Journey to Net Zero

Gratte Brothers Roadmap

V03
16/12/2024

Quality for Generations.

Contents

Version History:

04/08/2023- Journey to Net Zero Roadmap V01- Covering 2021-2022 Data
22/03/2024- Journey to Net Zero Roadmap V02- Covering 2021-2023 Data
16/12/2024- Journey to Net Zero Roadmap V03- Covering 2021-2024 Data

Introduction- Commitment to Net Zero

As part of Gratte Brothers Group journey to a more sustainable future, we are committed to becoming a Net Zero company before 2050, aligning ourselves with the Paris Agreement and the UK Government's own goal to reach net zero emissions by 2050.

For three years (2021-2024), we have assessed our carbon emissions across all three scopes- including those that are indirect and part of our value chain. To ensure that our footprint, goals, and progress tracking are verifiable and data driven, we are working with a specialist carbon accounting company, Normative.

The companies included in the scope of this net zero roadmap are:

) Gratte Brothers Group Limited - based in London providing group management support for each of the subsidiary companies within the Group:
   o Gratte Brothers Limited - based in London, Chelmsford and Worthing, carrying out mechanical and electrical services (GBL).
   o Gratte Brothers Catering Limited - based in Stevenage, carrying out design, installation and maintenance of commercial kitchens (GBCE).
   o Gratte Brothers Security Management Limited - based in London, Belfast and Warrington, carrying out design, installation and maintenance of security systems (GBSM).
   o Gratte Brothers Building Services Maintenance Limited -based in London and provides Planned Preventative and Reactive Mechanical, Electrical and Public Health Maintenance Services (GBBSM).
   o Gratte Brothers Technical Services Limited - based in London, carrying out design and technical consultation (GBTS).

Normative Partnership- Data Integrity and Validity

Gratte Brothers' carbon accounting software provider is Normative. The method used for calculating our corporate carbon footprint is aligned with the Greenhouse Gas Protocol's Corporate Standard for creating greenhouse gas inventories.

At the heart of the data lie scientifically vetted emission factors to translate our business activities into carbon dioxide equivalents (CO_2e). Sources of these factors include sources such as Exiobase and DEFRA. With this comprehensive approach to carbon accounting, we are able to report a complete, accurate corporate greenhouse gas inventory in line with best practice and international standards.

With our ongoing supplier engagement project (see below), we will continue to improve the quality of our data and initiate target reduction initiatives throughout our supply chain. Normative's calculation methodology is set out in their published whitepaper 'Normative Emissions Calculation Methodology', which is publicly available on their website: White paper library | Normative.

Emissions Reporting

See below table for available emissions data.

The baseline year to be used is the 2021-2022 dataset (in line with financial reporting- April '21 to March '22).

The year one dataset is from 2022-2023 (in line with financial reporting- April '22 to March '23). The year two dataset is from 2023-2024 (in line with financial reporting- April '23 to March '24).

|	Baseline (2021-2022)	Year 1 (2022-2023)	Year 2 (2023-2024)
Scope 1	674	601	633
Scope 2	0	394	4
Scope 3	19,528	30,254	36,713
Total	20,202	31,249	37,350

See Appendix A for full breakdown of emissions by operating company and scope, year on year.

Discussion of Emissions Reporting and Targets

Scope 1

- Scope 1 emissions are driven by fuel use for fleet vehicles driven by engineers for site and maintenance work.
- Consumption of natural gas in a small number of our offices also contributed to scope 1 in all years of data. (See appendix A for detailed data).
- See below a table and graph demonstrating the group-wide scope 1 data associated with mobile combustion- i.e. fleet, including a breakdown of different fuel types, mileage and emissions. (See Appendix B for company specific data).

	Number of Vehicles			
	Baseline	Year 1	Year 2	Change
Diesel	55	49	48	-7
Petrol	44	39	31	-13
Hybrid	8	14	27	19
PHEV	4	5	14	10
Electric	1	1	2	1
Total	112	108	122	10
	Distance (Miles)			
	Baseline	Year 1	Year 2	Change
Diesel	942080	776375	848210	-93870
Petrol	742214	771215	639431	-102783
Hybrid	86085	82285	326009	239924
PHEV	17155	46904	69438	52283
Electric	0	13921	26437	26437
Total	1770379	1629875	1909525	121991
	Emissions (tonnes CO2e)			
	Baseline	Year 1	Year 2	Change
Diesel	356	288	313	-42
Petrol	227	223	180	-47
Hybrid	16	16	62	46
PHEV	4	5	8	4
Electric	0	0	0	0
Total	603	532	564	-39

