# Carbon Reduction Plan

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At Ideal Building Systems, we are deeply committed to leading the charge in decarbonising our economy. We fully acknowledge the critical importance of addressing climate change and the urgent need to take action. Every step we take is guided by the goal of creating a greener, more sustainable future. We are dedicated to integrating innovative, eco-friendly practices into our operations and building processes, ensuring that we contribute positively to the environment and help drive the global transition to a low-carbon economy.

## Commitment to achieving Net Zero

Ideal Building Systems Limited is committed to achieving Net Zero emissions by 2050.

## Context

### Why measure greenhouse gas emissions?

Greenhouse gas (GHG) emissions assessments quantify the total GHGs produced directly and indirectly from a business' or organisation's activities. GHG assessments may also be conducted for products or services. Colloquially known as a "carbon footprint," a GHG assessment is an essential tool in the process of monitoring and reducing an organisation's climate change impact as it allows reduction targets to be set and action plans formulated.

GHG assessment results can also allow organisations to be transparent about their climate change impacts through reporting of GHG emissions to customers, shareholders, employees, and other stakeholders. Regular assessments allow clients to track their progress in achieving reductions over time and provide evidence to support green claims in external marketing initiatives such as product labelling or Corporate Social Responsibility (CSR) reporting.

### Calculating emissions

GHG assessments require two types of data: activity data and emission factors. Activity data is typically supplied by the reporting organisation and represents a level of activity (such as kilowatt-hours of electricity consumed, or litres of fuel combusted) reflecting the organisation's climate impact. GHG emissions estimates are then quantified from the activity data by applying the most relevant emission factor(s) from reputable sources.

An emission factor is a representative value that relates the quantity of a pollutant released to the atmosphere with an activity associated with the release of that pollutant. Factors are typically available from government publications, independent agencies, and scientific research journals; however, the quality and accuracy of factors can vary. Factors can differ depending on the research body and/or underlying methodologies applied. It is therefore good practice to apply factors from reputable sources, such as the UK's Defra.

### Reporting standards

GHG assessments are generally conducted in accordance with one of two recognised standards for accounting and reporting corporate GHG emissions. The best-known is the *"Greenhouse Gas Protocol Corporate Accounting and Reporting Standard"* (WRI and WBCSD, 2004) developed in a partnership of the World Business Council for Sustainable Development (WBCSD) and the World Resource Institute (WRI).
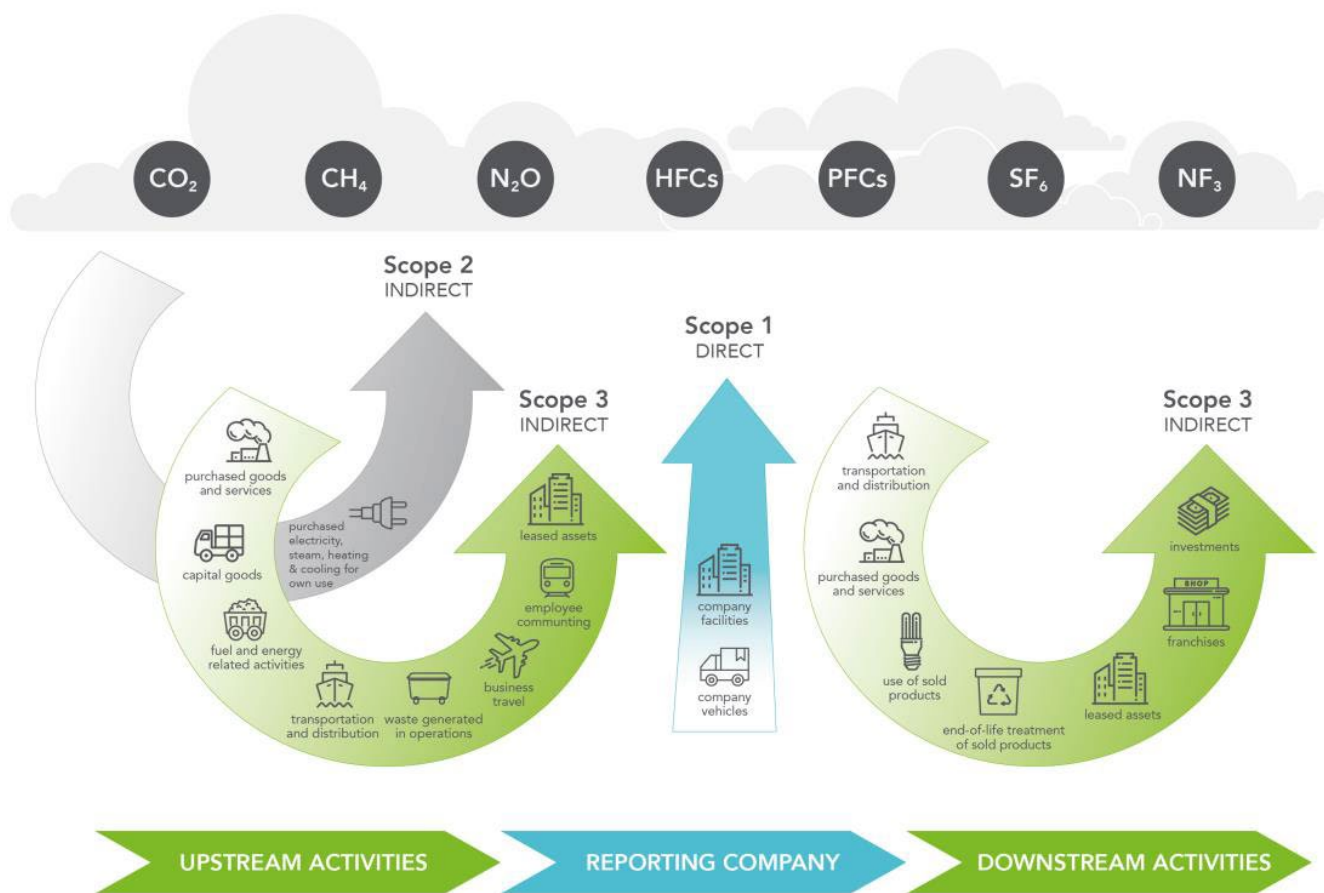
*Image: Nature Positive 2023*

