Carbon Reduction Plan

Supplier name: Milestone Infrastructure Ltd

Publication date: 12.10.2023

Commitment to achieving Net Zero

Milestone Infrastructure Ltd is committed to achieving Net Zero emissions by 2040.

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.

Baseline Year: 2019 (calendar year)
Additional Details relating to the Baseline Emissions calculations.
In order to obtain accurate carbon emission data we use standard industry emissions factors, such as the Bath University Inventory of Carbon and Energy database and those provided by DEFRA and have adopted the approach set out in the European Network of Construction Companies for Research and Development (ENCORD) protocol. We capture our own Scope 1 and Scope 2 carbon emissions from our offices, our fleet and other direct activities. In addition we use works activities, materials purchases and procurement spend data to calculate and estimate Scope 3 emissions. All data is associated with a Project or activity, allowing us a level of detail that informs Project level activities as well as our strategic approach to carbon reduction. Environmentally-extended input-output (EEIO) analysis for some Scope 3 categories has been based on Milestone spend data. In instances where upstream transport and distribution services spend is defined, emissions were included in this category. In most cases however, upstream transport and distribution forms part of the purchase price of goods and is therefore included within our carbon emissions for "Category 1 purchased goods and services" which is not included in this Carbon Reduction Plan. Using the spend based method we have included an estimate of the percentage of spend associated with transport of purchased goods and services. For our full Scope 3 emissions data including all categories please see our website. From May 2023 all Scope 1 and 2 data, as well as Scope 3 categories included within this plan (4, 5, 6 and 7) have been externally audited and verified to ISO:14064 Specification for quantification and reporting of greenhouse gas emissions. .

Baseline year emissions: 2019 (calendar year)	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**9,445**
Scope 2	**731**
Scope 3 (Included Sources)	**6,040**
Total Emissions	**16,216**

Current Emissions Reporting

Reporting Year: 2022/3 (financial year)	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**4,576**
Scope 2	**436**
Scope 3 (Included Sources)	**2,733**
Total Emissions	**7,745**

The figures reported in the above tables for Scope 3 emissions reflect the ‘included sources’ required under PPN 06/21 only. However, Milestone Infrastructure include a wider range of Scope 3 emissions within our organisational reporting to monitor and communicate progress against our net-zero targets. Therefore, these figures may vary from those within our company reports.

Emissions reduction targets

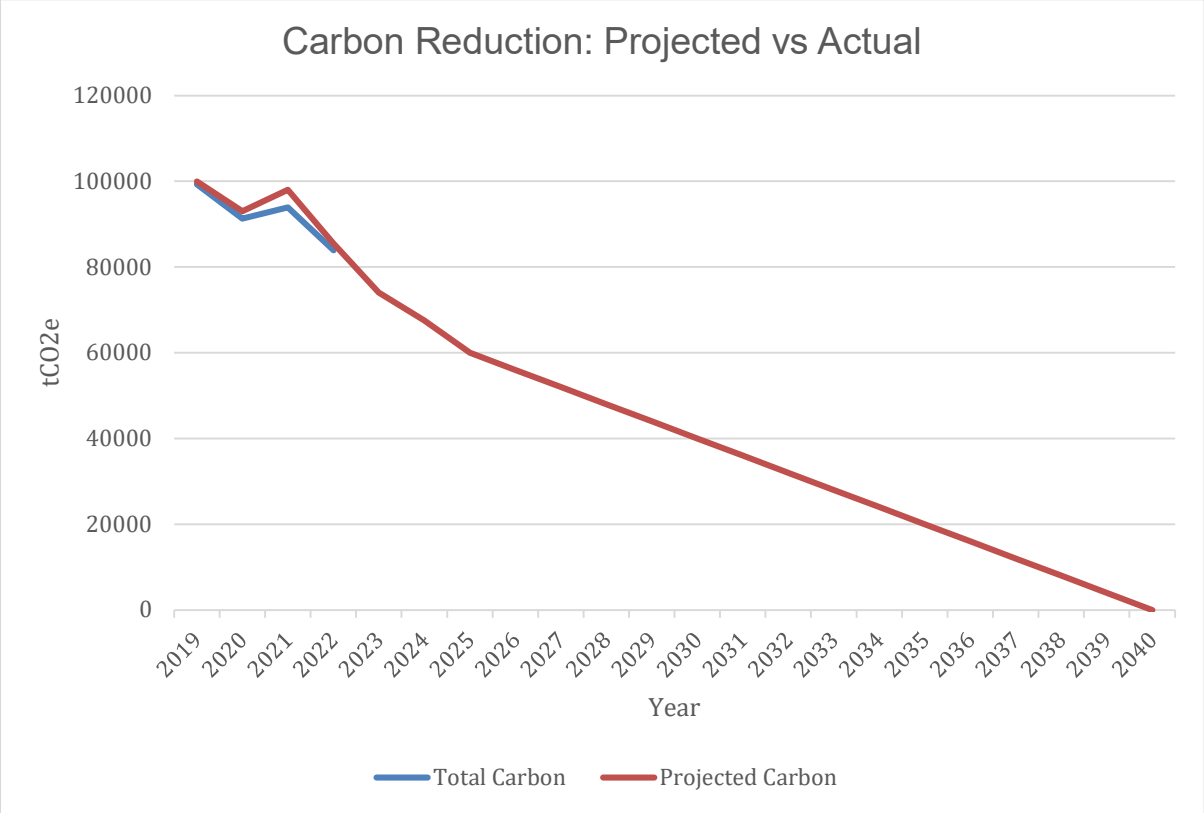
At Milestone Infrastructure we have set ourselves a target of being net zero carbon by 2040, with interim targets of a 40% reduction in carbon intensity by 2025 and a 60% reduction by 2030 on our 2019 baseline. In addition we aim to be net zero carbon in relation to our Scope 1 and 2 emissions by 2030.

