

# Carbon Reduction Plan

**Supplier name:** Vital Energi Utilities Limited (04050190) & Vital Energi Solutions Limited (07828647)

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Vital Energi Utilities Ltd (VEUL) and Vital Solutions Ltd (VESL) (collectively, the Companies), operate in the energy sector, providing low-carbon and renewable energy solutions across various markets, including healthcare, education, public sector and industrial, commercial and residential sectors. We deliver a broad range of energy efficiency measures as well as low-carbon power generation, storage and distribution, and heating and cooling solutions for our clients.

The Companies' core activities involve the design, installation and maintenance of energy centres, district heating networks (through VEUL's District Heating division), and associated infrastructure. Vital Solutions complements these services by designing decarbonisation strategies for clients and implementing energy-efficient upgrades. Together, the Companies contribute to reducing carbon emissions through renewable energy projects and sustainable infrastructure. Our energy solutions are supported by a full suite of customer services including energy metering, monitoring and asset management. We work with clients to reduce their energy use and cost whilst, at the same time, helping them to achieve their carbon reduction targets.

## Commitment to achieving Net Zero

The Companies are committed to a near-term target of reducing actual Scope 1 & 2 emissions by 50% from 2020 levels by 2030 without using offsets and a long-term target of achieving Net Zero emissions by 2035.

## 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.

<b>Baseline Year: July 2020 – June 2021</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
<p>VEUL and VESL fall under a single payroll, share facilities, and rely on common resources. There are many interdependencies between these two bidding entities, and each may be involved in the bidding or delivery of works covered by PPN-06/21. To ensure accurate reporting, the Companies' emissions have been aggregated, as such the Carbon Reduction Plan (CRP) and its proposed measures should be considered to apply to both.</p> <p>The CRP reporting boundary is based on the operational control approach to GHG accounting, reflecting upon the substance and economic reality of the companies' business relationships and their operations.</p>	
<b>Baseline year emissions: July 2020 – June 2021</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	1,217
<b>Scope 2</b>	169
<b>Scope 3 (Included Sources)</b>	735
<b>Total Emissions</b>	2,121

## Current Emissions Reporting

Our reporting period is from 1 July to 30 June and all material emissions are reported in tCO<sub>2</sub>e

	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>
<b>Scope 1</b>	<b>1,217</b>	<b>1,117</b>	<b>1,484</b>	<b>1,290</b>
<b>Scope 2</b>	<b>169</b>	<b>48</b>	<b>32</b>	<b>65</b>
<b>Scope 3 (Included Sources)</b>	<b>735</b>	<b>655</b>	<b>879</b>	<b>675</b>
<b>Total Emissions</b>	<b>2,121</b>	<b>1,820</b>	<b>2,391</b>	<b>2,029</b>

