

CARBON REDUCTION PLAN

March 2024.

McGee is committed to achieving Net Zero emissions by 2040.

We have continued to evolve over our rich 65-year history. We have come a long way in that time, and particularly in the past ten years. In 2011, our carbon intensity was ~150tCO₂e/£m of turnover; today, it's ~35tCO₂e/£m.

Baseline emissions are a record of the greenhouse gases emitted in our financial year 2020. Our progress will be measured from this point. We have implemented many carbon-reducing strategies, such as converting some of our plant and haulage fleet to electric and hybrid.

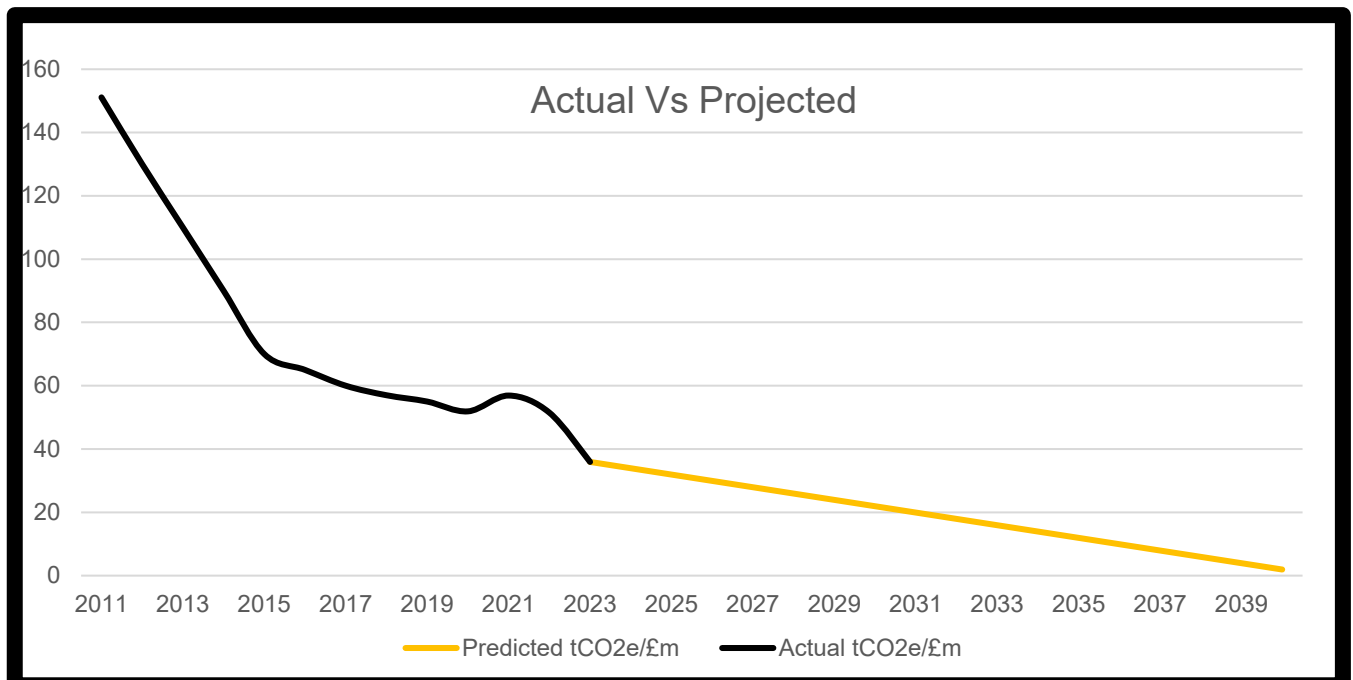
Our Emissions.

Emissions source	Baseline yr 2020 tCO ₂	% Share	Latest reporting yr 2023 tCO ₂	% Share
Scope 1	3,938	97%	4,198	96%
Scope 2	110	3%	155	4%
Scope 3	21	<1%	37	<1%
Total emissions (tCO ₂ e)	4,069		4,390	

Scope 1: Company-operated transport and fuel usage. Scope 2: Electricity. Scope 3: Losses from electricity distribution and transmission, private vehicles used for business travel. This only includes emissions reportable under SECR and may not reflect the entire carbon footprint of the organisation.

Emissions Reduction Targets.

We are projecting that our carbon emissions will decrease over the next five years by 25%, when compared to the baseline.



Annual Commentaries.

2021.

This year's emissions increased due to one specific civil engineering contract. We were employed to provide power to the site through diesel fuelled generators. Although we were not the end user of the power, it does come under our Scope 1 emissions, as we were the ones turning on the generators. The journey to Net Zero is a learning experience, and we have now been able to adapt our policies to ensure we seek an alternative fuel in future.

2022.

Our emissions intensity dropped to a more sustainable level, in line with our linear projection to Net Zero. Our intensity dropped by 5.39tCO₂e/£m.

This year we retrofitted a piling rig and 2 Bobcats to Stage V emissions rating. We retired three machines, and added two medium-weight machines and six small machines to our growing fleet; all with the latest engine technology and anti-idling devices fitted. We work hard with our partners to seek out and find best for project equipment; this has been proven by the addition of our electric demolition equipment in FY 2020/21.

2023.

Continued investment in our fleet, has enabled us to increase our capacity to deliver work more efficiently. The result is improved fuel economy, and a reduction in our emissions.

While we have seen a slight reduction in our emissions, the increase in our turnover has impacted our emission intensity.

