



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

²Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

³Guidance can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf



Carbon Reduction Plan

Supplier name: **Swietelsky Construction Company Ltd**

Publication date: **10/10/2023**

Incorporating Swietelsky Construction Company Limited carbon reduction plan in accordance with the requirements of PPN 06/21.

Commitment to achieving Net Zero

Swietelsky Construction Company Ltd is committed to achieving Net Zero emissions by 2050 for their UK operations. We are a subsidiary of our parent company Swietelsky AG which is based in Linz, Austria. Swietelsky Construction Company Ltd currently operate with Babcock Rail in a Joint Venture in the UK. This carbon reduction plan will only demonstrate Swietelsky UK values. Babcock Rail have their own Carbon Reduction Plan through Babcock Group website.

How the Scopes are Calculated?

Swietelsky Construction Company Ltd emissions data is reported in line with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, and Corporate Value Chain (Scope 3) Standard under the 'Operational Control' approach. Scope 1 and Scope 2 emissions are calculated through Swietelsky AG "WeSustain" platform and the Scope 3 PPN06/21 categories are calculated using the appropriate conversion factors published by BEIS (Department for Business, Energy & Industrial Strategy). Swietelsky AG currently calculates Swietelsky Group's emissions on the software "WeSustain" provided by Cority. Due to the UK Government requiring PPN06/21 for contracts above £5million, Swietelsky Construction Company Ltd are the first member of the Swietelsky Group to calculate Scope 3 emissions.

Swietelsky Construction Company Ltd Individual Scope Structure

- Scope 1 Emissions Sources – Natural Gas, Fuel for On-Track Machines, Our commercial fleet and business mileage in long-term leased company vehicles. Fugitive emissions*
- Scope 2 Emissions Sources – The electricity that is used in our depots and offices across the UK. Our electric fleet will appear in this Scope as we transition the road vehicle fleet.
- Scope 3 Emissions Sources – Upstream transportation & distribution, Waste generated in operations, Business Travel (Train travel, flights, car hire and alternative transport), Employee Commuting, and Downstream transportation & distribution.

**Fugitive emissions will be included in the future edition of the CRP.*

Our carbon emissions reported this document will include the seven GHG's named by the Kyoto Protocol:

- Carbon Dioxide (CO₂)
- Hydrofluorocarbons (HFCs)
- Methane (CH₄)
- Nitrous Oxide (N₂O)
- Nitrogen Trifluoride (NF₃)
- Perfluorocarbons (PCFs)
- Sulphur Hexafluoride (SF₆)

Carbon Intensity Table

To demonstrate year on year improvements of our carbon emissions for UK operations, a carbon intensity ratio will be used. The carbon intensity ratio has been calculated by dividing the revenue against the emissions of that same year. The table below provides the emission values for Scope 1, Scope 2 and Scope 3 over a period of time. By using the carbon intensity method, our business can be analysed in a way that business growth will be taken into account, and provide an evaluation of our progress. In the table, Scope 1 has seen reductions as our van fleet continues to purchase newer models with improved efficiency. Scope 2 has a small increase due to more staff hired, hence an upturn in electricity usage. Scope 3 increased emissions is the largest as business travel becomes more frequent with the COVID-19 restrictions lessening, and the employee commuting survey has been completed for FY22-23. Despite the growth in our business, our carbon intensity ratio has declined, this demonstrates Swietelsky Construction Company Ltd continues to reduce its environmental impact, and we aim to continue this trend year on year.

Swietelsky Construction Company Carbon Intensity Table

		FY 2021/2022	FY 2022/2023
Swietelsky Construction Total			
Scope 1	tCO2e	1735.95	1712.116
Scope 2	tCO2e	2.02	3.879
Scope 3	tCO2e	5.361	83.7
Total Emissions	tCO2e	1743.331	1799.695
Revenue for FY2021/2022 to FY2022/2023	£1m	20.194	21.459
Carbon Intensity Ratio		86.33	83.86

Note : Swietelsky Construction Company Ltd Carbon Intensity starts in 2021/2022, as this was the selected baseline year on the Carbon Reduction Plan due to Scope 3 data becoming available for 2021/2022.