## Baseline Emissions Footprint

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 reduction can be measured.

GHG emissions were quantified by applying the most relevant emission factors to activity data. GHG emission factors relating to the 2023 reporting year are predominantly sourced from the 2023 *UK Government GHG Conversion Factors for Company Reporting* (July 2023).

**Baseline Year: 2022**

**Additional Details relating to the Baseline Emissions calculations.**

The 2022 calendar year represents the first carbon footprint assessment undertaken by Ideal Building Systems, it covers all applicable sources as required by PPN 06/21 and has been conducted inline with the Greenhouse Gas Protocol Corporate Standard

**Baseline year emissions:**

| EMISSIONS | TOTAL (tCO$_2$e) | |
|---|---|---|
| **Scope 1** | | 91 |
| **Scope 2** | **Location based** | 48 |
| | **Market based** | 32 |
| **Scope 3** (includes emissions from upstream and downstream transport and distribution, waste, business travel and employee commuting) | | 1,174 |
| **Total Emissions** (Market based) | | **1,297** |

**2023**

Additional Details relating to the Emissions calculations.

Emissions from Purchased Goods and Services accounts for over 90% of Ideal Building Systems total emissions. Over the period of 2023, Ideal Building System accounted for 4,451.09 t/CO2e. This is based on the Environmentally extended input – output methodology of converting spend to emissions.

*Methodology differs in 2022 due to different service provider. *

| EMISSIONS | TOTAL (tCO$_2$e) |
|---|---|
| Scope 1 | 76.41 |
| Scope 2 | 0 |
| Scope 3 (includes emissions from upstream and downstream transport and distribution, waste, business travel and employee commuting) | 4,561.73 |

Ideal Building systems commits to achieving Net Zero by 2040 for direct emissions arising from scope 1 and 2 emissions and the scope 3 emission sources of energy well to tank, business travel, waste and water. Ideal building Systems has an ambition to reach an 80% reduction in these emissions by 2032.

For the complete PPN 06/21 boundary including all scope 3 emission sources, Ideal Building Systems commits to achieving Net Zero by 2050.

To continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets for our direct emissions which align with those of the NHS

## PPN 06/21 EMISSIONS - CARBON REDUCTION TARGET
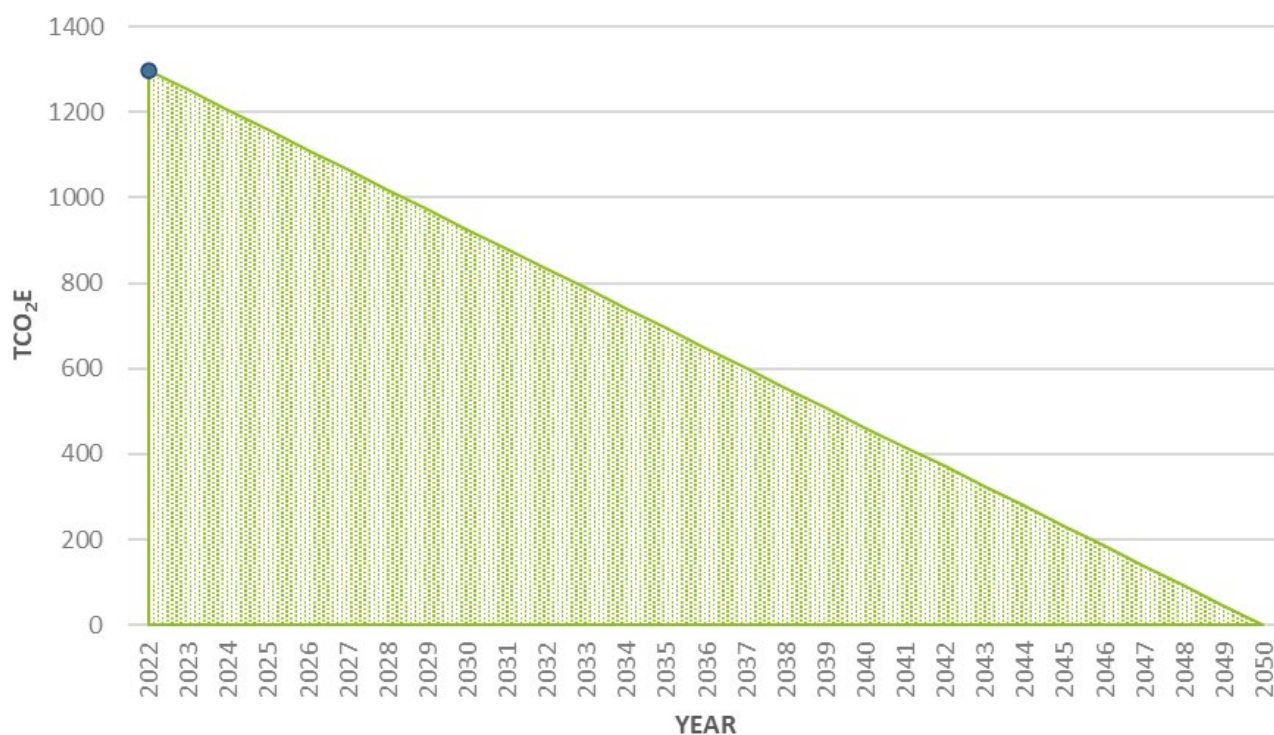


*Net zero reduction target for PPN 06/21*

## Carbon Reduction Projects completed

We have successfully implemented several initiatives aimed at reducing our carbon footprint and enhancing sustainability within our operations. These projects include:

- Transition to Electric Forklifts: We replaced two diesel-powered forklifts with electric alternatives, reducing our reliance on fossil fuels and lowering emissions associated with material handling operations.

- Employee Electric Vehicle (EV) Scheme: We introduced an EV scheme to encourage employees to transition to electric vehicles, promoting sustainable commuting options and reducing overall transportation emissions.

- Cycle-to-Work Scheme: To further support green commuting, we launched a cycle-to-work program, enabling employees to purchase bicycles through a tax-efficient scheme. This initiative encourages active travel, decreases dependence on motor vehicles, and helps reduce emissions.

- Renewable Energy Procurement: We have committed to sourcing electricity from renewable energy suppliers, ensuring that a greater portion of our energy consumption is derived from sustainable sources, thereby lowering our Scope 2 emissions.

- Cloud-Based HR Information System (HRIS) Implementation: The adoption of a cloud-based HRIS has streamlined administrative processes, reducing the need for paper-based documentation and improving operational efficiency.

- Improved Data Accuracy & Sustainability Tracking: We are in the process of selecting a new system provider to enhance data accuracy, improve reporting capabilities, and enable better tracking of sustainability metrics, ensuring informed decision-making for future carbon reduction initiatives.



