

The logo for Laing O'Rourke is centered on a dark grey background. It consists of the company name "LAING O'ROURKE" in a bold, white, sans-serif font. The text is flanked by two horizontal lines: a yellow line above and a red line below.

**LAING O'ROURKE**

Carbon Reduction Plan  
Laing O'Rourke PLC

FY24

# Carbon Reduction Plan

Supplier name: Laing O'Rourke PLC

Publication date: [October 2024](#)

## Commitment to achieving Net Zero

Laing O'Rourke has set a long-term, Group-wide target to achieve net zero across Scope 1, 2 and 3 carbon emissions by 2050, which has been validated by the Science Based Targets Initiative (SBTi). We have also developed near-term (2030) science-based targets for Scopes 1, 2 and 3, which have been validated by SBTi. These commitments are to reduce Group Scope 1 and 2 emissions by 42%, and Scope 3 emissions by 25% for purchased goods and services, versus a 2023 baseline year. As the targets are Group-wide, they include our UK, Australia and Middle East operations.

Our science-based targets incorporate a full range of Scope 3 categories, which exceed the requirements for PPN06/21. In order to make it easy to compare this Carbon Reduction Plan with our other public disclosures, we have included two sets of figures for Scope 3 and total emissions; one that incorporates only the Scope 3 categories required for PPN06/21, and a fully comprehensive view that aligns with our SBT reporting.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past. They are the reference point against which emissions reduction can be measured.

**Baseline Year: FY23: Apr 2022 to Mar 2023**

### **Additional Details relating to the Baseline Emissions calculations.**

Laing O'Rourke PLC has actively been measuring, reporting and working to reduce carbon emissions since 2008, when the company first joined the CEMARS programme – now known as Carbon Reduce. We have had our carbon inventory independently verified annually since that time.

We have undertaken a substantial programme over the last three years to expand and improve our carbon data across Scopes 1, 2 and 3, both in the UK and across our global operations. While this Carbon Reduction Plan focuses solely on our UK operation, our Group-wide data programme has enabled us to develop a whole-company baseline and carbon management plan, aligned with science-based targets.

Our approved science-based targets have been developed using a 2023 baseline. While this provides limited opportunity to demonstrate carbon reductions within this Plan versus baseline year – as savings made to date have already been included – we have chosen to rebase line incorporating improved data capture and calculation methodologies, access to carbon data for our Middle East operations that were previously unavailable and Well-to-Tank (WTT) calculations, which deliver improved data integrity. WTT calculations – which take account of extraction, refinement and transportation of fuel, resulting in an emissions increase - have been included within Scope 3 Categories 3, 4, 6, 7, 9 & 13.

Our near-term (2030) and net zero (2050) carbon reduction targets were validated by the

Science Based Targets Initiative (SBTi) in July 2024, using a new baseline year of FY23 (April 2022 – March 2023). As such, we have aligned the baseline year on this report to provide consistency and transparency across all our reporting. We have also expanded the scope of this report from last year to include detailed emissions data across all applicable Scope 3 categories, providing a comprehensive view. This report describes our current position for GHG emissions covering a full view of Scopes 1, 2 and 3 for Laing O'Rourke PLC and our reduction plans under PPN 06/21.

**Laing O'Rourke PLC includes the UK subsidiaries now known as; Laing O'Rourke Delivery Limited, Explore 2050 Engineering, Explore 2050 Manufacturing, Select Plant Hire and Laing O'Rourke Services.**

**Baseline year emissions: Apr 2022 to Mar 2023**

<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>6,455.59</b>
<b>Scope 2</b>	<b>3,070.33</b>
<b>Scope 3: PPN 06/21 aligned</b> (Categories 4,5,6,7,9)	<b>24,938.20</b>
<b>Scope 3: All categories</b> (Categories 1,2,3,4,5,6,7,9,13)	<b>495,484.06</b>
<b>Total emissions: PPN 06/21 aligned</b> (Scope 3 categories 4,5,6,7,9)	<b>34,464.12</b>
<b>Total Emissions: All categories</b> (Scope 3 categories 1,2,3,4,5,6,7,9,13)	<b>505,009.98</b>

