P.McVey BUILDING SYSTEMS

CARBON REDUCTION PLAN

Reviewed Sep 2025

Carbon Reduction Plan

Supplier Name: P McVey Building Systems

Reporting Period: Jan 2024 - December 2024

Report Date: 7th September 2025

Commitment to Achieving Net Zero

- P McVey Building Systems is family run business specialising in modular building design, manufacturing and installation to meet the variety of needs of our clients. As an ISO 14001 certified company, we and our clients are aware of the importance of sustainability in the building industry, including doing our part to support government targets to reach Net Zero by 2050 in line with the UK & Northern Ireland Climate Change Acts.
- Climate change presents an opportunity for our business to address our clients' evolving building needs in a way that supports climate adaptation in the built environment. To this aim, P McVey Building Systems has publicly committed to achieving Net Zero emissions by 2050 in line with current government targets.

Baseline Emissions Footprint

- The company has been improving the accuracy of its greenhouse gas (GHG) emissions inventory since the start of measurement in 2021, resulting in a medium-term increase in our emissions totals as more GHG categories are incorporated into our total footprint.
- Strategies to reduce GHG emissions have been introduced following this initial baseline year which reductions targets are calculated against. In 2023 the company moved to a new head office, requiring baseline emissions for some systems such as heating and electricity to be re-assessed which is reflected in our Scope 2 emissions data.

Emissions Calculations Methodology

- P McVey Building Systems has identified its GHG calculation boundary as those areas over which it has operational control as this is the most appropriate method for the construction industry.
- Scope 1 and Scope 3 emissions are reported as tonnes of CO2e (carbon dioxide equivalent) using GHG conversion factors from the UK Department for Energy & Security in line with each respective reporting year. Reporting in CO2e ensures all GHGs, not just carbon, are included in our company's footprint calculations.

- For national grid energy use at our facilities, Scope 2 emissions are calculated using a market-based approach to reflect the difference in the all-island Irish electricity market compared to the UK emissions average. Where occasionally relevant, Scope 2 emissions from our installation sites are calculated using the UK location-based emissions factor. However, this only represents a small proportion of the company's Scope 2 emissions.
- The accuracy of our Scope 3 emissions inventory is improving in line with client requirements. When GHG monitoring initially started, figures were accessible for waste tonnages and plasterboard materials used. Capturing Scope 3 emissions in more comprehensive detail has been identified as an ongoing improvement target for our company.

Our current inventory includes the following sources of Scope 3 emissions –

Scope 3 Category	Description	Boundary
Waste from operations	Tonnages of dry mixed recycling, plasterboard, metals, timber, mixed construction waste, cardboard, residual to landfill.	Waste from all company owned facilities & work sites.
Upstream distribution	Miles travelled for raw material inputs, heating oil deliveries, skip delivery.	All deliveries to company owned facilities (supplier Scope 1).
Business travel	Travel by staff in own vehicles for work purposes other than daily commute, business travel by sea or air.	Direct transport emissions only
Staff commuting	Travel by staff and sub-contractors to company facilities and installation sites.	Direct transport emissions only
Downstream distribution	Emissions from distribution of completed modules by land and sea for sub-contracted haulage activity.	Direct transport emissions only
Raw material inputs	Plasterboard, metals, timber, insulation, PVC, glass, concrete.	All material inputs for product manufacturing & installation, cradle-to-gate embodied carbon

- With the exception of raw material inputs, Scope 3 categories have been selected to align with PPN 06/21, the Technical Standard for Completion of Carbon Reduction Plans published by the Cabinet Office.
- Raw material inputs are anticipated to account for the greatest proportion of Scope 3 emissions for the company's operations and are therefore a critical component of meeting the company's carbon reduction aims. Inventory development is guided by the international Greenhouse Gas Protocol and accompanying standards.

Emissions Reductions Progress & Priorities

- P McVey Building Systems has already implemented measures for emissions reductions against its 2021 emissions baseline. This is supported by the company's ISO 14001 accreditation under which we maintain environmental improvement objectives and targets in line with the requirements of the standard.
- For example, P McVey are supporting nature-based climate solutions by setting a target to plant a tree for every module delivered. Additional measures we have taken to achieve our carbon reduction aims are outlined below.

