

Gratte Brothers 2023 Environmental Report

V01

12/02/2024



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Executive Summary

In 2023, Gratte Brothers continued to advance its sustainability initiatives, a crucial aspect in tender questionnaires, interviews, and supplier reviews. Key achievements include progress in our net-zero journey, supplier engagement, documentation updates, high-scoring Considerate Constructor Scheme sites (including a 100% result), and efforts to improve key impact areas such as COSHH management and wood waste.

Gratte Brothers' net-zero journey is well underway, with a two-year dataset (2021-2023) in collaboration with Normative. We've established data-driven targets and outlined necessary projects to attain them. Additionally, we've initiated a supplier engagement strategy, focusing on understanding and reducing the scope 3 emissions that constitute 97% of our carbon footprint. Our Journey to Net Zero Roadmap, updated annually, outlines this progress.

Environmental documentation updates this year include revisions to the environmental incidents and emergencies procedure to reflect incident reporting procedures. The EMS manual was also updated to accommodate the growing amount of principal contractor work and maintain ISO14001 compliance. Focused awareness alerts have been disseminated on COSHH management and hazardous waste.

COSHH management has been a primary focus, leading to the decision to adopt an online COSHH management system, Sevron. This system will be implemented throughout 2024, ensuring compliance with health, safety, and environmental requirements related to hazardous material use on-site.

In 2023, Gratte Brothers reported three environmental incidents. All three related to minor spills of either diesel or hydraulic oil. All were closed out in a timely manner and communicated to sites to prevent recurrence. Effective planning on sites allowed these to be classified as minor, and, have no lasting impact on the environment.

Environmental targets set out in the 2021-2023 HSEQ strategy have come to a close, having been mainly surpassed. New targets have now been set to cover the 2024-2026 cycle. These targets encompass lowering fleet-associated emissions, engaging with suppliers on net-zero and emissions, enhancing recycling levels at head office and principal contractor sites, improving environmental behaviours on sites, conducting environmental inspections and audits, and enhancing biodiversity at regional offices.

Looking ahead to 2024, the focus will be on Gratte Brothers' ongoing net-zero journey, confirming targets, and advancing the supplier engagement strategy. Other key topics include embodied carbon, sustainable procurement, COSHH management and compliance, stricter ESOS reporting, and the continued development of the CSR strategy. National trends and longer-term areas of interest include new fuels (hydrogen and HVO) and an upgrade to mandatory sustainability reporting requirements.

Overall, Gratte Brothers enters 2024 in a strong position regarding the environment and sustainability, poised to progress towards a more positive future in the exciting year ahead.

2023 Key Environmental Wins for Gratte Brothers:

Net Zero Journey

Data, net zero targets, and reductions projects are described and explained further in the Journey to Net Zero Roadmap (V02) document (updated annually). This section provides a brief summary of the data and key supplier engagement project.

Completed this year:

We completed the second year of data collection with Normative- meaning we have two years of carbon footprint data across all three scopes (baseline-FY2021-2022 and year 1- FY2022-2023). At the outset of the year, we stated some simple, data driven targets to start us on our net zero journey, and highlighted the projects which would be completed to achieve this. This year, targets were updated to reflect findings. See the Journey to Net Zero (V02) document for details.

A summary of the data is below (see Journey to Net Zero (V02) document for detail and discussion). The key dashboard is presented within Appendix A:

	Baseline (2021-2022)	Year 1 (2022-2023)
Scope 1	674	601
Scope 2	0	394
Scope 3	19,528	30,254
Total	20,202	31,249

Supplier Engagement:

A survey was sent to a total of 109 suppliers and sub-contractors across the group with the purpose of gathering information regarding the status of each companies own net zero journey. This allows us to have an understanding of where our supply chain currently sits, and will inform future decisions for scope 3 emissions reductions projects. See Appendix A for a summary of results and the Journey to Net Zero Roadmap (V02) document for more information.

2023 Environmental Documentation

Updated documents:

- Environmental Incidents and Emergencies Procedure- Sets out the process for defining and dealing with an environmental incident or emergency. This describes how an initial response should be organised, the mechanism for reporting and recording such events and how corrective and preventative measures should be applied. Updated to reflect improved procedures regarding reporting.
- EMS Manual- Defines and describes the Environmental Management System (EMS). Including defining responsibilities, and a description of the requirements of the ISO14001 standard which apply to Gratte Brothers. Updated to reflect increasing amount of principal contractor work.