As a specialist engineering contractor, we continually seek to provide value to our clients. Focussed on driving meaningful change in the industry, we are committed to finding innovative solutions that enable more sustainable projects both in design and operation.

Carbon Reduction Initiatives

At McGee, we are committed to improving the efficiency of our business with new technology and investment.

Our data collection processes are aligned to PAS2080. Our Carbon calculations will be reviewed independently by an accredited external third party to ensure our techniques and approaches are scrutinised prior to publishing.

We continue to invest heavily in technology, including the development of McGee Apps, which has contributed immensely to our Transport division. Route planning and real time tracking of our vehicles allows us to ensure our fleet are running on optimum routes based on traffic and site logistics, and to avoid idling, reducing our inefficiencies traditionally experienced without the use of technology.

We have completed ESOS Assessments and Reports for the Group, and we are working through each of the proposed initiatives and ideas to reduce our emissions and improve energy efficiency.

Environmental & Sustainability Champions are allocated at our Head Office and yard location acting as a point of contact to drive our core business objectives forward. Through our links with the Supply Chain School of Sustainability with whom we are Silver Members we provide a range of Internal and External CPD opportunities for staff to improve knowledge of Sustainability issues and Energy performance and drive innovation in these areas.

Additional Information.

The McGee Board of Directors continue to support energy and emissions saving initiatives on our projects. Our commitment to Net Zero by 2040 remains a key milestone. We are awaiting industry guidance and methodologies from the Science Based Target Initiative (SBTi) to derive key short-term targets.

Our permanent sites continue to be supplied by renewable energy tariffs. Our Head Office heating and cooling systems are operated through our online portal, enabling us to adjust as required. All of our offices operate LED lighting.

Our computer monitors are turned off at night and laptops configured to sleep after 15 minutes of inactivity.

This year we have taken control of some of our small power electrical infrastructure onsite to give us greater control over the fixtures and fittings, thus our direct electricity consumptions.

Fleet.

McGee directly delivers haulage activities as part of its daily operations. As such, we have a large fleet of HGV Vehicles, all Euro Stage 6 compliant. Euro Stage 6 means that a selective catalytic reduction system is in operation, this results in ammonia-based treatment of fumes before expulsion from the exhaust. This treatment reduces the amount of nitrogen oxide, a Greenhouse Gas emitted by the vehicle. Euro Stage 6 engines are also more fuel efficient, resulting in an overall reduction in emissions.

All our road-based vehicles are tracked using GeoWeb. This system allows dynamic vehicle routing to avoid congestion. This has the added benefit of minimising time in slow moving traffic which improves fuel efficiency.

Our HGV tipper lorries have been fitted with a tyre pressure management system. This addition to our operating systems has improved our fuel economy and reduced wear on our tyres, which will affect our indirect emissions from purchased tyres.

Our commercial vehicles including LGV's and vans like the rest of our plant and haulage are Euro 6 or Electric.

This year we achieved our 9th consecutive FORS Gold Accreditation showcasing unwavering commitment to excellence in fleet management and road safety. As part of this we conduct CPD sessions for our drivers and operators, with modules around fuel economy and much more. We are also CLOCS Accredited, as a result of all our vehicles complying with DVS regulations.

100% of our plant and fleet, including our piling rigs are compliant with NRMM (Stage V) regulations. Our owned medium and heavy weight NRMM have live telematics that are monitored to identify opportunities to further improve fuel efficiency.

This year we have continued to invest in our plant. We continue to seek out electric machinery to add to our fleet where it is operationally effective.

Electricity on Site.

During the year our Temporary Site Services team installed small power electrical supplies on our sites to reduce our direct energy consumption. This gives us greater control over the fixtures and fittings that directly impact electricity consumption. We now include metering to all temporary electric circuits enabling us to balance loads and gather data to appropriately size future site power loads. This will enable us to procure correct size generators avoiding over supply issues.

We have installed hybrid power solutions at two of our sites, which are run off generators prior to the installation of the Temporary Buildings Supply (TBS). These are conversion units and batteries, which are fed from oversupply of power from the generators. Over the course of a 28 period this can save up to 8.48tCO₂e and 32.09tCO₂e, for a 40kVA and 200kVA generator respectively.

These batteries power the site hoarding lights and CCTV and enable the odd generator free day.

We now install intelligent site lighting systems with inbuilt PIR's. This means that after a period of no movement under the sensors the lights turn off. When comparing a 24hours a day, 7 days a week system, we can reduce our emissions from 9.0tCO₂e per year to 3.7tCO₂e per year (based on 100 fittings).

Training.

The Carbon Forum is carried out monthly within both the Pre-Construction and Construction Engineering team, and we have delivered 8 industry leading lectures on Carbon and Sustainability. We continue to be silver members of the Sustainability Supply Chain School, and all our staff can access the online portal for continuous learning.

Our environmental advisors continue to provide the role of sustainability champions, to verify data capture and help to drive more sustainable outcomes. They collaborate with the design teams and project teams to ensure transparency across the supply chain and construction process to drive down project emissions. Our team are all registered with IEMA and are at various levels of the membership. SEATS environmental training also remains part of the syllabus.

Our haulage drivers have attended sustainable and economical driving courses hosted by LoCITY (FORS Accredited).

Energy Auditing.

We have received our ESOS Phase Report, and completed our haulage efficiency appraisal giving us third party insight into how we can continually improve.

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 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



Group Managing Director