

Carbon Reduction Plan 2024

PREPARED BY: PAUL BRESLIN ESG AND REGULATORY RISK DIRECTOR

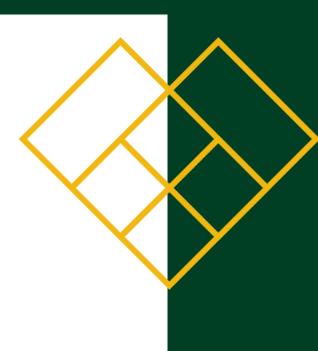
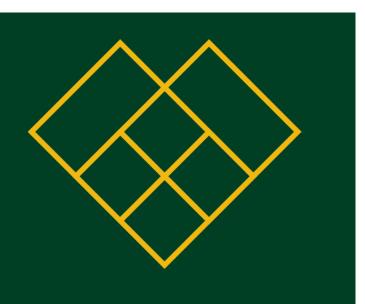


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Introduction

The Brundtland Commission defined sustainability as meeting the needs of the present without compromising the ability of future generations to meet their own needs. In the context of Igne being sustainable, it means that our operations and services are environmentally friendly, socially responsible, and economically viable to ensure longterm success and well-being for both current and future stakeholders.

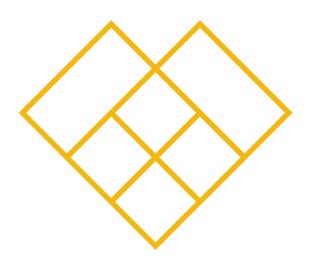
We have disclosed details of our carbon accounting in our ESG report for the calendar year ending 2023, and baseline data is reported from FY2022. <u>igne-esg-report-2023.pdf</u>

This reduction plan identifies our most significant ESG issues and it contains plans for our future net zero roadmap. Igne Group has utilised an operational control approach and has engaged with an external consultant to provide guidance and advice on our environmental data to ensure we report to corporate standards for greenhouse gas (GHG) reporting.

Igne Group has formed a centralised sustainability team that provides overarching support to all Igne companies to advise and guide our sustainability strategy, including decarbonisation, and have a network of individuals within each business driving the sustainability strategy through every part of the organisation.

Looking ahead to the next five or ten years and beyond, there are uncertainties. On this journey, it will be necessary to stop regularly, evaluate our progress, and consider our previous approach to ensure we are on track for the targets we are aiming for.

Decarbonisation requires significant collaboration. It's crucial that our customers, clients and supply chain consider their own impacts and influence they hold with their staff and wider stakeholders.

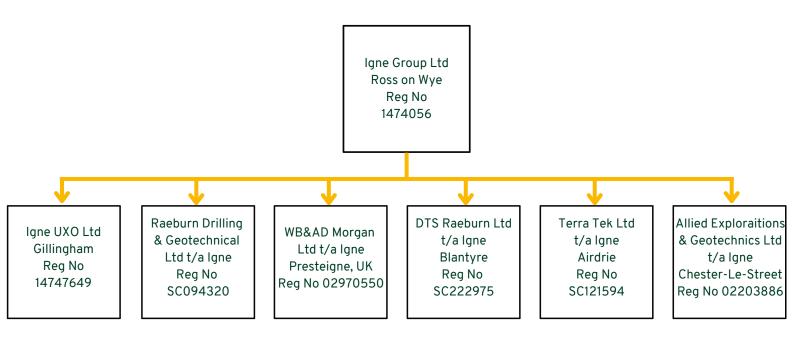


2. Our Chosen UNSDGs

Igne has chosen to benchmark against UNSDGs 5, 8, 12 & 13. These have particular relevance to our ESG strategy and carbon reduction plan. For more in depth detail refer to <u>igne-esg-report-2023.pdf</u>



3. Organisational Stucture



04 Roles & Responsibilities

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The CEO has overall responsibility for ESG governance and is accountable for its overall effectiveness. The CEO has initiated and fully supports the vision and strategic direction for the continued sustainability of the business.

