Public Procurement Note 06/21

Curtins' Baseline Report to PPN 06/21 Compliance

Revision: P02
Issue Date: 29 November 2024

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Rev	Description	Issued by	Checked	Date
P01	Baseline Issue	NMc	PM	20 November 2023
P02	Yearly update capturing carbon information relating to 2023 data	PM	PB	29 November 2024

This report has been prepared for the compliance of Public Procurement Note 06/21.

Author	Signature	Date
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Reviewed	Signature	Date
Paul Menzies BEng *(Hons)* CEng FIStructE Board Director		22 November 2023

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Executive Summary

In 2021 the UK Government published an important Public Procurement Note (PPN 06/21) stating that, by 30th September 2021, every entity bidding on UK Public Contracts worth £5 million or more will be required to measure their carbon footprint and have a Net Zero target for 2050 in place. PPN 06/21 enables the UK Government to assess if a bidder has taken steps to understand their environmental impact and carbon footprint relevant to the delivery of the contract. Failing to comply with this legislation means the business will be excluded from the bidding process *(PPN 06/21).*

The purpose of PPN 06/21 is to support the UK Government's 2050 Net Zero goals of which decarbonising the public sector is a strategic pillar. The UK government wants to determine that all businesses delivering high value public sector contracts have included sustainability as part of their business operations. It therefore asks businesses to measure their Scope 1, 2 and 3 (partial) carbon emissions annually and demonstrate that they have a carbon reduction plan in place that aligns with the government's 2050 Net Zero goals *(PPN 06/21).*

PPN 06/21 Compliance Process:

1. **Measure Emissions –** Scope 1,2 & 3 emissions.

   Table 1 - Emissions Categories Corporate Value Chain Scope 3 Standard

GHG Scope	Emissions Sources
Scope 1	Direct emissions resulting from sources that are owned and controlled by Curtins – such as gas usage and company owned vehicles.
Scope 2	Indirect emissions from purchase of electricity
Scope 3 (subset to PPN 06/21 requirement)	Indirect emissions from other sources not included in Scope 1 and 2 such as Waste Business Travel Employee Commuting Upstream and Downstream transport and distribution

2. **Reduce Emissions –** through setting reduction targets that allow progress each year to achieve 'Net Zero' for 2050.

3. **Report Emissions –** detailing past, current or future carbon reduction projects and sharing details of our process onto our website.

For more information on PPN 06/21, please see link to guidance by the Cabinet Office:

Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts - GOV.UK (www.gov.uk)

This report sets out a Net Zero roadmap, detailing the strategies we have put in place to achieve PPN 06/21.

As a business, public sector jobs are a large proportion of our work at Curtins. We therefore recognise the importance of a commitment to achieving PPN 06/21 and Net Zero.

Introduction

"Our PPN Compliance Report, produced alongside our external sustainability consultant, is a welcome report in our journey of meticulously understanding our carbon impact as a business and our direction of travel. We have identified the base line of operational emissions for Curtins, which is hugely significant as it further informs our goal of setting clear, realistic, and achievable reduction targets and we have improved our recording as we progress our reduction to provide us with better data and insight. Whilst our project design emissions remain the greatest opportunity for reduction, we will continually consider how we run our business on a day-to-day basis, and where we can make changes to support a more sustainable outcome. The insights and recommendations included in this report are comprehensive and informative and have provided us with a springboard to commit to doing things differently – more sustainably – going forward."

Rob Melling CEO

Figure 1 - Rob Melling CEO

Corporate Responsibility and Accountability

We foster a culture in which our people have a positive impact on our communities. We are engaged with several national bodies through committee membership and technical leadership these include:

- Institution of Structural Engineers Climate Emergency Task Group

- Association of Consulting Engineers Net Zero Advocacy Group

- Yorkshire & Humber Climate Action Pledge

- Civil & Structural Engineers Declare

Our approach to sustainability is shaped by our people. We give them the tools, training, and support to allow them to make a personal impact to carbon reduction. Through our ICE accredited graduate training programme 'Curtins Academy', graduates complete a module on Sustainability in Construction, as well as quarterly business CPDs on a broad range of areas within Sustainability. We continually develop and improve our ISO14001 accredited policy and systems through action plans and real time management of data.