Green Alerts / Information Shared

The following topics have been the basis of information issued to site teams across 2023.

- Hazardous waste- in the form of the CITB toolbox talk. Inclusive of additional information regarding disposal and documentation requirements (i.e. the need for a hazardous waste consignment note and recording of this).
- COSHH- in the form of the CITB toolbox talk. Including additional information regarding sub-contractors use of COSHH on site and the documentation that we require from them.

Considerate Constructors Scheme (CCS) Scores

- LON02 – Score of 45/45. Key wins to achieve this score include the welfare facilities, the provision of free sanitary products, Journey to Net Zero, BREEAM Excellent and maintenance of the companies ISO45001 certification.
- KAO LON-6 – Completed for Phase 1. Score of 44/45. Key wins include the promotion of the company values, and community engagement in the local area.

The scheme has highlighted the following points as focus for 2024, which will be considered for future monitor visits:

- Ensuring the workforce receives information on the CCS code of considerate practice.
- Ensuring those responsible for CCS conformance have completed e-learning modules.
- Reward and recognition processes on site.
- Provision of suitable PPE in women's sizes.
- Provision of sanitary products in both female and male toilets.

The key improvement points to consider from the monitors reports throughout 2023 are:

- The self-assessment which can be completed prior to each monitor's visit is key.
- Ensuring FORS and CLOCS compliance of our supply chain is an area in which we have been unable to produce much evidence. A review is underway to understand if there is benefit in improving this compliance process.

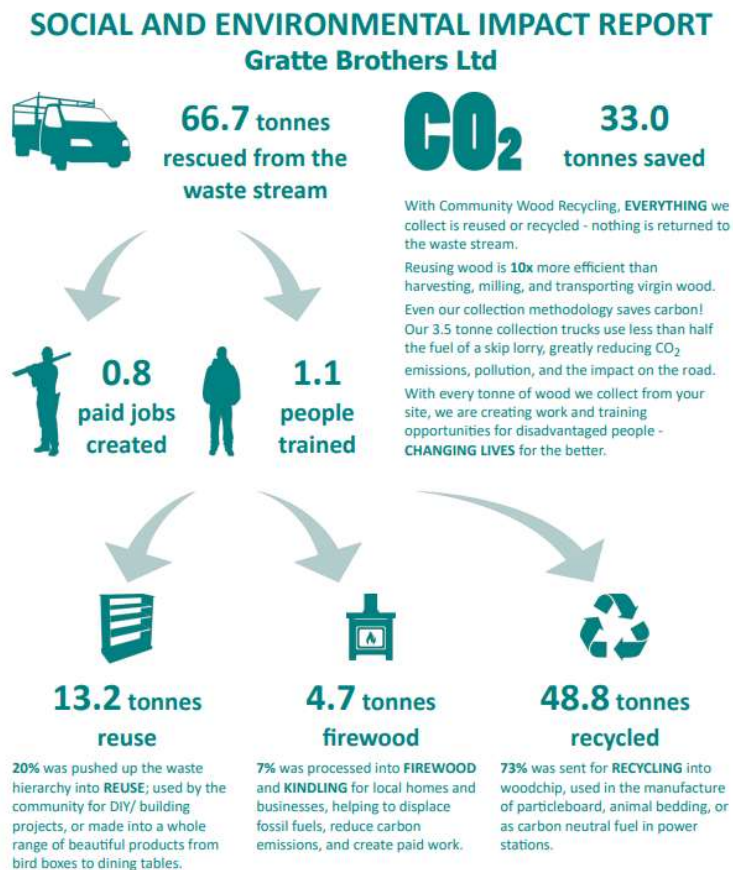
- Training and careers in construction- there is ongoing progress on this at group level. A focus on those in need / disadvantaged groups as well as schools and colleges has been suggested.

COSHH Management Development

One area of required improvement noted across the group, between environmental and health and safety, has been COSHH Management, on site and within our offices. As such, the HSEQ department has identified the need for a COSHH management solution and has chosen SEVRON. This is an online tool to create, distribute and approve COSHH assessments across the group and will be managed by the HSEQ team and other individuals where appropriate (e.g. COSHH co-ordinators on site). This will be rolled out in 2024 and ensure full compliance with regulations and easy management of assessments and safety data sheets.