Scope 1 Emissions- Mobile Combustion
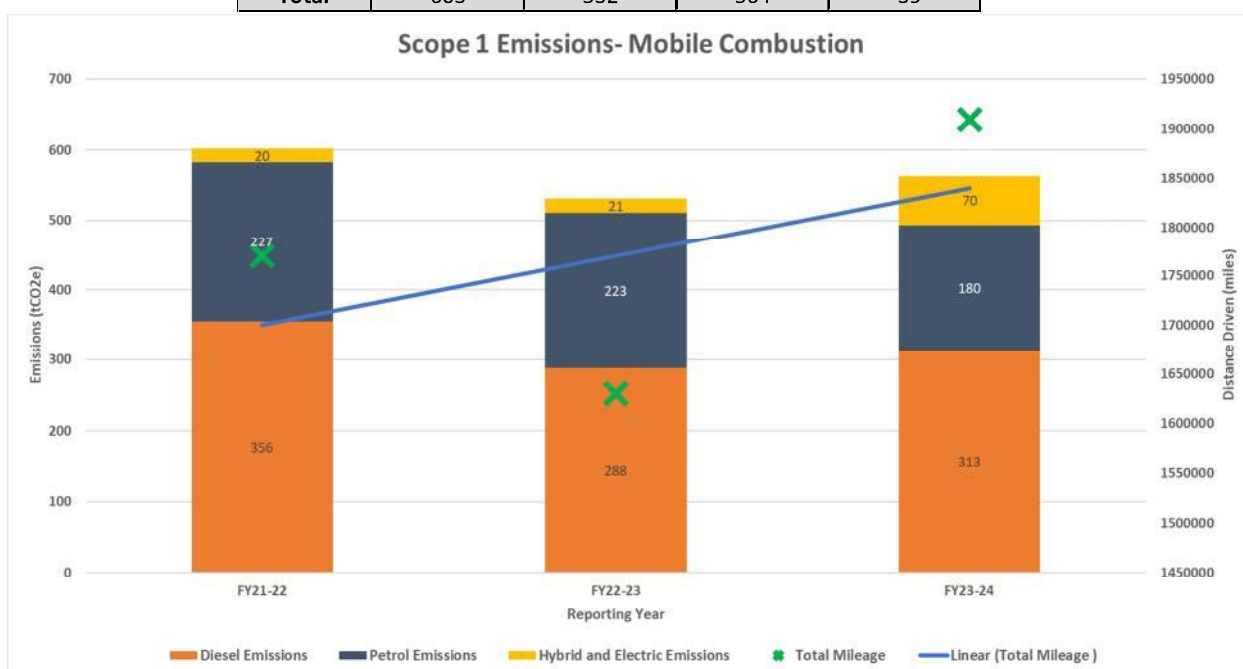
The above graph and table demonstrate:
-) Vehicle Changes:
  - o The total number of vehicles increased by 10 since the baseline year.
  - o Hybrid/Electric vehicles increased from 8% (2021) to 35% (2024).
- • Distance Trends (Miles Driven):
  - o Diesel and Petrol vehicles saw declines in distance driven (-93,870 and -102,783 miles), consistent with a reduction in vehicle numbers.
  - o Significant increases in distances driven by Hybrid and PHEV vehicles (+239,924 and +52,283 miles), consistent with an increased number of vehicles.
  - o Electric vehicles added 26,437 miles in Year 2 compared to zero miles at baseline, consistent with an increased number of vehicles.
-) Scope 1 emissions (CO2e in tonnes):
  - o Total emissions reduced by 39 tonnes CO2e compared to the baseline.
  - o The decline was driven by reductions in emissions from Diesel (-42 tonnes) and Petrol (-47 tonnes).
  - o Hybrid vehicles contributed an additional 46 tonnes of CO2e, consistent with their increase in usage.
  - o PHEVs contributed an additional 4 tonnes, while Electric vehicles produced no emissions associated with scope 1 (see scope 2 section for further detail).
-) Shift Towards Low-Emission Vehicles:
  - o Hybrid and PHEV adoption has increased.
  - o This indicates a transition toward lower-emission technologies despite the slight overall increase in emissions from Year 1 to Year 2. This is supported by the fleet emissions intensity:
    - ▪ In the baseline year, the emissions per vehicle were 5.38 tonnes CO2e.
    - ▪ In year 2, the emissions per vehicle were 4.62 tonnes CO2e.
-) Efficiency Insights:
  - o The introduction of hybrids and PHEVs contributed positively to emissions reductions, but their growing distances driven may increase emissions unless paired with a shift toward electric-only travel.