Figure 2 - Curtins Community Volunteering

We engage with our local communities, collaborate with others and work with schools, colleges, and universities to enrich the world around us and leave a lasting positive legacy. Our people continue to make an impact personally in their local environment. We enable our staff to undertake volunteering opportunities using an additional day's leave, which could include STEM activities, litter picks,

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charity clothes donations or the development of local community gardens, as examples. We encourage people to continue to recognise the impact we can have personally through our business and in our community. We have been signatories to the Social Mobility Pledge since 2019, which means that as a business, we help to guide what we feel the Government needs to do and find out how we can support their actions to improve social mobility in the UK. In 2024 we extended this approach to become a partner of the UK Coalition Group initiative 'Breaking Down Barriers' and are working with them to develop our Social Impact Report which highlights areas of success and improvements across their 16 different pillars which also focuses on sustainability impacts on social value.

Carbon Reduction Targets

In our commitment to comply with PPN 06/21 we aim to reduce our scope 1, 2 and 3 emissions to achieve net zero by 2050.

Our emissions reductions will be primarily achieved through carbon reduction projects, while **offsetting carbon emissions will only be considered in cases of unavoidable emissions**. Curtins will work with its partners to establish a yearly emission reduction target and this KPI will be integrated into our reporting system to ensure annual targets are met.

Curtins' carbon reduction plan is in accordance with the requirements for PPN 06/21:

- Confirming Curtins' commitment to achieving Net Zero by 2050 for their UK operations

- Provides Curtins' current emissions for sources including Scope 1 and 2 of the GHG Protocol, and a defined subset of Scope 3 emissions.

- Providing emissions reporting in CO_2e (Carbon Dioxide Equivalent) for the six greenhouse gases covered by the Kyoto Protocol and IPCC Carbon Reduction Roadmap.

- Setting out the environmental management measures in effect, including certification schemes or specific carbon reduction measures we have adopted, and that we will be able to apply when performing the contract and that support achieving Net Zero by 2050.

- Publication of the baseline report which includes our Carbon Reduction Plan on Curtins' website as well as our progress year on year.

Baseline Emissions

As defined by the Cabinet Office, '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.'

2022 was the first year where we had a complete GHG inventory, required for PPN 06/21 compliance. Prior to this, Curtins had not established any baselined emissions, therefore, 2022 will be the baseline reporting year. Reasonable assumptions are made in calculating the Scope 3 emissions for this period. We measure our Scope 1 and Scope 2 emissions following the GHG protocol, and we measure a subset of the Scope 3 emissions to PPN 06/21 requirement following the Corporate Value Chain Scope 3 standard.

Table 2- Baseline Year Emissions: Jan 22-Dec 22

Emissions	Total (TCO$_2$e)
Scope 1	58
Scope 2	73
Scope 3 (Including Sources)	256
Total Emissions	**387**