ESG and Regulatory Risk Director

The ESG and Regulatory Risk Director is the business lead for sustainability and compliance areas and ensures implementation and the continual improvement of sustainability strategy and practices, and measurement of its effectiveness across Igne Group

Local Sustainability Ambassadors

Sustainability ambassadors include our QSHE managers and local representatives who are responsible for promoting best practice and acting as role models in their respective business units

All Staff

All directors, managers and other employees shall fully support all the policies and objectives for sustainable performance. Igne Group's management shall endeavour always to create an environment where our people are fully involved and in which our Carbon Reduction Strategy and policy can operate effectively.

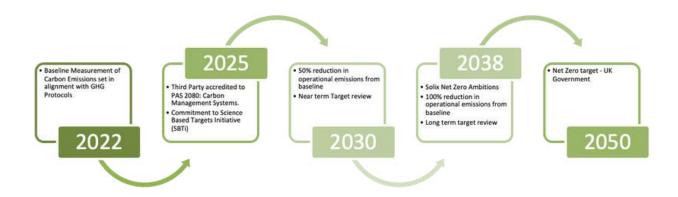


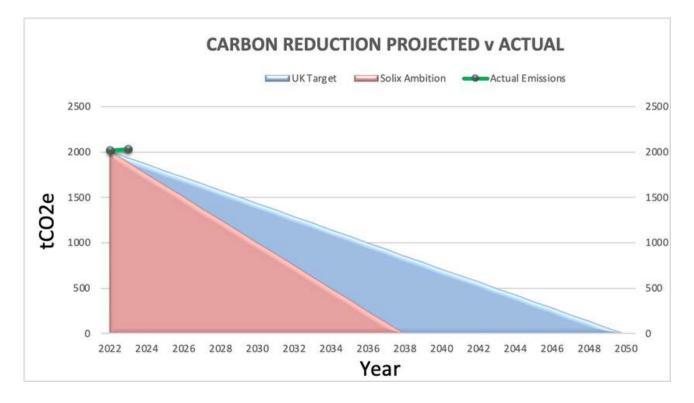
CEO

5. Carbon Reduction Timeline

Igne has set ambitions to be net zero by 2050 in alignment with UK Government targets. Igne has committed to further ambitions which will reduce its operational carbon footprint and ensure that out trajectory to net zero is monitored effectively.

The trajectory to net zero can be seen below:





Igne recognises that reducing our carbon impact is a critical and urgent issue that requires collective effort. As part of our commitment to the environment, Igne has developed a timeline for net zero which is achievable and realistic.

6. Reporting Scope

As part of our carbon reduction strategy, we will ensure that our carbon impacts are identified in line with GHG Protocol reporting requirements and our future commitment to the Science Based Targets Initiative (SBTi). Igne has already selected its temporal and organisational boundaries, which will be third-party audited to ensure accuracy and transparency.

Igne Group set its baseline as FY2022 and, since then, has provided comprehensive data and presented it back to all our stakeholders via our ESG reporting. Our direct emissions inventory includes all GHG scope 1 & 2 emissions and pre-screening our carbon arising from select scope 3 emissions;

Scope 1

- Transportation Fuel
- Natural Gas
- Oils & Lubricants
- Site Plant and Equipment Fuel Usage
- Welfare Facilities & Generator Usage

Scope 2

· Indirect Emissions from Grid Electricity

Scope 3

- · Staff transport in non-company-owned vehicles, air travel and rail travel
- Third-party procured fuels and energy (including well-to-tank impacts)
- Hotel stays
- Water use
- Waste arising from our operations
- Well-to-tank emissions arising from all scope 1 & scope 2 emissions sources

For scope 2 emissions accounting we have chosen to report 'Absolute Emissions' from our electricity use using the location-based methodology. We feel this is the most appropriate way to account for this emissions source.

In addition, it is recognised that biofuels and bioenergy are beginning to play a role in decarbonising our business and, indeed, the sector at large. We have chosen to disclose the GHG protocol defined as 'out of scope' emissions associated with the use of biogenic emissions. However, as these are not deemed a net contributor to global carbon emissions, they are not included in Igne's total net emissions.

Igne is in the process of identifying a sub-set of scope 3 emissions and not the full scope 3 inventory due to relevance to the application within our business.