Scope 2

-) In the baseline year, scope 2 emissions sat at zero due to the use of renewable energy across our premises. Offices remain on verified renewable energy tariffs. More information on the increase seen in scope 2 can be found in the 2023 (V02) report.
-) All site-based premises now utilise renewable energy. As such, the only source of scope 2 emissions (4 tonnes CO2e) remains to be the charging of electric vehicles at home, where a renewable tariff cannot be confirmed.

Scope 3

-) The majority of scope 3 emissions continue to be calculated using the spend based approach. Compared to the baseline year, in both year 1 and year 2, a larger project base led to increased spend, and therefore an increase in emissions using this approach. More, higher value products leads to an increase in purchasing across the years. This increase in works is clearly reflected in the group turnover figures, as below:
  - o Baseline year: £125m
  - o Year 1: £279m
  - o Year 2: £266m

⟩ Purchased goods and services account for >90% of scope 3 emissions, highlighting the importance of engaging with the supply chain to understand how these emissions can be reduced- discussed below.

See Appendix A for emissions data, and for breakdown of scope 3 emissions by category.

Emissions Reduction Targets

Gratte Brothers has set initial targets that align with the science-based targets mandated by SBTi. These targets are intended to guide future activity and reductions projects.

⟩ Near Term:
   o For scope 1 and 2, an absolute 50% reduction by 2030/31, compared to a baseline year of 2021/22.
   o Internally, a scope 3 target to improve the % of data coming from non-spend based methods (i.e. activity, supplier or product data) has been set. An economic intensity target for 2030/31 is also being considered and will be confirmed in future reporting.

⟩ Long Term: Absolute reduction of at least 90% emissions to Net Zero by 2050 across all three scopes (inclusive of a maximum 10% offsetting of those residual emissions). This is in line with the Paris Agreement, 2015.

The baseline year to be used for these initial targets is the 2021-2022 dataset.

See Appendix C for the SBTi target setting tools used for this target setting exercise, which also highlights an initial consideration of an economic intensity target for scope 3. With regards to scope 1 and 2, the SBTi target setting tool calculates a required absolute reduction of 42 %. By remaining with our previously set, data driven target of 50%, we are exceeding requirements.

While Gratte Brothers has aligned targets with the SBTi, these targets have not been externally validated- we plan to revisit this in the future and deem if it is necessary to seek external assurance. As Gratte Brothers are still in the data collection and discovery stage of the Journey to Net Zero, there is the potential that these targets could change as more data becomes available and allows the refining and re-definition of targets.

Carbon Reduction Projects

Completed Projects

Throughout 2023 and 2024 to date, the following projects were implemented and are summarised below:

⟩ Fleet update – by October 2024, 40% of all fleet vehicles, inclusive of engineers' vehicles and company cars, were either hybrid, PHEV or electric vehicles. This has been achieved through regular review of fleet, and early identification of those vehicles which can be replaced. This is an ongoing project, as highlighted below.

⟩ Vehicle Policy was updated to reduce CO2 allowance for each new company vehicle choice and encourage more electric / hybrid car choices. The electric vehicle salary sacrifice scheme was introduced to also encourage more electric vehicle choices.

⟩ Commuting survey – A survey was sent to all commuting employees to understand the distance, and method of transport used, for their regular commute. This also considered the number of working from home days, and a breakdown of those using multiple transport methods. This data is now captured in our scope 3 data.