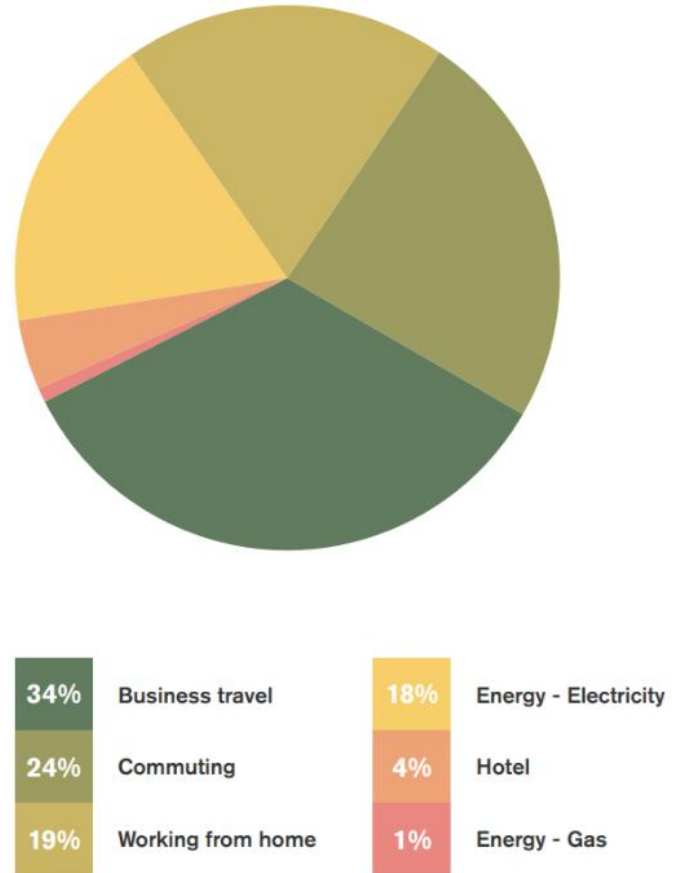|				
34%	Business travel	18%	Energy - Electricity
24%	Commuting	4%	Hotel
19%	Working from home	1%	Energy - Gas

Figure 3 - Baseline Emissions Breakdown

We recognise that due to the nature of our business operations, our baseline emissions are relatively low compared to those with a large manufacturing supply chain (approximately **1tonne per head**). We understand that much of the emissions may be unavoidable (residual emissions). However, as a business we understand the importance of reduction in all possible areas, and we are exploring a strategy to achieve 'net zero'.

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Baseline Emissions Breakdown

This section provides detailed breakdown for our emissions in each scope, which allows us to form a more detailed carbon reduction plan.

Table 3 - Scope 1 Emissions Breakdown

SCOPE 1	Total (tCO$_2$e)
Energy: Gas	7
Air con: Gas	1
Company: Leased/Owned Vehicles	50
Total Emissions: SCOPE 3	**58**

Table 4 - Scope 2 Emissions Breakdown

SCOPE 2	Total (tCO$_2$e)
Energy: Electricity	71
Electricity for EV's	2
Total Emissions: SCOPE 2	**73**

Table 5 - Scope 3 (subset) Emissions Breakdown

SCOPE 3 (subset)	Total (tCO$_2$e)
Fuel and Energy Related Activities	43
Deliveries (Upstream)	2
Waste Generated in Operations	1
Business Travel	99
Commuting and Working from Home	154
Total Emissions: SCOPE 3	**256**

Total Emissions – 387 tCO$_2$e

Intensity Ratio – 7.96 kgCO$_2$e per sq ft (based on 48,585 sq ft)

Current Emissions Reporting

2023 is our first comparison review compared to our 2022 Baseline. Below is the summary of information in respect to our reporting

Table 6- Current Year Emissions: Jan 23-Dec 23

Emissions	Total (TCO$_2$e)
Scope 1	43
Scope 2	55
Scope 3 (Including Sources)	340
Total Emissions	**438**

Current Emissions Breakdown

This section provides a detailed breakdown for our emissions in each scope for the current reporting year, which allows us to form a more detailed carbon reduction plan (with the previous year the baseline in this instance) in brackets for comparison)

Table 7 - Scope 1 Emissions Breakdown

SCOPE 1	Total (tCO$_2$e)
Energy: Gas	1.8 (7.0)
Air con: Gas	0 (1.0)
Company: Leased/Owned Vehicles	41.6 (50)
Total Emissions: SCOPE 3	**43.4 (58)**

Table 8 - Scope 2 Emissions Breakdown

SCOPE 2	Total (tCO$_2$e)
Energy: Electricity	53.1 (71.0)
Electricity for EV's	2.1 (2.0)
Total Emissions: SCOPE 2	**55.2 (73.0)**