Our emissions targets are set based on our full carbon emissions, which includes all Scope 3 emissions categories i.e. more than the 5 categories required as part of this Carbon Reduction Plan.

In 2019 our full carbon baseline was 99,334 tCO_2e, in 2020 our emissions totalled 91,265 tCO_2e and for the last year's data our total emissions equalled 93,869tCO_2e.

We project that total carbon emissions will continue to decrease out to 2025, albeit at a slower rate due to the growth of the business. We will measure our performance using carbon intensity, measured as tCO_2e / £m revenue, with interim targets set to ensure we remain on track for our 2040 target.

Progress against these targets can be seen in the graph below.



Please note this graph uses data based on our full carbon emissions data, which includes all Scope 3 emissions categories.

Carbon Reduction Projects

Carbon Reduction Initiatives

At Milestone Infrastructure we have set ourselves a target of being net zero carbon by 2040, with interim targets of reducing carbon intensity 40% by 2025 and 60% by 2030 on our 2019 baseline. In addition we have pledged to be net zero in Scope 1 and 2 emissions by 2030. To support the delivery of these targets we have implemented a detailed net zero carbon strategy alongside our 5 year Environment Strategy 2021-25. Our carbon emissions declined from 99,334 in 2019 to 83,930 tCO_2e in 2022 with carbon intensity declining from 307 to 223 tCO_2e/£m revenue. This represents a 16% and 27% reduction respectively.

In order to deliver carbon reduction projects and initiatives across our business we have implemented an overarching Milestone Environment Strategy which sets out our targets and ambitions over the 5 year period 2021 to 2025.

Milestone Infrastructure is certified to ISO14001 and our environmental management system (EMS) includes policies, standards, guidance and processes to identify and reduce environmental impacts. Carbon emission reductions form a key part of our business level Objectives and Targets and continuous improvement approach. In addition our carbon emissions are externally audited and certified to the ISO:14064 Specification for quantification and reporting of greenhouse gas emissions, under the Carbon Reduce platform (formerly CEMARS).

Fleet and Fuel

We have implemented a company car policy that introduces electric vehicles (EVs) at all levels and limits vehicle emissions to 150g CO2 per mile. Our current company car fleet carbon intensity is 83gCO2e/mile, which is anticipated to fall to 59gCO2e/mile as our current order book is delivered. In addition we are installing EV chargepoints across our offices and depots to encourage all drivers to switch to electric.

