

PPN 06/21 Carbon Reduction Plan

Supplier name: Severfield plc

Publication date: 22nd February 2023

Commitment to achieving Net Zero

Severfield plc is committed to achieving Net Zero emissions by 2040 for Scopes 1 and 2, and Net Zero by 2050 for Scope 3.

Baseline emissions footprint

Baseline Year: 2018	
Additional Details relating to the Baseline Emissions calculations.	
Severfield, in line with Streamlined Energy and Carbon Reporting (SECR) requirements, captures and analyses data using the GHG protocol and BEIS emission factors. This enables the formation of science-based targets in support of the Paris agreement. The current science-based target is in line with the 1.5°C scenario.	
The 2018 baseline is for Scopes 1 and 2 only, as the data capture process for Scope 3 only began in 2021. All of Severfield's Scope 1 and 2 emissions were verified by the Carbon Trust and in the current reporting period Severfield has also had select Scope 3 categories verified. The emissions from these categories are reported below.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	5,561.38
Scope 2	4,218.43
Total Emissions	9,779.81

Current emissions reporting

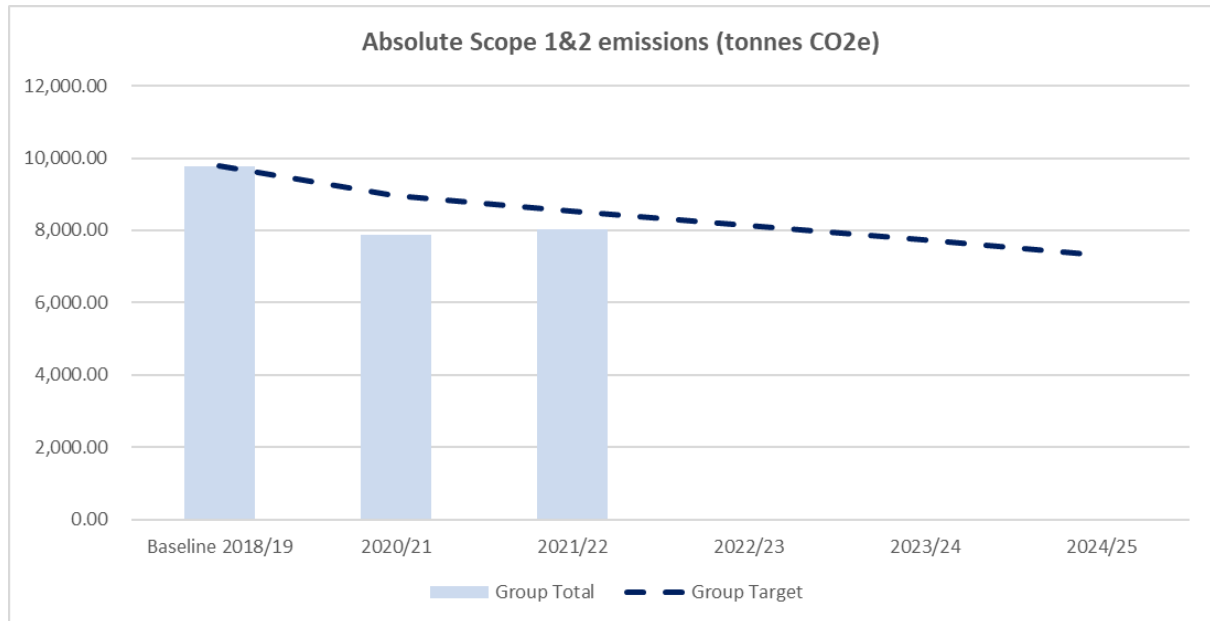
Reporting Year: 2022	
The 2022 reporting year for Scope 1 and 2 emissions and the selected operational Scope 3 emissions were verified by Achilles.	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	7,359
Scope 2	671
Scope 3 (This figure includes Transport and distribution, Transport and distribution loss of electricity, Employee commuting, Waste, Business travel)	6,540
Total Emissions	14,570



Emissions reduction targets

To continue our progress to achieving Net Zero, we have adopted the following carbon reduction target. Severfield aims to reduce Scope 1 and 2 GHG emissions by at least 25.2% by 2025 against a 2018 baseline. This target is in line with science and the 1.5°C warming scenario.

Progress against this target can be seen in the graph below:



Carbon reduction projects

The following environmental management measures and projects have been completed or implemented since the 2018 baseline.

Good progress made in 2022 in further reducing energy and fuel consumption and emissions and we remain well on course to achieve our target of reducing our scope 1 and 2 Greenhouse gas ('GHG') emissions by 25 per cent by 2025 against a 2018 baseline.

- During 2022 we transitioned to the use of HVO across our Group facilities reducing our diesel consumption (in addition to our construction sites).
- In 2022, we have increased procurement of renewable electricity contracts across the Group further reducing our Scope 2 emissions (Market-based). One site is left to switch with contract renewal in 2023.
- In 2022, we maintained our carbon neutrality. Externally verified by Achilles, our Net Carbon Zero certification in line with ISO 14064-1:2018 forms an important part of our commitment to Science Based Targets (SBT) initiative.
- In 2022, we have focused on developing our 'net zero roadmap' which focuses on the strategic priorities we believe are right for the steel industry, the world and for our Group. It identifies the main initiatives and technologies to be explored or implemented in order to achieve our 2040 ambition and illustrates that the Group is on track to achieve its interim target by 2025.

The Group is fully committed to minimising its impact on climate change and mitigating the business risks that climate change presents and have developed plans to manage them, underpinned by the Group's ISO14001 certified environmental management system and BES 6001 Responsible Sourcing ('very good' rating).



Severfield

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 the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Date: 22 February 2023