Table 9 - Scope 3 (subset) Emissions Breakdown

SCOPE 3 (subset)	Total (tCO$_2$e)
Fuel and Energy Related Activities	27.8 (43.0)
Deliveries (Upstream)	0 (2.0)
Waste Generated in Operations	1.1 (1.0)
Business Travel	96.9 (99.0)
Commuting and Working from Home	213.9 (154.0)
Total Emissions: SCOPE 3	**281 (256.0)**

Total Emissions – 438.3 tCO$_2$e (387.0)

Intensity Ratio – 9.992kgCO$_2$e per sq ft (based on 44,170 sq ft)

Emissions Reduction Plan: Target

To achieve PPN 06/21 and continue our progress to achieving Net Zero, we have adopted carbon reduction targets as described below.

Assuming an absolute linear reduction in our emissions from our baseline year we project that carbon, emissions will decrease by 2050 to Net Zero. This is approximately a reduction of 14 tonnes per year (3.5%) until 2050.

We are currently working to establish an annual % breakdown of emission reduction that is a combination of carbon reduction projects (as detailed in this report) and carbon offsetting. We recognise the challenge of starting with low emissions from our baseline year and that a large percentage of emissions come from sources outside of our direct control.
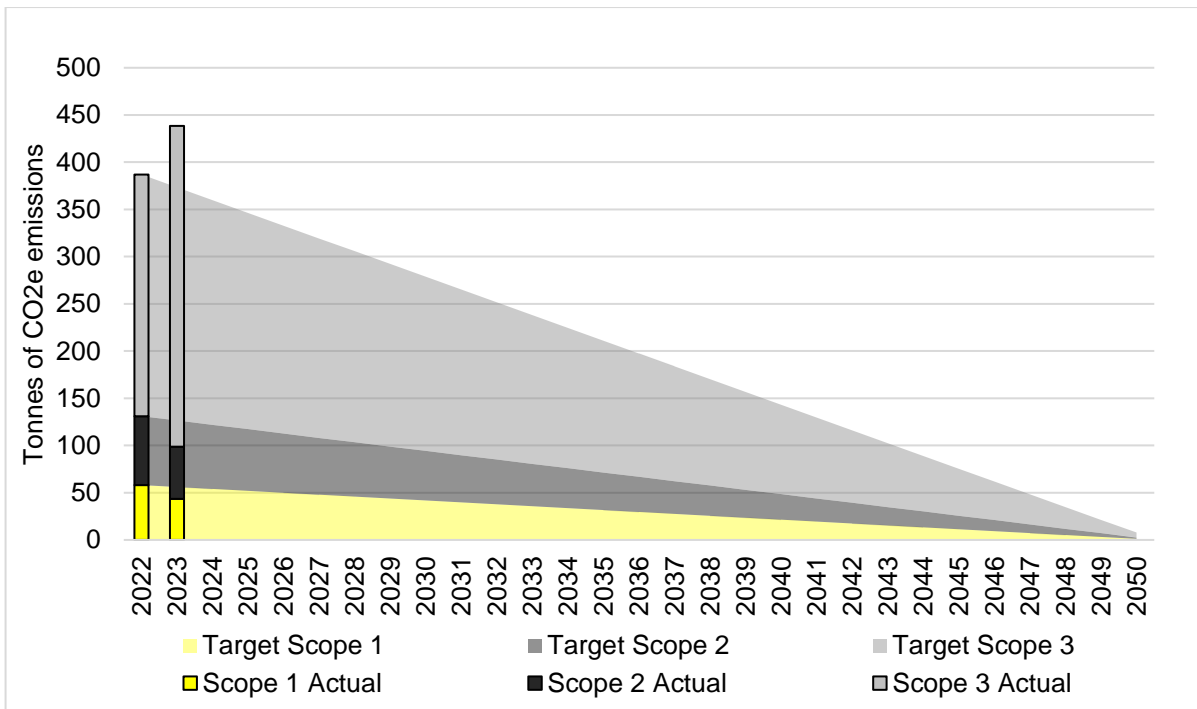

Figure 4 - Projected Emissions Reduction

These targets may change as new projects are implemented and yearly operational emission data is gathered. Prior to our baseline year, we tracked only Scope 1 and 2 emissions.

