore, the GHG emissions from Equans Energies and Services have been combined with the rest of Equans for both the baseline and the current reporting year. The divested Urban Energy and Humber Energy operations have been excluded from our baseline and current reporting year data.

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	Office and onsite natural gas	1,041.1
	Vehicle fleet	13,237.7
	On site fuels	2,550.3
	Total	16,829.1
Scope 2	Offices and sites	1,644.0
	Vehicle fleet	9.6
	Total	1,653.6
Scope 3 (Included Sources)	Category 4 - Upstream transportation and distribution	17,681.1 (estimate)
	Category 5 - Waste generated in operations	1,231.5
	Category 6 - Business travel	4,634.2
	Category 7 - Employee commuting	21,123.5 (estimate)
	Category 9 - Downstream transportation and distribution	Negligible*
Total	44,670.3	
All	Total Emissions	63,152.9

* Equans does not sell transportable products and therefore does no transport or distribute products. Transport by Equans to our client sites of items we have purchased is captured by our fleet data and reported as Scope 1 or 2 emissions

The apportionment of emissions to relevant entities is captured below.

Equans bidding entity	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	Total (tCO ₂ e)
Equans FM Ltd	1,412.0	48.4	3,674.6	5,135.0
Equans Services Ltd	4,127.6	323.1	13,225.9	17,676.6
Equans Buildings Ltd	67.7	8.2	1,881.5	1,957.4
Equans Regeneration Ltd	8,768.9	1,111.7	15,290.9	25,171.5
Equans E&S Solutions Ltd	1,384.6	102.3	5,242.9	6,729.8
Equans E&S Infrastructure UK Ltd	754.6	35.2	87.3	877.1
Other Equans Entities	313.6	24.6	5,267.4	5,605.6
Total	16,829.1	1,653.6	44,670.3	63,152.9

5. CURRENT EMISSIONS REPORTING

Current Full Reporting Year

Reporting Year: 2023

EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	Office and onsite natural gas	440.3
	Vehicle fleet	11,391.5
	On site fuels	1,341.1
	Total	13,172.9
Scope 2	Offices and sites	1,129.3
	Vehicle fleet	347.4
	Total	1,476.7
Scope 3 (Included Sources)	Category 4 - Upstream transportation and distribution	18,145.9 (estimate)
	Category 5 - Waste generated in operations	578.3
	Category 6 - Business travel	2,861.3
	Category 7 - Employee commuting	12,855.9 (estimate)
	Category 9 - Downstream transportation and distribution	Negligible
Total	34,441.4	
All	Total Emissions	49,090.9

The apportionment of emissions to bidding entities is captured below.

Equans bidding entity	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	Total (tCO ₂ e)
Equans FM Ltd	1,105.3	43.2	1,830.3	2,978.8
Equans Services Ltd	3,230.9	288.6	11,449.7	14,969.1
Equans Buildings Ltd	53.0	7.3	1,361.1	1,421.4
Equans Regeneration Ltd	6,863.8	992.8	12,791.9	20,648.4
Equans E&S Solutions Ltd	1,083.8	91.4	4,648.9	5,824.1
Equans E&S Infrastructure UK Ltd	590.7	31.4	340.6	962.7
Other Equans Entities	245.5	22.0	2,018.9	2,286.4
Total	13,172.9	1,476.7	34,441.4	49,090.9

6. EMISSIONS REDUCTION TARGETS

6.1 Target 1: Net Zero for Scope 1 and 2 by 2035

Our first milestone on our decarbonisation journey is to reach net zero carbon emissions by 2035 for our scope 1 and 2 emissions, including our offices, vehicle fleet, and direct fuel consumption on operational and construction sites. Performance against this target can be seen in figure 1.