⟩ Supplier engagement – A supplier engagement strategy was formed in 2023, and developed and implemented through 2024.
  o Through 2024, there was successful engagement of 95 suppliers and sub-contractors across the group, with those top suppliers by spend targeted. (See Appendix D for summary of responses)
    ▪ Engagement completed by using a survey sent out via the Normative platform to 107 top suppliers, whilst also being part of the new supplier PQQ , and specific meetings and calls where relevant.
    ▪ Of these 95 suppliers, 33% were able to provide emissions data, for at least scope 1 and 2. 20% have already set reductions targets.
  o GBCE was the focus for supplier engagement throughout 2024, hosting a 'sustainability summit' for key suppliers, increasing engagement, and requesting product level data for all products purchased. See more here: [Commercial Catering Leaders Gather to Tackle Sustainability Challenges](#)
  o As below, this initiative will continue into the coming years, with company specific focuses rolling out across the group.
  o By working in partnership, we can ensure that our supply chain decarbonises at the same rate as Gratte Brothers.

⟩ Improved data collection- Data collection for the scope 3 category – business travel-has improved. This is due to more granularity in grey fleet records, allowing the inclusion of vehicle type (i.e. petrol, diesel, hybrid, electric). This allows a more accurate representation of emissions, and targeted reductions initiatives to be put into place.

⟩ Renewable energy tariffs – Energy purchased for our site premises is now ensured to be on a renewable tariff, ensuring that scope 2 emissions associated with this purchase remain zero. This was achieved through the engagement of the procurement and QS teams across the group.

Planned Projects

Time Period	Scope	Project
2023-2030	1	Fleet replacement and reduction, continued movement towards hybrid vehicles, particularly for service and maintenance engineers. Introduction of electric vans for those engineers with appropriate mileage and charging facilities.
2024-2030	1	CO2 bandings within vehicle choice policy for company cars to reduce year on year to promote hybrid and electric vehicles as the best option.
Ongoing	2	Continued renewable energy tariffs for all Gratte Brothers premises, inclusive of supply for temporary site offices.
Ongoing	3	Employee commuting survey rolled out annually and implementation of opportunities to reduce emissions from commuting. *For example, promoting cycling schemes.* This has the added benefit of engaging and involving the workforce with the net zero journey. From 2024, additional questions regarding general sustainability strategies across the group will be included.
2023-2025	3	A review of waste generated in operations, utilising tonnage data from waste management providers identify areas for reduction, both in offices and on sites. With a focus on wood waste. From 2024- the introduction of a waste dashboard, presented monthly, to aid identification of key focus areas.
2023-2030	3	Continued implementation of supplier engagement strategy, to gather more granular data on the emissions produced. Working with these suppliers to identify those areas in which emissions can be reduced and assisting with the implementation of these changes. We will provide educational opportunities to our suppliers.
2025 Onwards	3	Sustainability Summit Events- following on from the success of the event for GBCE, these events which bring together key suppliers to discuss opportunities and risks regarding net zero, data collection and target setting, will be rolled out across the group.
2024 – 2025	3	In line with the supplier engagement strategy, a review of sustainable procurement initiatives group wide.
Ongoing	3	Generally refining scope 3 data and upgrading to activity data from transactional data to get a better oversight of scope 3 emissions. Initial focus to sit with gaining weight data and CO2 data for larger equipment (i.e. those largest suppliers).
2040 Onwards	All	Identification of verified carbon capture / sequestration investment opportunities.

On an annual basis, this table will be updated.

Declaration and Sign Off

Emissions within this roadmap have been reported and recorded in accordance with the GHG reporting protocol corporate standard, using the appropriate government emission conversion factors for greenhouse gas company reporting.

This roadmap to net zero has been reviewed and signed off by the Board of Directors.

This roadmap to net zero will be reviewed and updated with the latest data on an annual basis, in line with the data analysis cycle.

Signed on behalf of Gratte Brothers Group Limited

David Gratte

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David Gratte, Group Managing Director

Appendix A: Net Zero Data- Scopes 1, 2 and 3.

Summary	Baseline (2021-2022)	Year 1 (2022-2023)	Year 2 (2023-2024)
Scope 1	674	601	633
Scope 2	0	394	4
Scope 3	19,528	30,254	36,713
Total	20,202	31,249	37,350

	Scope 1 By Source	FY21-22 (tCO2e)	FY22-23 (tCO2e)	FY23-24 (tCO2e)
Source	Diesel	356	288	313
	Petrol	227	223	180
	Natural Gas	71	69	70
	Hybrid	20	16	62
	PHEV	0	5	8
	Electric Vehicle	0	0	0
	Total	674	601	633