Community Wood Recycling

See below for a summary of Gratte Brothers work with Community Wood Recycling across 2023, and the positive outcomes from this partnership. This partnership will continue into 2024.



Environmental Incidents

Environmental incidents are any situation where a harmful substance (solid, liquid, or gas) is released (willingly or otherwise) into nature, potentially causing harm to ecosystems, wildlife, and humans. Most commonly, a spill of a hazardous material.

In 2023, three environmental near misses were recorded, as below:

- LD8 – A minor leak of diesel from a fuel line on the temporary diesel generators occurred on 31/08/2023. This was dealt with immediately, and Loadgen were instructed to replace the fuel lines and remove the sand and absorbent spill pads from the site. They also cleaned the hardstanding, leaving no evidence of the spill. There are no ongoing actions and the generators have since been removed from the site. The quick response is a credit to the emergency spillage response plan which was created by the site team at the beginning of the project, and the preparation in having multiple spill kits around the site.
- LD8 – A minor leak of hydraulic oil from a crane occurred on 09/09/2023. MRI turned off the crane and called the appropriate engineers, whilst maintaining safety with regards to the suspended load. The failed connector was replaced, and work continued. The leak was contained by the provision of tarpaulin and sandbags underneath the crane which were implemented as a precautionary measure prior to the lift taking place. Spill kits were used to clear the contained leak. There are no ongoing actions.
- LON02 – A minor leak of hydraulic oil from a crane occurred on 15/12/2023. The oil dripped down the crane structure and to the ground beneath it. Absorbent pads were deployed immediately and works paused. Absorbent granules were deployed during the fixing process as a precaution. An estimated 5 litres of oil had leaked from the tank and been contained by the pads and granules. There is no lasting damage to the intact hardstanding.

Going forwards, the reporting of environmental near misses and incidents is to be encouraged to gain more data. This will be aided by the roll out of the HSEQ app, or SafetyCulture in which there will be a spillage / environmental incident reporting tab (in development).

HSEQ Targets and KPIs Summary

Environmental targets are recorded within the HSEQ strategy. Progress against targets is reviewed on a six-monthly basis.

Below is a summary of the previous environmental targets, which ran between 2020-2023.

Target 1 - Carbon Emissions: Lower overall carbon footprint of operations and office by 30% by 2025- based on a 2019 baseline (scope 1 and 2 emissions)

- This target is based on the data collected for SECR reporting, and therefore sits separately to, and has a narrower scope and different methodology than, the journey to net zero data (for example, using a location-based approach to scope 2, rather than market-based).

Table showing Scope 1 and Scope 2 data (in tonnes of CO2e) from baseline year (2019-2020) through to most recently available data (2022-2023).

	2019-2020	2020-2021	2021-2022	2022-2023
Scope 1	916	475	645	601
Scope 2	251	158	151	137
Total	1167	633	796	738

Since the baseline, there has been an overall drop of 37% in our combined scope 1&2 emissions. This drop has come from:

- BMS upgrades
- Lighting upgrade
- Fleet upgrade and replacement – this has been the key to the majority of the reductions.
- Reduction of mileage due to remote service availability

Target 1 was exceeded.

Target 2- Fleet: Lower the carbon emissions of the fleet- 70% of vehicles in the fleet to be electric or hybrid by 2030, 5% of fleet to be electric or hybrid by end of 2023.

The table below shows the current (Jan 2024) split of all vehicles by vehicle type and operating business (inclusive of company cars and fleet vehicles, excluding grey fleet):

(Company car = used for both company and private use. Fleet Vehicle = company use only e.g. vans).

		Overall	Group	GBL	GBSM	GBCE	GBBSM	GBTS
Number	Diesel	47	5	9	12	19	2	0
	Petrol	39	2	6	28	2	1	0
	Hybrid	23	2	5	8	2	5	1
	PHEV	7	1	2	2	1	1	0
	Electric	2	1	0	0	1	0	0
	Total Number	118	11	22	50	25	9	1
Percentage	Diesel	40	42	41	24	76	25	0
	Petrol	33	17	27	56	8	13	0
	Hybrid	19	25	23	16	8	50	100
	PHEV	6	8	9	4	4	13	0
	Electric	2	8	0	0	4	0	0

At the close of 2023, hybrids, PHEVs and electric vehicles make up 27% of our total vehicles.

