

BRAND ENERGY & INFRASTRUCTURE SERVICES UK, LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Energy and carbon report

At BEIS UK, in respect to the activities we can control or expect to have reasonable influence over, we recognise our responsibility for protecting the environment and are committed to the prevention of pollution and to complying with the applicable environmental legal and regulatory requirements. We are dedicated to making a difference in the workplace and the world at large. We track and review our energy use to identify ways to conserve energy and improve efficiencies to directly lower our greenhouse gas emissions. We are also committed to conserving natural resources by reusing and recycling materials and pursuing waste minimisation opportunities. Our operations dispose of all hazardous and non-hazardous waste in an environmentally responsible manner, and they understand that in the long-term, environmentally sustainable practices are good for us, our customers, employees, shareholders and communities.

All the products we use in our day-to-day business have an extended life cycle, with the exception of timber products which are used for scaffold boards. Our scaffold boards are purchased from carefully selected suppliers, each of whom can confirm that their products are from renewable and environmentally well-managed sources. We continually monitor the progress of our top twenty suppliers of access equipment to establish that they are all working towards accreditation to BSEN14001. Wherever possible we also ask our suppliers for their 'Green Option' e.g., our office consumables supplier has a 'Green' catalogue, and all members of staff are encouraged to order from this book. All timber has a traceable 'Chain of Custody'.

All our access equipment is designed for extended life and requires little maintenance. The hire principle means that the equipment is sent to the customer and then returned to us for re-use, saving manufacturing which affects the environment. We generate minimal waste from our process when related to access (scaffold or mechanical). This is due to product re-use and only scrapping items after full inspection in the branch to deem it no longer fit for use. When this happens, the metal is sent to the scrap merchant to be recycled and, in many cases, we send the boards to power stations from pre-approved branches depending on its project usage.

The Company is accredited to ISO 14001 and operational locations segregate waste at source to minimise cross contamination and recycle whenever possible. The Company remains committed to minimising its emissions to air. One example of this is that the BEIS UK Commercial Scaffolding fleet is accredited to the Fleet Operator Recognition Scheme (FORS) where we monitor our fleet emissions and look to reduce those emissions year on year by operating more fuel efficient, less polluting vehicles, monitoring vehicles speed and improving our load and routing management.

Our environmental working group works to create and implement our climate initiative procedures. By having a representative from each area of our business, we are able to share best practice and disseminate the environmental findings clearly and efficiently.

Management is committed to addressing concerns about climate change and the environment. Reducing emissions creates efficiencies, drives innovation, helps manage long-term risk and improves our competitive advantage. The energy usage presented below covers vehicles including HGVs, vans and cars that the Company employees use to carry out the Company's activities. The Company has many electronic and hybrid cars and forklifts within our fleet and are looking to increase this as the range increases. We also have plant running on vegetable oil, again an area we are looking to expand. In addition, below contains the gas and electricity usage at each of the Company's 26 sites which again we look to minimise where possible. The Company's carbon footprint for this financial year is presented as follows:

<i>Energy consumption</i>	kWh
- Gas combustion	736,406
- Electricity purchased	1,683,979
- Fuel consumed for transport	99,337
Aggregate of energy consumption in the year	2,519,722
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<i>Emissions of CO2 equivalent</i>	Metric tonnes
Scope 1 - direct emissions	
- Emissions from gas and fuel for fleet vehicles	555.00

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DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Indicator	
Energy Consumption (kWh)	2,519,722
Energy Intensity Ratio (kWh per £'000 revenue)	18.08
Energy Intensity Ratio (kWh per employee)	1,227.93
Greenhouse Gas Emissions (Tonnes CO ₂ e)	555
Greenhouse Gas Intensity Ratio (Tonnes CO ₂ e per £'000 revenue)	0.004
Greenhouse Gas Emissions (Tonnes CO ₂ e per UK employee)	0.270

Methodology

The above emissions disclosures have been prepared in accordance with the provisions of the 'GHG Reporting Protocol – Corporate Standard', HM Government 'Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance' issued March 2019 and the Greenhouse gas reporting: conversion factors 2020. Emissions for all our significant sites have been disclosed. This includes our offices, operating sites, stock yards, and managed storage facilities.

The property usage has been calculated based on the data available from utility tracking devices and pro-rated for an estimate of the full year 2020.

Estimation techniques have been applied to calculate our vehicle energy usage. It has been calculated based on the business mileage data available for vehicles using fuel cards and assumptions made regarding other similar vehicles. We have then applied the UK Government GHG Conversion Factors for Company Reporting to calculate the above Tonnes CO₂ equivalent. Emissions from this activity are not significant compared to our properties but the company intends to improve and track usage across the entire business more accurately in future reporting years.

The intensity ratio's disclosed are used as we believe they best represent the energy usage given the activities and nature of the Company.

Scope 1 comprises direct emissions from the Company's owned and controlled plant and equipment released straight into the atmosphere. These include natural gas, gas oil, and fuel.

Scope 2 and 3 reporting requirements comprise energy and other indirect emissions that are not directly controlled by the Company. These are not applicable to the Company given the nature of our activities and energy usage.

Statement of disclosure to auditor

Each of the directors' at the date of approval of this annual report confirms that:

- so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.