	Scope 1 By Company	FY21-22 (tCO2e)	FY22-23 (tCO2e)	FY23-24 (tCO2e)
Company	Group	136	116	107
	GBL	116	85	96
	GBSM	252	237	231
	GBCE	155	135	180
	GBBSM	15	26	19
	GBTS	0	2	0

	Scope 2 By Source	FY21-22 (tCO2e)	FY22-23 (tCO2e)	FY23-24 (tCO2e)
Source	Electric Vehicle	0	2	4
	Site-Office Energy	0	392	0
	Total	0	394	4

	Scope 2 By Company	FY21-22 (tCO2e)	FY22-23 (tCO2e)	FY23-24 (tCO2e)
Company	Group	0	0	1.5
	GBL	0	392	2.0
	GBSM	0	0	0.5
	GBCE	0	2	0
	GBBSM	0	0	0
	GBTS	0	0	0

	Scope 3 By Source	FY21-22 (tCO2e)	FY22-23 (tCO2e)	FY23-24 (tCO2e)
Source	Purchased Goods and Services	17,757	28,602	36,152
	Employee Commuting	Not Measured	1,114	90
	Capital Goods	882	31	43
	Fuel and Energy Related Activities	378	267	195
	Waste Generated in Operations	490	12	41
	Business Travel	9	217	188
	Upstream Transportation and Distribution	12	10	4
	Total	19,528	30,253	36,713

	Scope 3 By Company	FY21-22 (tCO2e)	FY22-23 (tCO2e)	FY23-24 (tCO2e)
Company	Group	837	1827	692
	GBL	15187	24924	32220
	GBSM	1543	1685	1649
	GBCE	1578	1487	1638
	GBBSM	326	263	451
	GBTS	57	68	63

Appendix B - Scope 1- Mobile Combustion Data

Company-Wide	Number of Vehicles				Distance (Miles)				Emissions (tonnes CO2e)			
	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change
Diesel	55	49	48	-7	942080	776375	848210	-93870	356	288	313	-42
Petrol	44	39	31	-13	742214	771215	639431	-102783	227	223	180	-47
Hybrid	8	14	27	19	86085	82285	326009	239924	16	16	62	46
PHEV	4	5	14	10	17155	46904	69438	52283	4	5	8	4
Electric	1	1	2	1	0	13921	26437	26437	0	0	0	0
Total	112	108	122	10	1770379	1629875	1909525	121991	603	532	564	-39

GBL	Number of Vehicles				Distance (Miles)				Emissions (tonnes CO2e)			
	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change
Diesel	16	13	9	-7	232391	166476	152310	-80081	90	60	57	-34
Petrol	6	4	6	0	63486	60245	67841	4355	25	18	22	-3
Hybrid	1	4	8	7	1800	36823	69045	67245	0	7	13	13
PHEV	0	1	2	2	0	0	32086	32086	0	0	4	4
Total	23	22	25	2	297677	263544	321282	23605	116	85	96	-20

GBSM	Number of Vehicles				Distance (Miles)				Emissions (tonnes CO2e)			
	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change
Diesel	10	7	9	-1	235003	137408	166729	-68274	80	51	62	-18
Petrol	28	28	22	-6	537845	617428	504057	-33788	160	176	140	-20
Hybrid	5	7	10	5	43263	24766	145089	101826	10	5	28	18
PHEV	2	2	6	4	17155	46904	11610	-5545	2	5	1	-1
Total	45	44	47	2	833266	826506	827485	-236	252	237	231	-21

GBCE	Number of Vehicles				Distance (Miles)				Emissions (tonnes CO2e)			
	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change
Diesel	21	21	24	3	377994	354954	427792	49798	148	131	159	10
Petrol	0	0	1	1	0	0	41090	41090	0	0	11	11
Hybrid	2	3	3	1	35513	20696	51146	15633	7	4	10	3
PHEV	0	0	1	1	0	0	0	0	0	0	0	0
Electric	0	0	1	1	0	0	8523	8523	0	0	0	0
Total	23	24	30	7	413507	375650	528551	115044	155	135	180	25

GBBSM	Number of Vehicles				Distance (Miles)				Emissions (tonnes CO2e)			
	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change
Diesel	1	2	2	1	4209	28737	31425	27216	2	11	12	10
Petrol	3	3	0	-3	36812	43348	0	-36812	13	15	0	-13
PHEV	0	0	1	1	0	0	0	0	0	0	0	0
Hybrid	0	0	3	3	0	0	38012	38012	0	0	7	7
Total	4	5	6	2	41021	72085	69437	28416	15	26	19	4