Target 2 was exceeded.

Target 3: Recycling: Increase the recycling rate at head office to 80%.

Table showing the monthly percentage of waste recycled from waste collections across offices:

	2023											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
London	16	49	49	54	52	52	45	57	45	35	30	28
Chelmsford	49	32	35	35	39	35	53	31	29	40	25	22
Stevenage	5	10	10	10	10		5		5	10	10	10
Belfast	100	52	62	60		52		39		49	26	
Worthing	60	12	10	40	11	13	17	33	15	41	20	37
Warrington	10	16	32	22	23	26	17	4	10	22	11	23
Average	40	29	33	37	27	36	27	33	21	33	20	24

Across all offices, our recycling % has stayed relatively consistent across the year. There have been improvements across the offices with regards to recycling awareness, including the introduction of the new bins at head office to improve segregation of waste. This will remain a focus. Importantly, 100% of waste from all of our offices has been diverted from landfill, therefore that not recycled is being sent to other sources, for example energy from waste.

Target 3 was not met (recycling will continue to be targeted in the next HSEQ strategy KPIs- see below).

Target 4- Inspections: Increase environmental inspections and audits- Scored site visits to be carried out monthly.

The table below shows the number of inspections carried out on sites, split by operating company, and at the Gratte Brothers offices during 2023.

Operating Company	Number of Inspections
Group (Offices)	3
GBL	27
GBSM	2
GBBSM	2
GBCEL	4

These visits will continue at this frequency throughout 2024.

Target 4 was exceeded.

Target 5- Training: Improve environmental behaviours of operatives working on Gratte projects- All supervisors to have SEATS training by 2023.

All supervisors were invited to attend the SEATS training course in 2023. By the end of 2023, 51% of site supervisors have completed the SEATS training course.

Target 5 was not met- training and awareness will continue to be a focus of the HSEQ strategy.

HSEQ Targets 2024-2026

The following targets are set out in the latest 2024-2026 HSEQ strategy and will be reported on in the following years' reports:

- Improve the carbon footprint of the business and align with the UK government target of Net Zero by 2050.
 - o Focus on lowering emissions of the fleet to reduce scope 1.
 - o Engage with top 10 suppliers (based on emissions) from each business unit by 2030.
- To improve the levels of recycling leaving Head Office and Principal Contractor Sites.
 - o In offices- reach 65% of waste recycled in line with national government targets, by 2026.
 - o To improve the levels of recycling, and data held on waste leaving PC sites.
- Improve environmental behaviours of operatives working on Gratte projects
 - o To ensure a minimum of 15 environmental TBTs are undertaken by the end of 2026.
- Undertake 72 environmental inspections on sites by end of 2026.
 - o Use visits to ensure that documentation is completed and in place.
- Improve biodiversity and natural environment at our regional offices
 - o To undertake 5 projects to improve biodiversity and nature at our offices, by 2026.

2024 Focus for Gratte Brothers

Continued work towards HSEQ strategy targets surrounding key themes (see section 3).

- Net Zero Journey- Annual report to sit with financial reporting timeline. Focus on supplier engagement and scope 3 reductions as well as easy wins within scopes 1 and 2.
- Embodied Carbon- Understanding the impact of our material choices on the embodied carbon of a final build. Requests have come through, particularly in GBSM and GBL projects, for additional information on materials used. This is anticipated to increase, and databases will be held to improve this understanding.
- Sustainable Procurement and Supply Chain- An initial review of the current environmental / sustainability involvement in the supply chain onboarding and review processes has been undertaken and actions are underway. The Normative net zero survey will be included in the new supplier questionnaires and sent out on an annual basis to all the supply chain, in line with annual reviews. Other factors, outside of emissions, are also being considered to improve data collection- for example locality of suppliers to sites, and low-plastic options.
- Environmental incident reporting- Development of an incident reporting tool in the HSEQ app or SafetyCulture to aid reporting from site. This will also form a focus area for awareness improvement on site.
- CSR Development – Continuing work with the CSR working groups, People, Places, Planet, to develop and implement the CSR strategy. ‘Planet’ pillar goals in line with the HSEQ and net zero targets.
- Safety 1st- Environmental Champions – With the re-launch of Safety1st@Gratte, environmental champions will be included for the first time. This will be a group-wide initiative, encouraging staff from all operating companies, and across the office and site, to become environmental champions. There will be regular meetings, to share progress across the group, and allow a setting for discussing any relevant issues. This will launch at the same time as Safety1st and will support the ‘Planet’ CSR pillar.
- COSHH Management and Compliance- As mentioned above, we have now signed up to the Sevron COSHH management system group-wide. This will be rolled out during 2024, and appropriate COSHH co-ordinators will be trained. There will be awareness campaigns to support the improvement of COSHH compliance overall.
- Circular Economy- On projects where we are removing redundant equipment from site, we will explore the possibility of re-purposing and re-selling these items back into the industry. This reduces the amount we are sending to waste. This can also apply to our own IT equipment within the offices- to be picked up with IT.
- ESOS Reporting- Requirements have been tightened, with additional data required to prove the effectiveness of implemented energy reduction projects. The environment team and facilities will work together to ensure requirements are met.