Scope 1

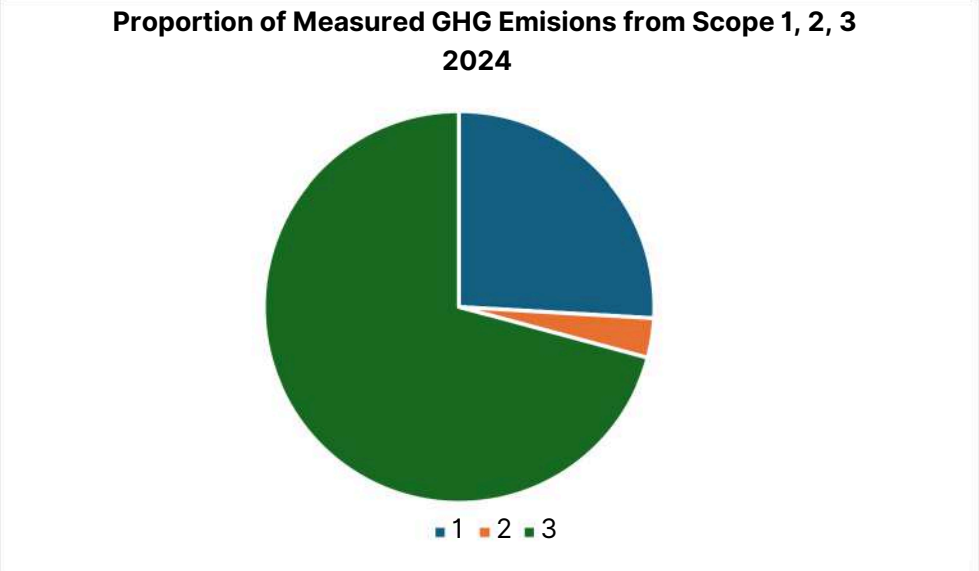
- The greatest proportion of the company's Scope 1 emissions arises from the operation of its vehicle fleet. As such, reducing our GHG emissions in this area remains an ongoing priority. Reducing road diesel consumption is an existing ISO 14001 improvement objective for the company. This will be in part supported by the mandatory phasing out of diesel vehicles by 2030 as per government mandates.
- We are currently exploring options to reduce carbon emissions through the use of electric vehicles, firstly focusing on the use of battery powered plant such as forklifts. The company also encourages staff van pooling wherever possible and operates a fleet of crew cab vans to facilitate vehicle sharing to sites. The company has already seen some benefit from this with a **14% absolute reduction in fleet diesel use between 2023 and 2024.**
- We also consume heating oil for boilers at our premises. This is managed in the most efficient way possible through the use of timers and thermostats. Thermostats and timers are adjusted seasonally to coincide with the weather and varying temperatures.
- A smaller proportion of our Scope 1 emissions is accounted for by construction site diesel use although this is decreasing. Thanks to the many benefits of off-site construction methods, however, most of our processes & associated impacts occur in controlled factory conditions rather than directly on installation sites. As such, reducing Scope 2 emissions has been a significant area of focus.

Scope 2

- In 2024 **we met our objective of sourcing 100% renewable energy** across all of our facilities by switching electricity suppliers, eliminating Scope 2 GHG emissions.
- The company sources the majority of its grid electricity from 3TPower, a local Northern Ireland electricity supplier who provides an electricity mix of 100% renewable sources including wind, wave and sun. P McVey made the switch from Power NI in September 2024 and our Scope 2 emissions have reduced and effectively been eliminated as a result.
- The company will be further harnessing renewable energy to power its operations through the recent installation of solar panels at our factories and we are pleased to announce that commissioning is underway.

Scope 3

- In the construction sector, most company emissions are accounted for by Scope 3 categories and our company follows this trend as shown below.