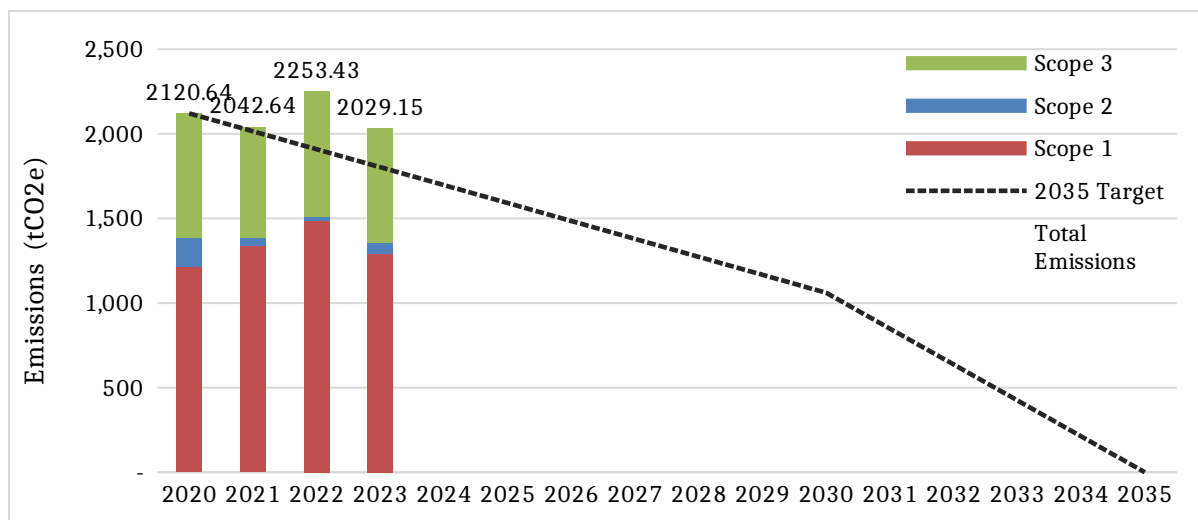
## Emissions reduction targets

In order to continue our progress toward achieving Net Zero, we continue to adopt the following headline carbon reduction targets:

- A projected 50% reduction in Scope 1 & 2 carbon emissions by the July 2030 - June 2031 period.

- A commitment to achieving Net Zero emissions by 2035.

Benchmarked from the baseline year, progress against these targets has been tracked on the graph shown below to include figures for July 2022 – June 2023:



## Carbon Reduction Projects

Vital Energi's carbon reduction initiatives include both qualitative and quantitative measures to reduce our carbon footprint as well as educate and develop awareness of climate change and Net Zero among our stakeholders. To achieve our short and medium-term targets Vital has identified a number of actions that have either been initiated or are planned for future implementation:

- Undertaking a detailed Greenhouse Gas Inventory for FY24-25 with Greenly, a climate expert, promoting our partnership to boost engagement amongst employees, local communities, supply chain partners and clients
- Continue to develop a comprehensive ESG Framework aligned with the GRI Standards, incorporating Environmental and Energy KPIs that directly support carbon and energy targets.
- Develop a business case for exploring the use of cleaner fuels on site, such as biofuels and renewable energy sources (e.g. solar-powered generators or hybrid generators with battery storage), alongside deploying eco-cabins on project sites.
- Increase our focus on Environmental and Energy campaigns, including our annual Get Green Week, to engage employees in reducing their environmental impact. We will also step up supplier engagement on carbon reduction.
- Install a heat pump solution at our headquarters to eliminate our reliance on fossil fuels and further reduce our Scope 1 emissions.
- Utilise OneClickLCA to conduct whole-life carbon assessments on projects, helping to quantify and reduce the total carbon impact (including embodied carbon) of our infrastructure.
- Create an action plan to implement recommended energy efficiency improvements under ESOS
- Continue improving our carbon reporting and monitoring to ensure that the data we collect is accurate.

## Completed Carbon Reduction Initiatives

Our ultimate goal is to reduce our absolute carbon emissions as far and as fast as possible, aiming for a 50% reduction of Scope 1 & 2 carbon emissions by 2030 compared to a 2020 baseline, without offsets, and net zero carbon by 2035. We will continue to make qualitative improvements by educating all stakeholders on climate change and Net Zero and quantitative improvements to infrastructure to reduce our carbon emissions.

Vital Energi remains committed to continuous improvements in reducing our carbon footprint. It is important to note that the impact may not always be linear on a year-by-year basis. Factors such as headcount growth, as seen in recent years, may cause fluctuations, including periods of stability or temporary increases in emissions. In addition to year-on-year comparisons, we are focused on tracking our longer-term trajectory to ensure a sustained downward trend, keeping us on target for net zero by 2035.

Actions we have taken in the past 12 months include:

- Established Energy Monitoring and Review Procedures to track and optimise energy usage across operations.
- Conducted an audit programme to identify and address efficiency opportunities.
- Confirmed that our two largest offices outside our Blackburn HQ (Glasgow and London) were on zero-carbon energy tariffs.
- Carried out upgrades to the building fabric at our headquarters, including window repairs to enhance energy efficiency.

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards 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<sup>1</sup> and use the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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<sup>3</sup>.

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:



**Chief Executive Officer – Vital Energi Group Of Companies**

**Date 26/11/2024**

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<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>