Reporting Scope Cont'd

Standards and Methodology

As part of the Solix Group, we will be following the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD) standards for ESG reporting. Forming part of this report will be our carbon emissions reporting, where we will report to GHG Protocol - Corporate Standards. This will ensure our GHG inventory represents a true and fair account of our emissions through the use of standardised approaches and principles. Our conversion factors used to calculate the emissions are based on the use of primary data where available and the application of UK Government DEFRA conversion factors.

Recalculation Policy

Recalculation of the baseline accounts will be undertaken under the following circumstances:

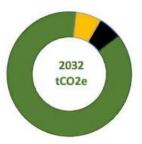
- Re-calculation due to structural changes
- Re-calculation due to changes in the calculation methods (scope 3)

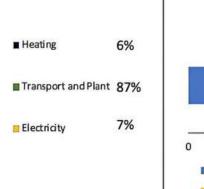


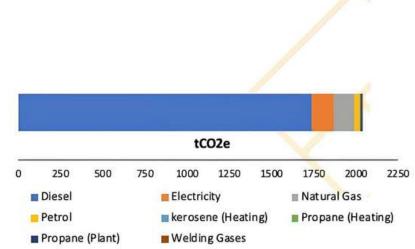
7. Data Reporting

The tables and charts below provide a summary of our carbon emissions in comparison to baseline and by intensity.

	Baseline Emissions 2022		2023 Re	eporting	Variance	
Emissions scope	tCO2e	tCO2e /person	tCO2e	tCO2e /person	Absolute	Intensity
Scope 1	1849.07	6.53	1900.48	6.78	+2.7%	+3.8%
Scope 2	169.70	0.60	132.34	0.47	-22%	-22%
Total S1 & S2	2018.76	7.13	2032.82	7.26	+0.7%	+1.8%
Out of scope	_	_	115.96	0.41	-	-







2023 EMISSIONS SOURCES REPORTING

8. Emissions Inventory

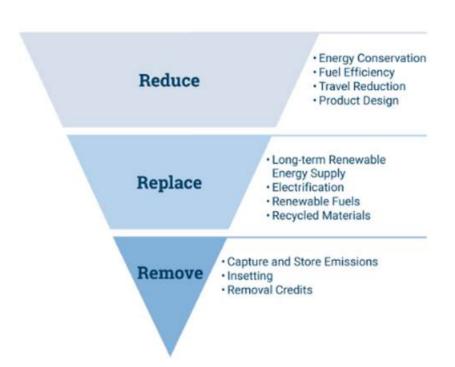
Emissions inventory item	Unit of measure	Carbon conversion factor source	Primary data source	Data type	Data Uncertainty	Emissions Scope	Comments
Liquid fuels; Gas Oil, HVO, Diesel, Petrol, LPG, Natural Gas	Litres	DEFRA Factors	Invoices and Accounts	Measured	Low	1	Liquid fuels are supplied via preferred suppliers from monthly fuel purchased basis. This covers direct purchases only.
Business travel in company vehicles	Miles	Actual vehicle CO2 emissions	Company expense returns	Measured	Low	1	Calculations from expenses based on the total distance travelled multiplied by the average carbon emission factors of our fleet vehicles as given by the manufacturer.
Electricity	kWh	DEFRA Factors	Energy supplier transaction reports	Measured	Low	2	Electricity data is obtained from our electricity providers energy reports on a monthly basis.
Waste	Tonnes	DEFRA Factors	Project level submissions via applications	Measured	Low	3	Waste transactions are captured at site level where data is entered in to the appropriate application for each company.
Employee commuting in private vehicles	Miles	Actual vehicle CO2 emissions	HR database	Calculated	Med	3	Staff transport in private vehicles is calculated by the total distance travelled multiplied by the average carbon emission factors of privately owned vehicles as given by the manufacturer.
Staff transport via air, rail and sea	Miles	DEFRA Factors	Company travel providers database	Measured	Low	3	Data from employees using rail, air or sea travel. Reports are collected every month with additional data coming from our expenses system.
Hotel accommodation	Number of rooms	DEFRA Factors	Invoices and Accommodation receipts	Measured	Low	3	The number of nights in hotels is reported each month from invoices and expenses.
WTT emissions associated with Scope 1 & 2 emissions	As per emissions source	DEFRA Factors	Calculation applied to primary data	Measured	Low	3	WTT emissions are calculated against our measured scope 1 & 2 emissions sources using the DEFRA conversation factors.
Water	m3	DEFRA Factors	Meter readings and site records	Measured	Med	3	Water usage at fixed premises and water used for welfare facilities at temporary sites.
Biogenic emissions	Litres	DEFRA Factors	Supplier transaction reports	Measured	Low	'Out of scopes'	Biogenic emissions from the use of biofuels are disclosed but not deemed a net contribution to GHG emissions as per the definition given in the GHG protocol.