- Our previous Scope 3 emissions inventory from 2021 – 2023 accounted only for waste generated and plasterboard raw materials purchased. The company is now growing its Scope 3 GHG inventory as outlined in the previous section. This will enable us to identify hotspots in Scope 3 emissions and prioritise actions for emissions reductions.
- Ultimately, however, we must fill existing gaps in our Scope 3 data while continuing to improve the accuracy of data obtained. We will also seek ongoing opportunities to include more emissions categories in our Scope 3 inventory as our existing data quality improves.

Waste

- The factory settings involved in modular construction methods provide significant opportunities for waste minimisation, recovery and recycling compared to traditional construction methods.
- Anticipated areas for improvement in waste management practices will include continuously applying the waste hierarchy to our operations which is supported by ambitious segregation practices to increase the quality of recyclable materials. Secondly, identifying waste management options that result in lower GHG emissions will also form an important part of Scope 3 emissions reductions.
- Waste management is also a critical area of operation impacting our GHG emissions. Through our ISO 14001 system we have prioritised waste management improvements such as increasing site waste segregation to improve recycling rates as well as investigating options for sustainable management of timber and cardboard waste.
- Any measures taken to reduce material inputs outlined below will also have the added benefit of reducing waste outputs.

Materials

- Primary materials consumption accounts for a significant portion of our Scope 3 footprint and our GHG inventory development is providing the company with a clearer picture of this impact.
- Optimising module design for material efficiency and waste minimisation continues to be a priority in our manufacturing process and modular manufacturing & construction methods are best placed to benefit from these opportunities. Increasing the recycled content of the materials we source will also be a priority for emissions reduction. Alternative material selection may become an option where market availability, module design and client requirements can be aligned.
- As our Scope 3 inventory becomes more complete, we will seek to expand raw materials emissions to account for full life cycle emissions where this information is available from our suppliers.

Transport & Distribution

- Transportation of materials, waste, finished modules and staff & sub-contractors are also significant elements of our Scope 3 footprint. As the company expands its GHG inventory and associated calculations in this area, we will have the opportunity to identify Scope 3 transport emissions hotspots and prioritise actions for reductions. Opportunities for improvement include:

o Sourcing local labour and materials to reduce miles travelled.

o Encouraging sub-contractors to travel by low emitting methods such as carpooling or using alternative engine technologies where possible.

o Reducing the need to travel to meetings and events for business purposes through supporting remote meeting & working methods.

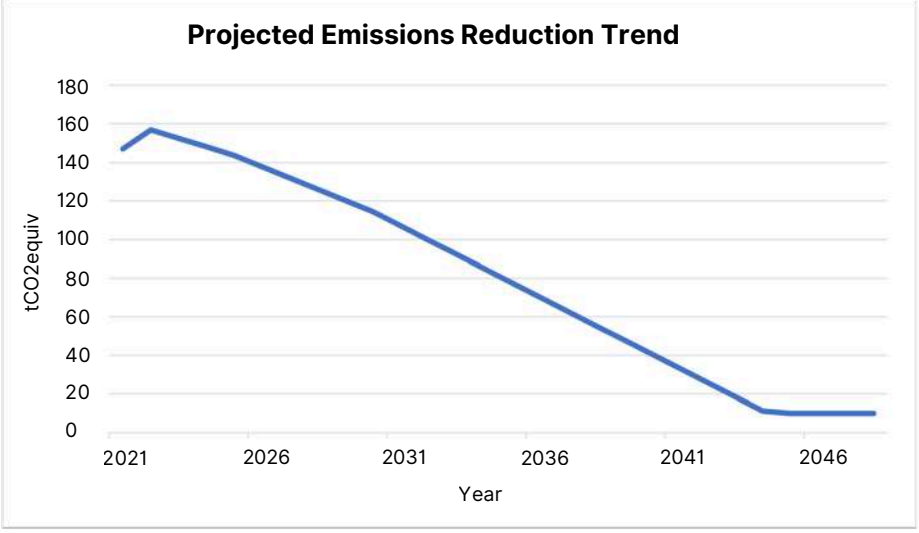
o Incentivising low emissions travel methods by staff & sub-contractors.

o Optimising module distribution routes for energy efficiency.