The graph above (Figure 4) depicts our projected vs targeted emissions. Starting with our emissions from the baseline year (2022), the projected bar shows our potential emissions as we introduce carbon reduction plans and offsetting.

Whilst we can see the reduction being achieved in our Scope 1 & 2 areas, our Scope 3 has increased due to an enhanced review of Scope 3 areas from our baseline with better data, and now we know the breakdown in more detail we can take for focused action

Carbon Reduction Projects

We are currently making significant progress in minimising our environmental impact, considering the scale of our baseline emissions. However, we acknowledge that certain areas, such as staff commuting and business travel in private vehicles, pose challenges in reducing our footprint due to the autonomous decisions made by our employees. Nevertheless, we remain committed to fostering a culture of sustainability within our organisation and will concentrate our efforts on encouraging our staff to make environmentally conscious choices whenever feasible. Concurrently, we are actively implementing additional carbon reduction initiatives across various areas to further diminish our overall carbon footprint.

We have calculated our scope 1, 2 and relevant scope 3 emissions and associated energy consumption for a second year in order to continue to monitor the highest emitting areas. The below table and graph shows a comparison between the categories measured as part of the PPN06/21 carbon reduction plan requirements. The main changes are as follows:

- An overall increase in total carbon emissions by 13%, with reductions in scope 1 and 2 but a 33% increase in scope 3

- Reductions in all categories aside from electricity for EVs (6% increase), waste production (9% increase), and employee commuting and homeworking (39% increase)

- Largest reductions seen in natural gas use, fugitive emissions, and upstream transportation

Emissions (tCO2e) by activity	Scope	Year end 23	Year end 22		Percentage change (%)
Electricity (purchased electricity)	2	53.1	71	↓	-25%
Natural Gas	1	1.8	7	↓	-75%
Fugitive emissions from air conditioning/refrigeration	1	0.0	1	↓	-100%
Company Vehicles	1	41.6	50	↓	-17%
Electricity for Evs/Plug-in hybrid company vehicles	2	2.1	2	↑	6%
Category 3: Fuel and Energy related activities	3	27.8	43	↓	-35%
Category 4: Upstream Transportation and Distribution	3	0.0	2	↓	-100%
Category 5: Waste Generated in Operations	3	1.1	1	↑	9%
Category 6: Business Travel	3	96.9	99	↓	-2%
Category 7: Employee Commuting (and homeworking)	3	214.0	154	↑	39%
Total Gross Carbon Emissions (tCO2e)		**438.3**	**387**	↑	**13%**
Total Gross Carbon Emissions Scope 1 (tCO2e)		**43.4**	**58**	↓	**-25%**
Total Gross Carbon Emissions Scope 2 (tCO2e)		**55.2**	**73**	↓	**-24%**
Total Gross Carbon Emissions Scope 3 (tCO2e)		**339.7**	**256**	↑	**33%**
Intensity Metric kgCO2e per sq ft		**9.9**	**8**	↑	**25%**