Sustainability Initiatives and Carbon Footprint Reduction
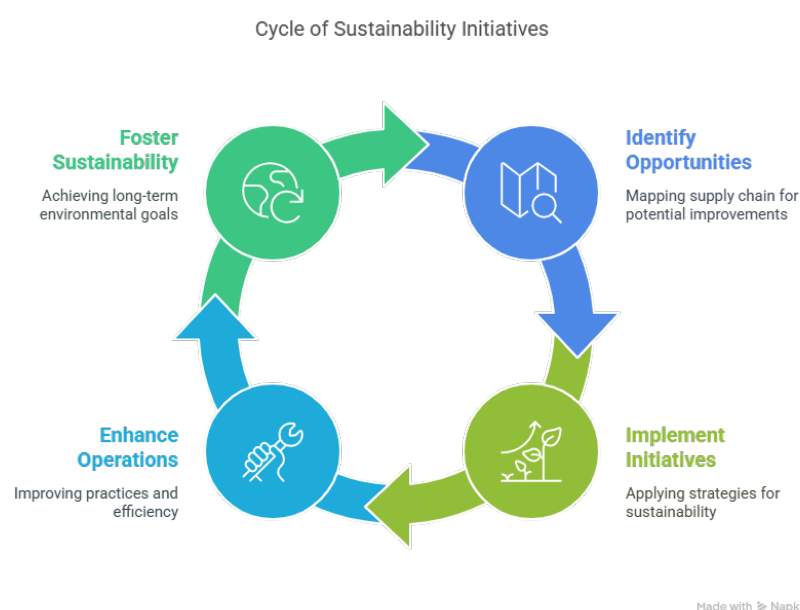
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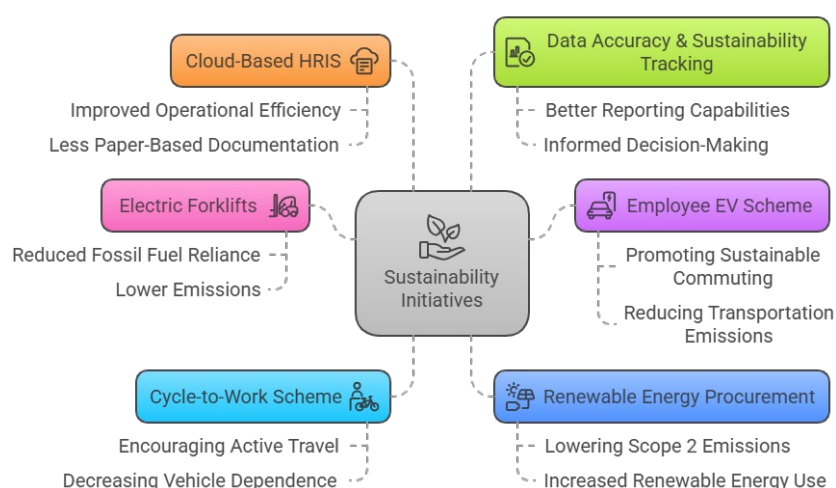
## Carbon Reduction Projects

This report presents 2023 emissions for Ideal Building System as such the 2024 report will quantify any carbon reduction initiatives undertaken to reduce emissions from this baseline year.

In the future, we aim to implement additional sustainability initiatives, including:

- **Transition to Electric Forklifts**: Where feasible, we plan to replace the remaining diesel-powered forklifts with electric alternatives. This shift will help reduce our diesel consumption and lower overall emissions.
- **Sustainable Vehicle Fleet**: As company-owned vehicle contracts come to an end, we will prioritise replacing internal combustion engine (ICE) vehicles with hybrid or fully electric alternatives wherever practicable. This transition will contribute to a reduction in our Scope 1 emissions.
- **Enhanced Digital Processes**: We will expand the use of electronic administrative processes to minimise paper consumption, thereby reducing both purchasing and printing requirements.
- **Use of Hydrotreated Vegetable Oil (HVO)**: We will explore the procurement of HVO as a fuel alternative for our yard vehicles, further reducing our Scope 1 emissions.
- **Renewable Energy Feasibility Study**: We will assess the viability of installing solar and wind energy generation systems within our factory premises to enhance energy sustainability.
- **Supply Chain Optimisation**: We will conduct supply chain mapping to identify opportunities for efficiency improvements, sustainability enhancements, and emissions reduction.

Cycle of Sustainability Initiatives

**Foster Sustainability**
Achieving long-term environmental goals

**Identify Opportunities**
Mapping supply chain for potential improvements

**Enhance Operations**
Improving practices and efficiency

**Implement Initiatives**
Applying strategies for sustainability

Made with Napkin

These initiatives reflect our commitment to reducing our environmental footprint while promoting operational sustainability

## 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[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

13 April 2024

Paul Coates
Managing Director

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[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