9. Our Approach to Carbon Reduction

Scope 1 Emissions

Igne's emissions are significantly contributable to transportation and mobile plant and this accounts for 87% of our overall reported emissions. Our commercial, HGV and plant fleets are essential to our service and we are already in the process of decarbonising our company car fleet across all businesses.

To reduce our carbon footprint from our fleet operations, we will use the GHG Hierarchy of Reduction:



GHG Hierarchy of Reduction

Stage - 1 Avoid: Ignes's first principle will be to avoid increasing our carbon footprint by identifying activities that can be stopped without any adverse effect on the business.

Stage 2 – Reduce: Igne aims to reduce our carbon emissions by reviewing our overall fleet coverage and identifying where reductions can be made. These considerations will be based on cost-effectiveness and viability. The following approaches should be considered:

- Reducing the overall fleet size by sharing vehicles and car pooling
- Reducing mileage by promoting overnight stays where practical and cost-effective
- Reducing fuel consumption through driver training and better driving techniques
- Reducing emissions by ensuring that fleet vehicles are subject to regular maintenance checks

Stage 3 – Replace: Igne has already begun to prioritise the replacement of existing company vehicles with EV and hybrid alternatives. Consideration should be given to further actions:

- Replace all vehicles which are not Euro 6 compliant with modern plant and vehicles
- Replace ICB with hybrid or EV commercial vehicles
- Replace fossil fuels with green alternatives (HVO or Hydrogen)

Stage 4 – Remove: Residual emissions which have a low impact on the overall carbon footprint can be removed by offsetting. However, this would only be considered after evaluation of carbon footprint reduction strategies has been conducted and direct action is taken to reduce our major emission sources.

Innovations and Future Considerations: Igne will explore innovative solutions for environmental challenges. This can include the development of new technologies or practices to minimise environmental impacts associated with our premises and projects or to minimise the environmental impacts of our operations.

Enhancement of the Natural Environment: To ensure the impact on habitat species and biodiversity is minimised, Igne will take into consideration alternative methods of site survey and site assessment.

Sustainable Supply Chain: Igne recognises the importance of collaborating with suppliers who share our commitment to sustainability. We will actively engage with our supply chain partners' sources. By integrating sustainability criteria into our procurement processes, we can promote responsible business practices throughout the supply chain. Igne will endeavour to maximise the influence of our stakeholders to protect the environment and improve the environment for all.

Stakeholder Engagement: Igne will actively engage with our stakeholders, including employees, clients, suppliers, and local communities, to raise awareness about climate change and encourage their participation in sustainable practices.

Igne will use its in-house expertise in environmental management and consultancy to provide technical support and advice for projects. This can include conducting environmental assessments, compliance monitoring, and providing guidance on best practices.

10. Monitoring & Reporting

Igne will report our carbon performance as part of our annual ESG reporting requirements in line with ESRS and CSRD standards. This will ensure that our data is accurate and validated.

All data will be validated through direct measurement and accounting. Where calculations are required to estimate carbon levels, the methodology will be declared. Examples of measurement can be seen in our Emissions Inventory.

11. Declaration

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for carbon reduction plans. This plan applies to Igne Group including all of its subsidiaries

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.

This Carbon Reduction Plan has been reviewed and signed off by the Executive Directors of Igne Group Ltd and will be reviewed annually.

Signed on behalf of Igne Group Ltd

ESG and Regulatory Risk Director

12. References

<u>igne-esg-report-2023.pdf</u>

Ambitious corporate climate action - Science Based Targets Initiative

SBTi Corporate Net-Zero Standard V1.2 (sciencebasedtargets.org)

https://ghgprotocol.org/corporate-standard

https://ghgprotocol.org/standards/scope-3-

Greenhouse gas reporting: conversion factors 2024 - GOV.UK (www.gov.uk)