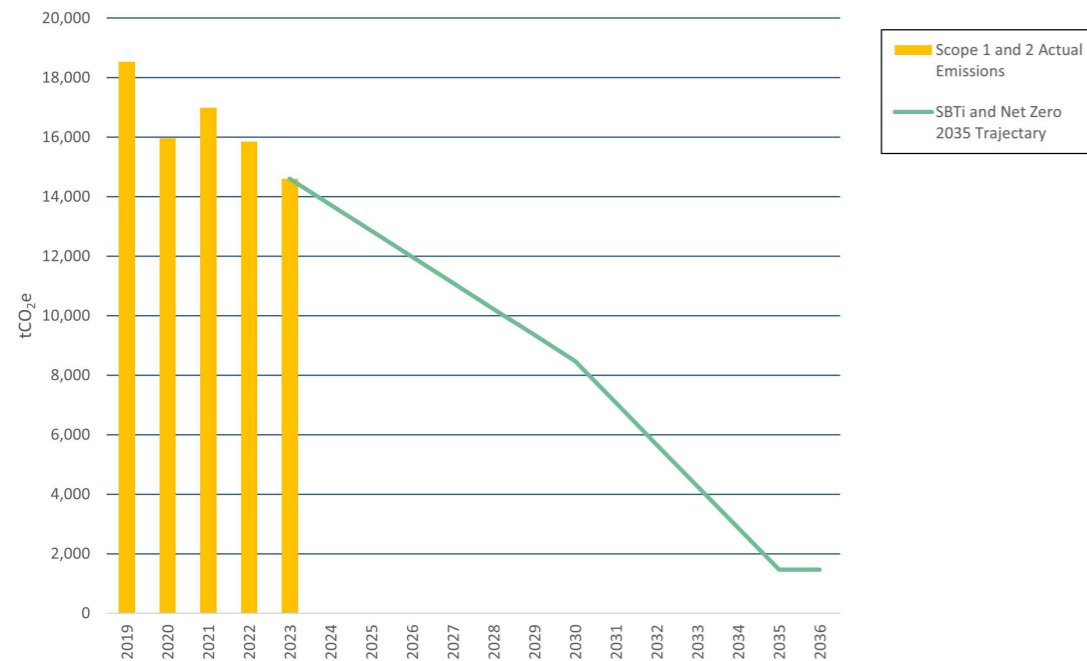


Figure 1 EQUANS UK & Ireland Scope 1 and 2 Carbon Emissions against Net Zero 2035 Trajectory

6.2 Target 2: Net Zero for Scope 3 emissions by 2050

We are continuing to fully quantify our scope 3 emissions inventory and engage with our supply chain to allow robust interim target setting against our Scope 3 target of net zero by 2050.

7. CARBON REDUCTION PROJECTS

7.1 Our Approach

As an ISO 14001 certified organisation, environmental and energy management are integrated into our business management system and business processes, which governs our service delivery. Our latest performance can be found in our 2022 IMPACT Report⁶.

Equans was awarded Gold EcoVadis in 2023, continuing our run of gold or platinum since 2019. The award is an independent endorsement that demonstrates our commitment to sustainability management and gives confidence to our current and future partners that Equans continues to lead the way in sustainability management and has the expertise and experience to add value to their performance.

7.2 Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline and will be in place when delivering our contracts:

- **Supporting Decarbonisation Innovation:** Since 2019 along with Innovate UK (an agency of UK Research & Innovation) we created the 'Clean Growth Innovation Fund', a £4m investor partnership bringing together public and private funding to support UK cleantech start-ups and SMEs in developing solutions that enable the decarbonisation of industry, buildings, and places. The fund has invested in two net zero carbon software specialists:

- **Grid Edge's** digital AI software empowers building operators to reduce their CO₂e emissions, bring energy costs under control and improve building comfort. We have recently used Grid Edge to assess one of our sustainable facilities management sites, a large UK court building, and identified savings of over 380 tCO₂e.
- **OnGen's** digital platform provides a technical and economic feasibility assessment to support the decarbonisation of buildings, campuses, and industry – quickly identifying opportunities to reduce costs and carbon emissions through embedded renewables and low carbon solutions.
- **Greening Our Energy Supply:** In 2023 we continued our programme to transition offices and sites to renewable electricity tariffs. 100% of our leased property, where we are in control of the energy supply, are on REGO backed renewable electricity and RGGO backed biogas. We have put in place a process that mandates all future electricity and gas contract renewals are on a green tariff supply. For offices and sites where the landlord is in control of the supply, we continue to engage with them and request if not already green that they switch to a renewable sources as soon as possible.
- **Electrifying the Vehicle Fleet:** In 2023 we achieved the milestone of over 30% of our fleet being converted to EVs (equivalent to 1000+ electric vehicles). This is being driven forward with our electric only company car list, and the rollout of electric vehicle charge points at our employees' homes. This helps not only reduce our corporate emissions but also supports our employees to reduce their personal emissions.
- **Low Carbon Plant:** We have deployed low carbon plant on our solar farm construction projects, such as battery optimised generators, solar powered welfare cabins and green hydrogen powered lighting and CCTV columns. We are continuing to roll out this low carbon site set up across our projects.
- **Electrifying Our Sites:** We have appointed an energy broker who is able to centrally manage the installation of new temporary electricity supplies at our operational sites. This new simple process helps our sites avoid the need for diesel generators.
- **Sustainable Travel Policy:** our travel policy supports the use of public transport, challenges the need for flying, as well as promoting the use of technology to reduce the need to travel. This has reduced emissions from business travel.
- **Employee Commuting Survey:** Each year we issue a survey to all staff asking how they travel to work and encouraging the use of sustainable travel options. Our method is improving all the time, this year we excluded employees who commute in company vehicles to avoid double counting of our scope 1 and 2 emissions.
- **Supporting Hybrid Working:** We have adopted a hybrid working policy, with many of our employees working at home part of the week, reducing commuting emissions. We have also expanded our travel survey to look at home working energy use to fully understand the impact on emissions.
- **Optimising Our Office Estate:** Hybrid working has also given us the opportunity to optimise our offices. We have moved to smaller and more energy efficient offices in London and our Shared Services Centre in Newcastle. We are continuing to explore further office efficiency opportunities.
- **The Equans Tree Fund:** established in 2019, has had great success with our employees and partners planting over 10,300 trees across client and community sites.
- **Alternative Fuels:** Our long-term strategy is to phase out fossil fuels in the delivery of our operations. During this transition period, we are exploring the use of sustainably sourced biofuels. Our Solar Farm construction sites are leading the way. They now use 100% Hydrotreated Vegetable Oil (HVO) to power the construction phase, saving over 500 tonnes of CO₂e per year. We are continuing to monitor the sustainability credentials and supply chain for new and existing alternative fuels.
- **Supporting our Supply Chain to Quantify and Reduce Emissions:** We provide practical advice to our SME suppliers on decarbonisation through training initiatives such as the Supply Chain Sustainability School. We also deliver Circular Economy Fresk training to our suppliers to raise awareness of their impacts from consuming raw materials and disposing of waste.

⁶ <https://www.equans.co.uk/responsible-business>

As part of our journey to understand and reduce the embodied emissions in the goods and services provided by our extensive supply chain, we have embedded spend based carbon estimates into our financial reporting. Allowing us to report an estimate of our Scope 3 goods and services emissions and identify the hotspots within our supply chain upon which to focus engagement. This approach has allowed us to establish that scope 3 accounts for over 95% of our total emissions.

- **Employee Engagement:** We are embedding climate training into our staff induction and training programmes. Including rolling out Climate Fresk and Circular Economy Fresk training to employees across the business from front line to board room, as well as our clients, with over 480 people trained to date. We have also expanded our Sustainability Champions initiative and supported our employee led Green Network, empowering employees to deliver sustainability initiatives across the organisation.

7.3 Future Carbon Reduction Initiatives

We plan to implement the following measures:

- **Electrifying Our Vehicle Fleet:** We shall continue to electrify our fleet with an aim to deliver zero tailpipe emissions by 2030.
- **Minimal Waste to Landfill:** We already divert the vast majority of our waste from landfill, over 99% in 2023. But we want to go further by Integrating low carbon, circular economy solutions in our supply chain, minimising waste generation in the first place and achieving net zero carbon across our waste management supply chain by 2045.
- **Offsetting:** We are engaging with several offsetting solution providers to compensate for residual emission sources that we are unable to immediately decarbonise, ensuring that offset schemes we utilise have robust, transparent validation schemes in place.
- **Optimise our Biodiversity Strategy** to maximise the co-benefits of ecological and carbon reduction management across our sites.
- **Supply Chain Emissions:** We are developing a supplier engagement strategy to collaborate with our supply chain to decarbonise the goods and services they provide us.

7.4 Helping Our Client's Decarbonisation Journeys

As well as reducing our own carbon emissions, our mission is to provide our customers a high level of expertise and technology with the ambition of making a significant contribution to a low carbon world. Here is a selection of our recent work.