## Current Emissions Reporting

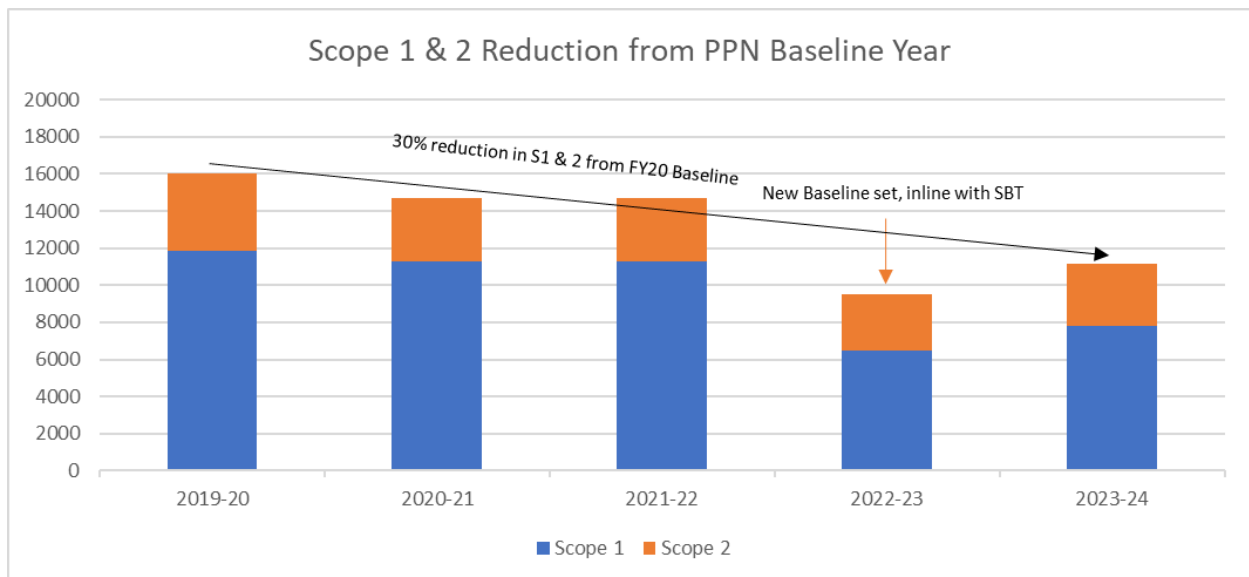
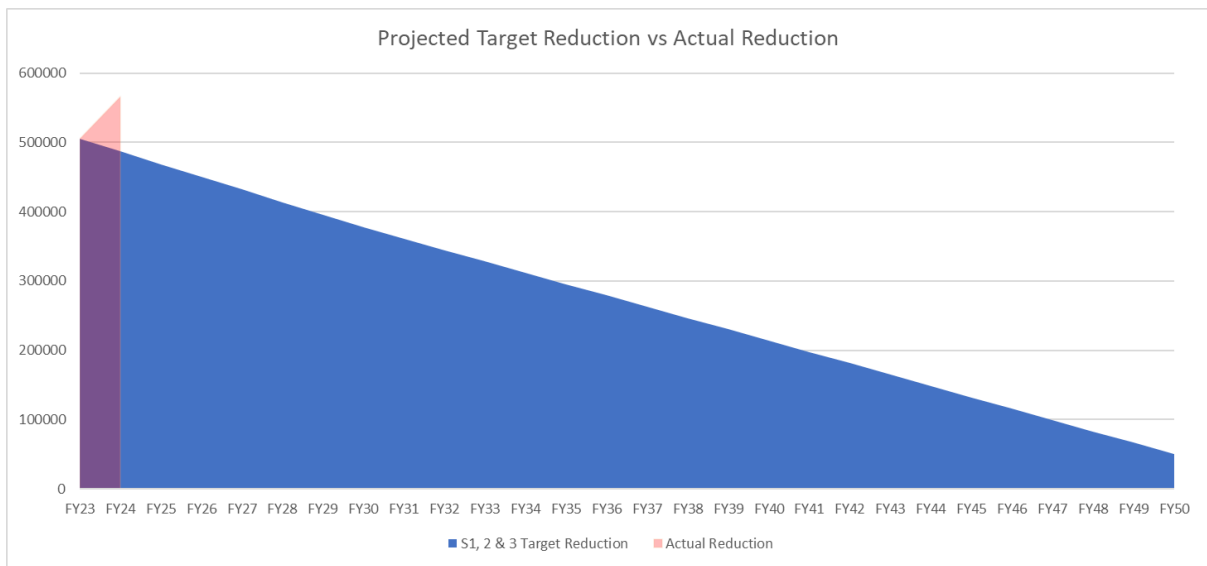
Reporting Year: FY24 - Apr 2023 to Mar 2024	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	7,801.74
Scope 2	3,335.13
Scope 3: PPN 06/21 aligned (Categories 4,5,6,7,9)	29,269.94
Scope 3 (All categories 1,2,3 4,5,6,7,9,13)	555,173.56
Total emissions: PPN 06/21 aligned (Scope 3 categories 4,5,6,7,9)	40,406.81
Total Emissions: All categories (Scope 3 categories 1,2,3,4,5,6,7,9,13)	566,310.43

## Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets;

1. Our 2030 target is to reduce Scope 1 & 2 carbon emissions by 4,000 tCO<sub>2</sub>e, which represents a 42% reduction, and Scope 3 Category 1 emissions by 123,871 tCO<sub>2</sub>e, which represents a 25% reduction.
2. Net Zero in our operational and value chain emissions (Scope 1, 2 & 3 all categories) by 2050.

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



The graph above shows the reduction in emissions from our original PPN baseline year (FY20) to the current reporting year.

We experienced an upturn in operational activity during FY24, when compared with the previous year, as the business continued to return to pre-pandemic activity levels. This resulted in an absolute increase in emissions.

The continued implementation of carbon reduction initiatives, including the use of hydrotreated vegetable oil (HVO) in place of diesel, deployment of electric plant on many sites and use of 100%

renewable electricity all enabled us to minimise Scope 1 and 2 emissions, which had consistently reduced up to baseline year, but showed an increase in the last 12 months due to operational upturn.

The introduction of a low carbon concrete mandate in April 2023 helped to contain Scope 3 category 1 increases, reducing carbon emissions from concrete by 15.5%. However, an overall increase in purchased goods and materials resulted in an overall increase in emissions.

Our carbon intensity has remained static from FY23 to FY24, at 232 tCO<sub>2e</sub> / £m revenue. However, we are committed to achieving absolute reduction year-on-year, in line with our science-based targets, and are working closely across our business and our value chain to reverse this upward trend and meet our commitments.

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The carbon abatement measures and initiatives described in this section have been completed or implemented to date. While they have been effective in containing increases associated with an operational upturn, the total carbon emission increase from the baseline year is 12.14%. This comprises:

- 1,610.94 tCO<sub>2</sub>e, equivalent to 16.91% increase against our FY23 scope 1 & 2 emissions, and;
- 59,689.50 tCO<sub>2</sub>e, a 12.05% increase against the FY23 baseline across scope 3.

Laing O'Rourke is a Platinum Status participant of the Toitu Carbon Reduce Programme (formerly CEMARS), and our carbon emissions are independently verified.

#### Fixed facility and site emission reductions:

##### **Renewable electricity**

We continue to exclusively use 100% renewable electricity, backed by Renewable Energy Guarantee of Origin (REGO) certification at all our sites.

##### **Transition away from diesel**

#### Fleet

- All diesel and petrol company car fleet have been transitioned to hybrid electric and fully electric vehicles. We intend to transition to electric only in 2025.
- Five electric vans have been added to the Select van fleet.
- Driver behaviour monitors have been deployed across our van fleet to improve fuel efficiency, ahead of our planned electric van rollout over the next financial year.
- EV charging infrastructure has been installed at our owned fixed facilities.

#### Plant

- 80% of our plant diesel has been replaced with ethically-sourced hydrotreated vegetable oil (HVO) and we are working to use electric alternatives where possible.
- Via Select, we purchased the UK's first fully electric crawler crane in 2021 and since then purchased a further 6 fully electric crawler cranes (7 in total), which are in active use across our sites.
- We're using hybrid generators – such as the PUNCH Flybrid – to dramatically improve fuel efficiency and reduce consumption on site.
- Battery storage solutions – including the Ampd Enertainer and Zenobe – are being deployed on our sites to support our transition away from diesel use in favour of cleaner power.