- In the UK, the shift to low emitting modes of transport is an evolving regulatory landscape where considerable high-level infrastructure investment is still required in order for companies and individuals to make the changes required to support the government's Net Zero targets.
- A continuous detailed review of Scope 3 emissions within the company's operational control will allow for necessary adjustments to these targets and projections.

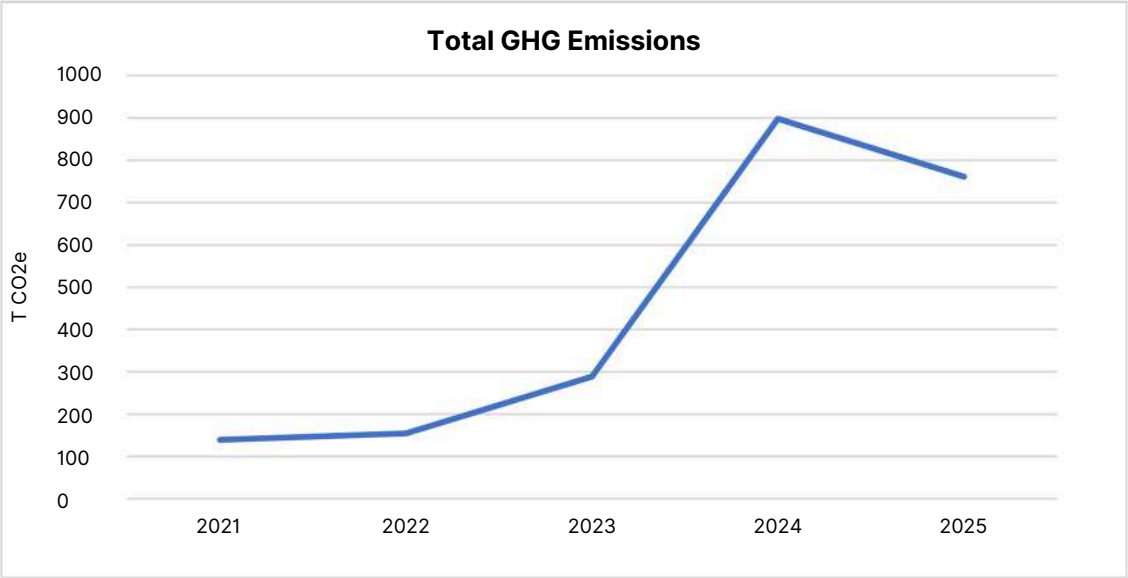
Emissions Reduction Targets

- In order to support the company's emissions reduction aims, the company has adopted the following broad reduction targets which will require continuous re-evaluation as our inventory improves in accuracy.
- **A 4% reduction annually until 2030**, representing a cumulative 25% reduction from the company's 2021 baseline year.
- **After 2030 a minimum of 5% reduction in emissions annually** will maintain a Net Zero by 2050 pathway for the company.
- Once our front-loaded emissions reductions are achieved, residual emissions will need to be offset using **verified UK carbon credit schemes.**



Current Emissions Trends

- As our GHG inventory becomes more accurate, the company expects its total footprint to grow in the short term as illustrated below. **This is a result of increasing accuracy in calculations rather than actual increases in our GHG emissions.**



Our latest total emissions calculations according to scope are as follows :