Year on Year Emissions Comparison
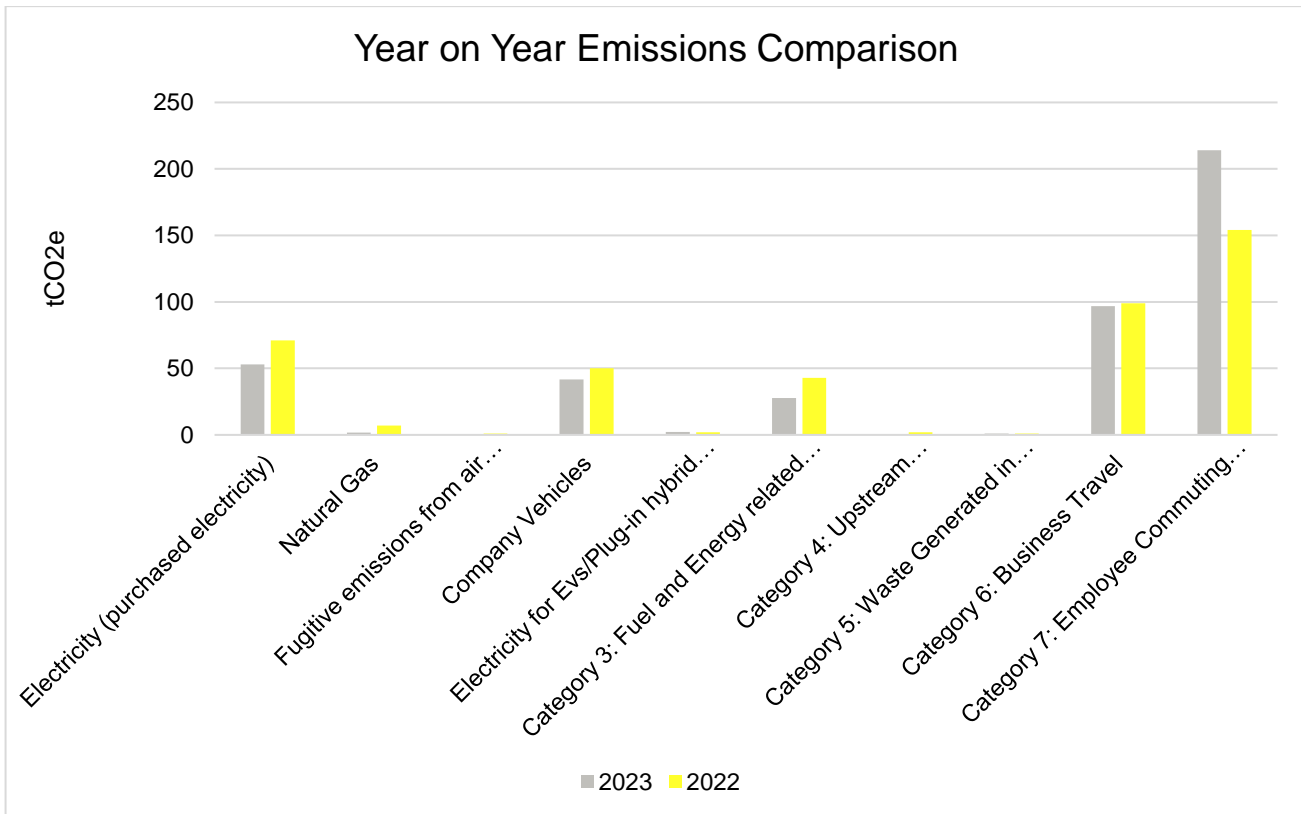
The following environmental management measures and projects have been completed or implemented since the 2022 baseline and are detailed briefly below.

*Please note as per the PPN 06/21 requirements this is for **information only. Throughout each year of data gathering the carbon reduction projects will be reviewed for their effectiveness and amount of reduction they have provided.***

Company Vehicles to EVs

We are in the process of transitioning our owned fleet to electric vehicles, which will significantly decrease carbon emissions associated with transportation. Electric vehicles produce zero tailpipe emissions, leading to improved air quality and reduced greenhouse gas emissions. In 2024/25, we will have transitioned to almost 85% of the company-owned fleet (including Board Director's company cars – see below) to EVs and petrol hybrids.

Measure of Carbon Reduction: *Yearly emissions from business travel reflect the uptake and reduction can be calculated accordingly.*

Progress: *17% reduction achieved to end of 2023*

Staff electric car scheme

Introducing an electric car scheme for staff members incentivises and supports their transition to electric vehicles. This scheme can provide financial incentives, preferential leasing options, or charging infrastructure support to staff who choose to drive electric cars. Through this, it is projected that we will reduce our carbon emissions by approximately 1.5% each year..

Measure of Carbon Reduction: predicted uptake 1.5-2.0%. Yearly emissions from business travel and staff commuting will reflect the uptake and reduction can be calculated accordingly.