##### **Energy management**

- We have implemented ISO 14001 Environmental Management and ISO 50001 Energy Management across the business and are audited annually.
- Every project has a bespoke environmental and energy management plan. This includes the development and implementation of energy action plans to help reduce energy usage during the works.
- Investment in new boilers and chillers at our Dartford head office has improved

energy efficiency.

### **Tackling embodied carbon**

- Introduction of a low carbon concrete mandate for all new UK projects from April 2023 has resulted in savings of 6,719 tonnes of carbon (tCO<sub>2</sub>e) – a 15.5% reduction compared with FY22.
- We are a founding (and active) member of ConcreteZero and are signed up to net zero concrete targets in line with their commitments.
- We undertake carbon hotspot analysis and measurement on every bid and propose ways to reduce embodied carbon as part of our governance process.
- Ongoing in-house R&D programme to test, trial and scale lower carbon materials – including concrete and reinforcement – and carbon-efficient designs.
- Extensive supply chain engagement, including provision of free sustainability resources and learning pathways via our Gold membership of the Supply Chain Sustainability School.
- Launch of our Supply Chain Sustainability Charter and balanced scorecard to encourage and reward sustainable practices among our supply chain partners.

### **Future Carbon Reduction Initiatives**

We're committed to continuing our decarbonisation journey. This will require a multi-faceted approach to achieve the reductions needed, and will include:

#### **Operational emissions**

- Continue to invest in innovative site technologies that enable us to improve efficiency, drive down consumption and eradicate diesel use. This is likely to include the expansion of our electric plant equipment and investigation of hydrogen-powered alternatives.
- Fully transition our car and van fleets to electric vehicles.
- Continue to challenge ourselves to reduce energy consumption. This includes investment in energy efficiency technologies and on-site generation at our fixed facilities.
- All site accommodation will now be fitted with energy monitoring systems as standard, providing insight that will enable us to optimise energy at site level, as well as developing optimal site accommodation in the future that is more energy efficient.
- Sub-metering on electricity supplies to new worksites and depots will provide important insight to further reduce our consumption.
- Investigate on-site renewable generation on owned fixed facilities.

#### **Scope 3 emissions reduction**

Given the high proportion of our carbon footprint associated with Scope 3 – and our new near-term targets – reducing these emissions is a priority, as it will deliver the most significant impact.

Some of the key initiatives that are in flight and we expect to implement during FY25 are:

- Implementation of carbon forecasting during project evaluation stage, ensuring that carbon metrics are considered for every project and likely impact is understood.
- Continue to improve Scope 3 data integrity, providing visibility of hotspot areas to guide priority initiatives, and increasing the proportion of data from higher quality sources (e.g. quantity-based data from suppliers and Environmental Product Declarations, or EPDs).
- Continue to work closely with supply chain partners to innovate and decarbonise collaboratively.
- Expand waste reduction initiatives, including product sharing schemes across projects, implementation of circular economy principles and tightening up of design specifications



and procurement practices to reduce excess material use.

- Work with our customers and design consultants to develop lower-carbon projects, deploying lean and innovative designs and technologies.
- Expand our R&D programmes to continue to trial, test and implement lower carbon solutions within Laing O'Rourke and across the wider industry, driving the transformational change required.
- Introduce PAS2080 principles into our standard delivery framework and achieve certification.
- Improve carbon literacy across all staff via ongoing training and engagement programmes.
- Lobby industry and regulators to deliver changes that will enable decarbonisation at a greater pace.

## Declaration and Sign Off

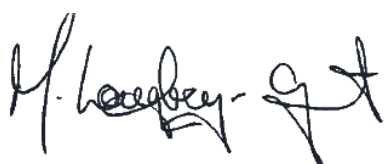
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>4</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>5</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>6</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:



Madeleine Loughrey-Grant, Group Director for Legal,

Procurement (EU) and Sustainability, Laing O'Rourke

Date: 13<sup>th</sup> November 2024

<sup>4</sup><https://ghgprotocol.org/corporate-standard>

<sup>5</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>6</sup><https://ghgprotocol.org/standards/scope-3-standard>