Current Reporting Year: 2024

EMISSIONS CATEGORY

Scope 1

- Forecourt diesel
- Construction site diesel — 233 tonnes CO_2e
- Heating oil

Scope 2

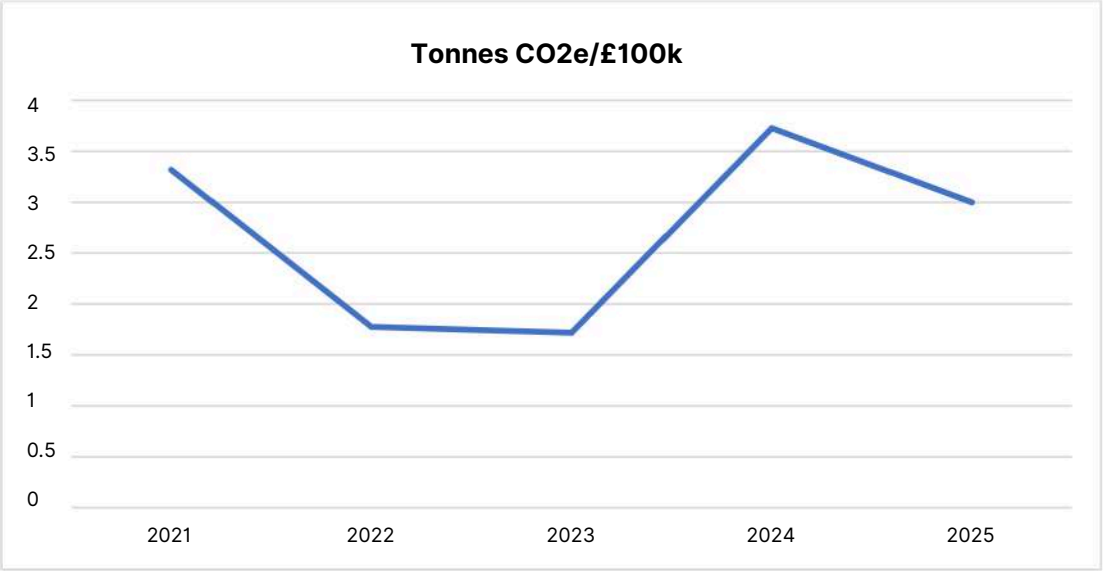
- Grid electricity purchased — 29 tonnes CO_2e

Scope 3

- To include categories described in previous section — 636 tonnes CO_2e

Total Emissions — **898 tonnes CO_2e**

To reflect the company's growth and increasing productivity over time, emissions reductions are being evaluated in line with turnover using an intensity ratio of tonnes CO2e/£100k as shown below. 2025 financial data is currently estimated and will be finalised in 2026.



As with previous analyses, it is important to note that increased emissions are **the result of improved accuracy in our GHG inventory rather than a representation of actual emissions increases.** Variation between 2021 – 2023 is a reflection of relocating some of our operations to new premises at the end of this time period, resulting in a shift in our baseline emissions.

Further Actions to Reduce Emissions

Additional detailed actions are outlined below to demonstrate how the company intends to achieve its GHG emissions reductions:

Emissions Source	Scope	Actions	Priority Level	Status
Company vehicle fleet	1	• Monitor usage • Deliver eco driver training to all operatives and refresh annually • Develop a transport plan to ensure optimal efficiency with vehicle routes and loading. • Ensure regular routine servicing is carried out on vehicles for optimum efficiency and pollution reduction • Upgrade vehicle fleet to EVs, phasing out diesel & petrol vehicles by 2030 • Conduct EV charging feasibility study	High	Ongoing
Scope 3 emissions within operational control	3	• Calculate Scope 3 emissions as required by PPN/06/21 • Review carbon reduction plan continuously as Scope 3 data capture improves • Identify emissions hotspots to prioritise reductions • Engage suppliers to reduce own Scope 1 & 2 emissions and provide data	High	Ongoing
Heating Oil	1	• Control heating oil use through use of engineered solutions such as thermostatic controls and timers • Eliminate heating oil use by investigating & installing low carbon heating solutions at new premises	Medium	Partly Achieved
Grid electricity	2	• Reduce electricity use through active management & switching off policy • Deliver staff training on office and workshop energy efficiency • Investigate suppliers who offer greener energy with lower emissions • Install energy efficient lighting and electrical systems at new premises • Install solar PV on new premises	High	Achieved
Construction site diesel	1	• Phase out red diesel use on work sites • Investigate options for sourcing hybrid or electric plant on sites • Consider solar PV on site huts where feasible	Low	Partly Achieved

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 Environmental Reporting Guidelines published by HM Government and using UK government emissions conversion factors for greenhouse gases aligning with the international Greenhouse Gas Protocol and associated standards.

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: ..... Signed by: Adrian McVey 4D13FD2671124F7...

Date: 9/24/2025