GROUP	Number of Vehicles				Distance (Miles)				Emissions (tonnes CO2e)			
	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change	Baseline	Year 1	Year 2	Change
Diesel	7	6	4	-3	92483	88800	69954	-22529	35	33	24	-11
Petrol	5	4	2	-3	104071	50194	26443	-77628	29	14	7	-22
Hybrid	0	0	3	3	0	0	22717	15922	1	0	4	3
PHEV	1	1	3	2	5509	0	21431	17914	0	0	2	2
Electric	1	1	1	0	0	13921	17914	17914	0	0	0	0
Total	14	12	13	-1	202063	152915	158459	-48407	65	47	38	-28

Science-Based Target Setting Tool

Version: Version 2.2
Support: info@sciencebasedtargets.org

Section 1. Input data

Target setting method	Absolute Contraction Approach	*This approach is not applicable to power generation emissions*
SDA scenario		*Not applicable*
SDA sector		*Not applicable*
Base year	2022	*Select a base year*
Base year | Activity output		
Base year | Scope 1 emissions	554	tCO2e
Base year | Scope 2 emissions	0	tCO2e
Target year	2030	*Select a target year*
Target year | Type of activity projection		
Target year | Activity output		
Most recent year (MRY)	2023	*Select most recent year of available emissions&activity data*
MRY | Scope 1 emissions		tCO2e
MRY | Scope 2 emissions		tCO2e

124,635,966

Please see results in Section 3 below

IMPORTANT NOTICE:

This Tool is intended to support companies in their modeling of science-based emissions reductions targets, as well as to assist companies and interested third parties in assessing and evaluating companies' targets. However, to be approved by the Science Based Targets initiative, companies need to make sure their target(s) fulfill the SBTi criteria. Please review the SBTi Step by Step guide to access the latest criteria and resources: https://sciencebasedtargets.org/step-by-step-guide/

Also please note that the SBTi asseses "forward-looking" ambition of target(s) by using the year the target is submitted to the initiative (or the most recent GHG inventory). For further information, consult the SBTi Target Validation Protocol: https://sciencebasedtargets.org/resources/files/Target-Validation-Protocol.pdf

Please help us improve this tool by reporting issues related to functionalities and formatting.

Update notification:
Please note that as of July 15th 2022, SBT Tool versions 1.2.2 and earlier are no longer supported. For clarifications on tool version eligibility please contact info@sciencebasedtargets.org.

Section 3. Absolute Contraction Approach

1.5 degree scenario (1.5C)

Review all target modelling data

	Base year (2022)	Most recent year (2023)	Target year (2030)	% Reduction to date	% FLA Adjustment	% SBT reduction
Scope 1 emissions (tCO2e)	554	-----	321	-----	Not required	42.0%
Scope 2 emissions (tCO2e)	0	-----	0	-----	Not required	0.0%
Scope 1+2 emissions (tCO2e)	554	-----	321	-----	-----	42.0%

Science-Based Target Setting Tool

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Version: Version 2.2
Support: info@sciencebasedtargets.org

Section 1. Input data

Target setting method	Economic intensity	*Please review the latest version of the SBTi Guidance and Criteria*
Base year	2022	*Dropdown*
Target year	2030	*Dropdown*
Base year output	33	*$ value added*
Target year output		
Scope 3 emissions (total or specific categories)	19,527	*tCO2e*
	0.0	

Section 3. Economic intensity targets

	Base year (2022)	Target year (2030)	% SBT reduction
Economic intensity (tCO2/unit value added)	587.0	284.1	51.6%

Appendix D- Summary of Supplier Engagement Survey Responses

Total Number- Responses Group-Wide	95
Measurement of Net Zero Data	**% of Suppliers**
Measured at least scope 1 and 2	33
Intend to measure within 1 year	19
Intend to measure within 2 years	12
Intend to measure within 3 years	7
Intend to measure (no time plan)	3
No information	26
Target Setting	**% of Suppliers**
Committed to SBTi targets	2
Submitted SBTi targets	2
SBTi aligned targets	4
Internal targets set	12
Intend to set targets within 1 year	14
Intend to set targets within 2 year	11
Intend to set targets within 3 year	6
Intend to set targets- Unsure on timeframe	4
No current plan to set targets	19
No data	26