We are in the process of switching our operational fleet to electric and hydrogen vehicles, in line with market availability and suitability of vehicles for operations. Our sister company M Group Plant and Fleet Solutions (MGPFS) provides the Milestone fleet and operates the 5th largest fleet in the UK with over 8,000 vehicles. MGPFS are members of the Climate Group's EV100 pledge and are at the forefront of transitioning the entire fleet of vehicles away from fossil fuels by 2030. We are working closely with manufacturers and our suppliers to find the best solutions for carbon reduction. In the future we will explore the opportunities to implement hydrogen as a fuel source, particularly for larger plant and vehicles where an electric alternative does not exist. We anticipate trialling hydrogen powered vehicles and plant in 2023 with commercial availability by 2025/6.

As an interim solution our commercial fleet is using Hydrotreated Vegetable Oil (HVO) diesel which reduces carbon emissions by 90% as well as improving air quality. Starting in August 2021 by the end of the year around 40% of our commercial fleet had shifted from traditional diesel to HVO. Our target is to reduce emissions from our fleet by more than 90% by the end of 2022 and from our supply chain by 2025, which is estimated will save us more than 25,000 tCO_2e per annum. Our Scope 1 emissions associated with fuel and transport fell from 9,446 in 2019 to 4,576 tCO_2e in 2022 as a result of actions taken to date and this will continue to fall as more vehicles switch away from fossil fuels.

Low Carbon Materials

Working with our customers, design teams and key supply chain we are increasing the volume of low carbon materials we use, such as warm asphalt, low carbon concrete and recycled plastic products, making these the default material of choice. By shifting towards lower carbon options we anticipate savings of >15,000 tCO_2e per annum by 2025.

Warm mix asphalt (WMA) is now the default material across our highway's contracts, which reduces carbon emissions associated with the use of traditional hot asphalt by 10-15%. Evidence from successful Milestone trials have shown that using a cold asphalt binder can save up to 40% carbon, which we produce locally on our highways contracts under an environmental permit.

We continue to innovate around low carbon asphalt products, including graphene asphalt which delivers whole life carbon reductions over a 40-year lifespan. On our Hampshire contract we have successfully trialled reheated asphalt, which uses mixes of up to 100% recycled asphalt planings and biogenic bitumen, resulting in carbon savings from materials, transport and reduced bitumen. We are also currently laying the first trials of a carbon negative asphalt, utilising an aggregate by-product of waste incineration, resulting in a 120+% carbon reduction.

In addition we are working to increase the volume of recycled materials we generate locally on our contracts via our permitted waste treatment sites from 20,000t in 2020 to >50,000t in 2025. By recycling and reusing our own materials locally we will reduce carbon emissions from the production and transport of virgin aggregates and construction materials.

Our award-winning materials recycling facility at Micheldever in Hampshire has processed more than 35,000t of waste into recycled materials since opening in 2021. The facility reduced carbon emissions by more than 500tCO_{2e} by reducing the use of virgin aggregates, replacing some traditional hot mix asphalts with cold lay materials and reducing the total miles travelled for waste disposal and material supply. We are also innovating through the production of 6,000m3 per year of our own low carbon concrete using our own recycled aggregates and admixtures which is saving 630t of carbon and reducing costs. The Hampshire Highways contract and Micheldever facility won a 2021 Green Apple Award, won the Environmental Sustainability and Judges Merit awards at the Highways Awards 2022 and was shortlisted for the Construction News Awards 2022 as Low Carbon Project of the Year.

Where we have design responsibility we are undertaking design in line with PAS2080 (Carbon Management in Infrastructure standard) approach, using carbon as a key decision making tool. We are formally accredited to the PAS2080 standard across our business as of October 2023. This supports the delivery of low carbon design, build and maintenance activities as well as providing a framework within which we collaborate with our customers on ensuring their net zero carbon targets are reached.

We are also committed to delivering biodiversity net gain where possible on our construction projects and we are linking the delivery of better quality habitats to increased carbon sequestration. This will support the further reduction of some of the residual carbon associated with the work we deliver for our customers, having first followed the carbon mitigation hierarchy.

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[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

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: 12th October 2023

[1] https://ghgprotocol.org/corporate-standard
[2] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
[3] https://ghgprotocol.org/standards/scope-3-standard