Board Director's Electric Car Scheme

In addition to encouraging staff to use electric cars, we are also implementing this for our board directors. This will send a strong message of leadership and commitment to sustainability; board directors serve as role models within the organisation and their adoption of electric vehicles can inspire our people and wider stakeholders, such as our clients. By leading by example, the board of directors demonstrate the company's dedication to environmental stewardship and encourages others to follow suit. It is projected that 85% of carbon emissions from board directors' fleet will be reduced with the help of this initiative.

Measure of Carbon Reduction: Yearly emissions from business travel and commuting by board directors will reflect the uptake and reduction can be calculated accordingly.

Reducing Plastic Waste

We are all conscious of our waste generation. We have started with a simple policy of not using paper or plastic cutleries in any of our events and buffets. It will be further extended to stop wasteful usage of paper and plastics all together in hopes of conserving natural resources, mitigating plastic pollution, promoting sustainable practices, and potentially saving costs. This initiative aligns with the principles of a circular economy and reinforces the company's commitment to sustainability.

Measure of Carbon Reduction: Yearly waste data will reflect reductions in amount of waste for each office.

Other reduction schemes include a hybrid working policy, an enhanced cycle to work scheme as part of employee benefits and the introduction of company wide Sustainability Champions.

Sustainability Champions at Curtins are advocates for environmentally responsible practices, engaging employees and promoting awareness of sustainability initiatives. They facilitate knowledge sharing, idea generation, and collaboration to drive sustainability outcomes across the organisation. Champions monitor progress, collect data, and foster partnerships to enhance the company's environmental performance. By leveraging the collective expertise and enthusiasm of our people, Sustainability Champions play a crucial role in embedding sustainability into the Curtins' culture and driving positive change.

Figure 5 – Curtins' Sustainability Champions

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Future Carbon Reduction Projects

The following section discusses the potential future environmental management measures and projects that are being discussed for implementation. Please note as per the PPN 06/21 requirements this is for **information only. Throughout each year of data gathering the carbon reduction projects will be reviewed for their effectiveness and amount of reduction they have provided.**

Switching to Renewable Energy

As part of our ongoing sustainability initiatives, we are undertaking a significant measure to transition from conventional energy tariffs to green alternatives. Our strategic plan involves gradually transitioning one office per year, a process that is projected to span approximately 14 years. By implementing this comprehensive approach, we anticipate achieving a cumulative reduction of 53 tCO_2e (metric tons of carbon dioxide equivalent) across all offices. This proactive step underscores our steadfast commitment to environmental responsibility and showcases our dedication to making a tangible and lasting impact on carbon emissions.

Measure of Carbon Reduction: Yearly emissions from business energy use will be based off a new renewable tariff and GHG factor for emissions calculation.

Other future carbon reduction projects could include:

- **Low Carbon Awareness Training**

- **Energy saving measures added to offices (PIR and boiler control)**

- **Car-sharing incentive on work-related travel**

- **Promotion of cycle incentive on work-related travel**

- **Rail Travel Employee Benefits**

- **Cycle Provisions including repair kits and storage**

- **Eco-driving courses**

- **Review of IT Infrastructure**

For more information on our business carbon reduction commitments please refer to this link for our 'Curtins Carbon Impact Report – Part 1' on our website.

Carbon Offsetting

As a business we recognise that we **cannot achieve 'Net Zero' through reduction projects only** and there are unavoidable residual emissions that will require offsetting.

We are currently working with an external consultant to establish a carbon offsetting portfolio that aligns to our values as an Employee-Owned Trust. This will be detailed in this report in the near future.

BEING HUMAN   INTEGRITY   IMPACT   CURIOSITY

Figure 6 - Curtins Core Business Values

Sign off and Declaration

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 the Streamlined Energy and Carbon Reporting (SECR) requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the Board of Directors for Curtins.

Signed: Paul Menzies

Position: Board Director

Date: 29ᵗʰ November 2024