- **Retrofitting UK Homes:** We improve the energy efficiency of thousands of UK homes every year. This vital work provides people with warmer more efficient homes, lowering bills and reducing GHG emissions. The Holt Park project with Leeds City Council is one example. This innovative £9million project made 190 Leeds homes warmer and greener and has had dramatic results, with the properties now amongst the country's most energy-efficient.

The flats now have an EPC rating of A, achieved by only 0.2% of housing in England. Improvements made included the replacement of gas boilers with air source heat pumps, LED lighting throughout, the installation of PV solar panels on the roof, and fitting new high-performance windows, doors and insulation alongside specially-designed 'warm roofs' - keeping the homes warmer for longer and reducing the energy needed to heat them.

- **Delivering Solar Farms:** In 2023 we installed 326 MWh of solar generation capacity across 9 sites, with over 27,000 tonnes of CO₂e saved already. In 2024 we are continuing to deliver more solar farms and energy storage facilities across the UK.
- **Energy Efficient Street Lighting:** We are helping local authorities to convert road lighting to energy efficient LEDs. By replacing over 15,000 streetlights we have helped Redcar & Cleveland Borough Council to reduce its energy usage per year from 9.9 million kWh at the start of the contract to 2.7 million kWh, resulting in significant cost and carbon savings.
- **Sustainable Facilities Management:** We actively help our clients to improve the energy efficiency and consumption of their estates. This has included replacing boilers with heat pumps, replacing chillers, installing LED lighting, insulating pipes and upgrading older inefficient equipment across our hospital's contracts. We are thought leaders in the decarbonisation of PFI contracts, co-authoring the handbook of good practice for decarbonising operational PFI projects.

- **Equans to progress the UK's first net zero neighbourhood:** The landmark project in Brockmoor will look to tackle climate change through decarbonisation while reducing household energy bills, creating better transport links and increasing the community's participation in making the neighbourhood cleaner and greener. Equans is tasked with designing and implementing zero carbon solutions, while demonstrating a replicable finance model for greening whole neighbourhoods.
- **Keele University:** Using a Design Build Finance and Operate (DBFO) model, Equans delivered Keele University's energy park providing 5.5MW of solar power, 2 wind turbines and 1MW battery storage to power the University campus. We continue to support the University's journey to net zero.
- **Green Hydrogen:** Hydrogen will play a key role in decarbonizing industry and heavy transport. We have a number of exciting projects supporting this important part of the UK's energy transition. Equans is part of a consortium, led by Gemserv, to design, build, commission, and operate the world's largest and most efficient ammonia to hydrogen

conversion unit of its kind. The demonstration unit is based on innovative technology developed by H2SITE and is located at Tyseley Energy Park, a strategic energy and resource hub in the West Midlands.

- **Net Zero Strategy Services:** Since 2020 we have identified over 1.8 million tCO₂e lifetime savings for our clients through Net Zero strategies and advisory services. We have developed Net Zero Carbon Strategies and Heat Decarbonisation Plans for a wide range of public sector bodies including: Local Authorities, Central Government Departments, NHS Trusts, and emergency services. A number of these have now developed into both outline and detailed designs for the replacement fossil fuel-based systems with low and zero carbon technologies.
- **Cambridge County Council, Swaffham Prior Heat Network:** Equans is delivering a renewable heat network for CCC to serve the village of Swaffham Prior, which has no connection to the gas network. This scheme provides 300 homes access to a heat network powered by ground and air source heat pumps which use renewable electricity.





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 reporting⁸.

Scope 1 and 2 emissions have been reported in accordance with SECR requirements⁹, 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) Standard¹⁰.

This Carbon Reduction Plan has been reviewed and approved by the board of directors at Equans UK & Ireland.

Signed for on behalf of Equans UK & Ireland

Jean-Philippe Loiseau
CEO Equans UK & Ireland



¹ www.ghgprotocol.org/corporatestandard
⁸ www.gov.uk/government/collections/government-requirements-on-fiscal-prudence-reporting
⁹ www.gov.uk/government/uploads/system/uploads/attachment_data/file/348423/2019-06-19-SECR-requirements-reporting-standards.pdf
¹⁰ www.ghgprotocol.org/standards/scope3standard