Relevant Sustainability Trends / Future Items to Consider

- Embodied carbon and decarbonising buildings- understanding the full embodied carbon value of a project is only going to become more important and we will have to input data regarding material quantities and carbon values. We can help my making choices regarding materials with lower embodied carbon values.
- Hydrogen fuel- can be produced using clean energy to split essentially inexhaustible water molecules, producing only oxygen as a by-product, so making it a good fuel option with regards to emissions. However, 96 per cent of hydrogen today is made directly from fossil fuels- using a process that releases carbon dioxide. With the continued development of green hydrogen (produced using renewable energy), in the next 5 years we can start to think about hydrogen fuel for our fleet and on site.
- HVO fuel- regularly known as biofuel- made from vegetable oils, grease waste, and residues from the agriculture and food industry. This is a completely renewable diesel alternative and considered a 'drop-in' alternative, requiring only minor upgrades to fleet engines. As the infrastructure improves and cost falls, we can consider this to help reduce the emissions of our fleet vehicles. For the generator replacement at head office, this is something which has already been designed in.
- Mandatory Reporting- CSRD (corporate sustainability reporting directive) reporting was introduced to all EU companies in 2023. Currently, the requirements for reporting do not apply to Gratte Brothers- with only GBSM working in the EU which does not push us past the financial threshold. However, it is considered likely that requirements will get stricter, and it is possible that EU companies we work with may want to see similar reporting. With our journey to net zero, we have the required data, but there is reporting around the data, for example regarding risks and opportunities related to climate change, that we would need to consider.
- Green Finance- investment requirements mean that there is rarely going to be a build without a strong sustainability focus- which means more BREEAM requirements and data gathering.
- Digitisation as a method to reduce environmental impact.
- Potential emerging industries in the sustainability space such as vertical farming.

Appendix A- Normative Dashboard

Overview

Total scope 1, scope 2 (market-based), scope 3 greenhouse gas emissions.

Total emissions

51.45k

tCO₂e

Project

Q Search...

DESELECT ALL

- FY 2021-2022
- FY 2022-2023

Year

Q Search...

DESELECT ALL

- 2021
- 2022
- 2023

Scope

Q Search...

DESELECT ALL

- Scope 1
- Scope 2
- Scope 3

Entity

Q Search...

DESELECT ALL

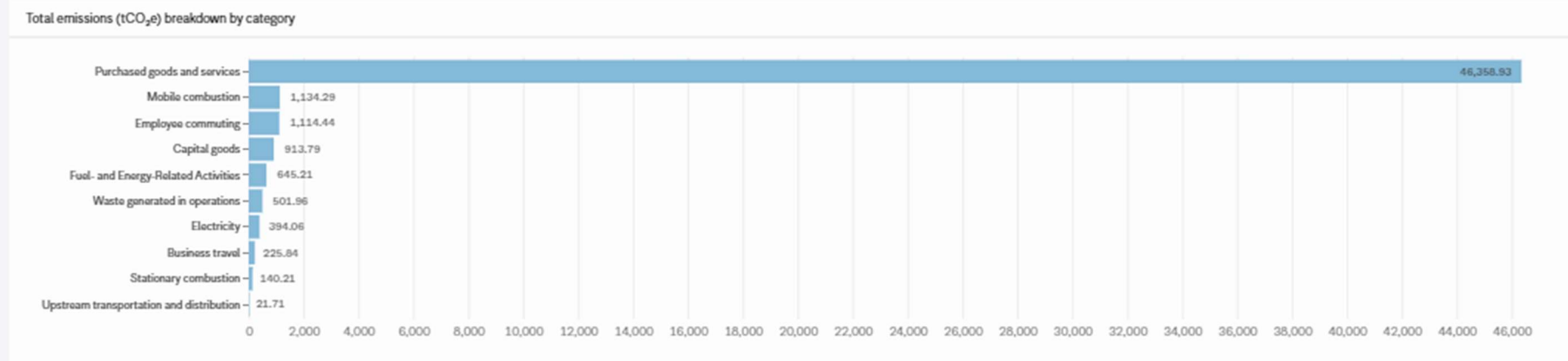
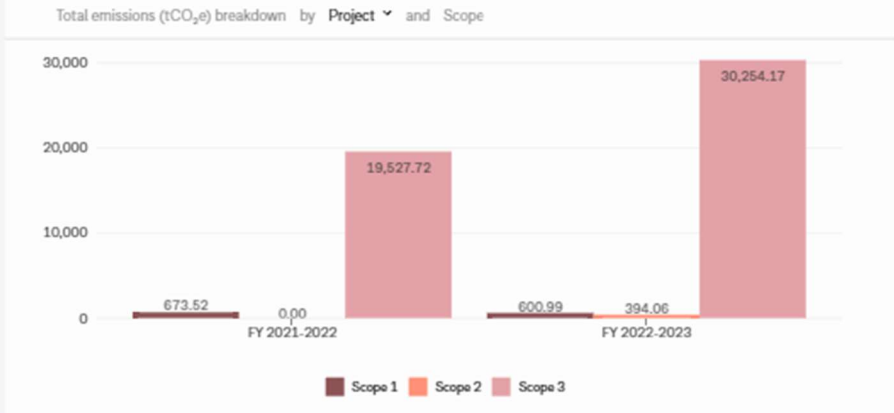
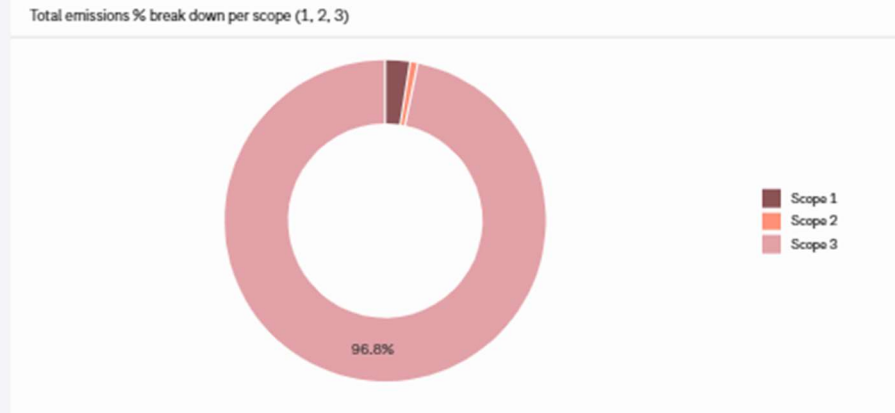
- GBBSM
- GBCE
- GBCEL
- GBL
- GBSM
- GBSS

Label

Q Search...

DESELECT ALL

- 10
- 10-05
- 10-10
- 10-15
- 10-30
- 10-31



Supplier Engagement 2022-2023 Data

All Responses			
	Sent	Received	% Response
GBL	29	11	38
GBSM	21	8	38
GBCE	32	18	56
GBBSM	24	13	54
Group-Wide	106	50	47

Targets Set			
	Responses	Set	% Set Targets
GBL	11	6	50
GBSM	8	3	38
GBCE	18	4	22
GBBSM	13	1	8
Group-Wide	49	13	27

Measured at Least Scope 1 & 2			
	Responses	Measured	% Measured
GBL	11	5	50
GBSM	8	4	50
GBCE	18	4	22
GBBSM	13	1	8
Group-Wide	49	14	29

SBTi Target Set			
	Responses	Set	% Set Targets
GBL	11	4	40
GBSM	8	1	13
GBCE	18	1	6
GBBSM	13	1	8
Group-Wide	49	7	14

In the last year,

46% of your scope 3 emissions came from your top 10 suppliers