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: FY21-22 (1st April 2021 – 31st March 2022)	
Additional Details relating to the Baseline Emissions calculations.	
Scope 1 and Scope 2 have been covered in detail within the tool “WeSustain”. Scope 3 values have been calculated using Greenhouse gas reporting: conversion factors 2021. The partial calculation of Scope 3 is due to the Employee Commuting survey not commencing until FY2022-2023. Downstream transportation & distribution is zero, as we do not sell goods.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	1735.95
Scope 2	2.02
Scope 3 (Included Sources)	<i>Partially Calculated Total – 5.361</i> <i>4. Upstream transportation & distribution – 0.264</i> <i>5. Waste generated in operations – 2.139</i> <i>6. Business Travel – 2.957</i> <i>7. Employee Commuting – see description above</i> <i>9. Downstream transportation & distribution – 0</i>
Total Emissions	1743.331

Current Emissions Reporting

Reporting Year: FY22-23 (1st April 2022 – 31st March 2023)

Scope 1 and Scope 2 have been covered in detail within the tool “WeSustain”. Scope 3 values have been calculated using Greenhouse gas reporting: conversion factors 2022”. Downstream transportation & distribution is zero, as we do not sell goods. As we continue to improve our data and calculations, Employee Commuting has been included by the use of an employee survey, and with this survey Homeworking was also calculated and is included in Employee Commuting.

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	1712.116
Scope 2	3.879
Scope 3 (Included Sources)	<p><i>Calculated Total – 83.7</i></p> <p><i>4. Upstream transportation & distribution – 0.558</i></p> <p><i>5. Waste generated in operations – 1.958</i></p> <p><i>6. Business Travel – 19.212</i></p> <p><i>7. Employee Commuting – 61.972</i></p> <p><i>9. Downstream transportation & distribution - 0</i></p>
Total Emissions	1799.695

Summary of additions between 2021-2022 and 2022-2023:

Scope 1: No changes.

Scope 2: UK electricity for EV company car

Scope 3:

- UK Electricity T&D for EVs
- Business Travel inclusion of electric, petrol, and hybrid vehicle data. (also 1 year out of covid).
- Employee Commuting and Homeworking.

Carbon Reduction Initiatives

The following environmental management measures and projects have been implemented since the FY21-22 baseline. The carbon emission reduction achieved by these schemes equate to 21.975 tCO₂e, a 1.26%ge reduction against the FY21-22 baseline for Scope 1 and Scope 2. Scope 3 has reduced numbers due to the pandemic in FY21-22, this does not show a real representation of Swietelsky environmental efforts when in comparison with FY22-23. In the future edition, we look to have a fairer comparison for Scope 3 reductions year to year as the pandemic has ended.

Swietelsky Construction Company are certified to ISO14001:2015 and we continue to look for new innovative ways to reduce our impact on the environment. In this section, ongoing and future initiatives have been detailed.

Implemented Carbon Reduction Initiatives

Use of Sustainable Products

- Replacing petroleum-based oil and fuel.
- Introduction of hybrid and electric vehicles as forms of travel.
- The Reading office has EV charger availability.

Reducing Waste

- External oil filtration system preventing oil loss.

Recycle

- Recycled rubber used on "Brush Box" for protection skirts.
- Hard hats that are damaged or due for replacement are recycled through the National Hard Hat Recycling Scheme.
- Accredited Waste Management Supply Partners.

Energy Improvements

- The van fleet continues to replace older vehicles with newer models, therefore the engines are more efficient and produce less CO₂.

Ongoing Initiatives

- Guide Bridge office has installed a smart meter to analyse energy use in each room. There are to be improvements to heating usage, particularly in winter. The initial reading shows the heating is on throughout the weekend when no one is in the office. The heating can be adjusted to a timed setting so outside of office hours will not have heating turned on. The installation of the smart meter will also provide key information regarding EV charging capacity.
- Retrofitted a Plasser & Theurer 08-4x4 tamper with electric motors for tamping operation.
- Planned rollout of EV Chargers for Guide Bridge and Glasgow Offices.
- The hydraulic filters on two 09-4x4/4S are undergoing trials to determine if the filter lifespan can be extended from 3 months to a possible 12 months. This will reduce waste for filters.

Future Carbon Reduction Initiatives

- Sustainable Depots
- Improved specifications on future OTMs, possibly E3 technology.
- Transition the road fleet to fully electric vehicles.
- Company cars to move to zero emissions/low emission vehicles.
- ETCS will be installed on a number of OTMs in our fleet. ETCS can reduce carbon footprint through more efficient driving of our OTMs. When reducing speed and coasting, the braking will not be as harsh as before, due to system reducing speed in advance by gradually coming off the throttle. ETCS allows drivers to plan ahead further and drive more economically.
- Switch our energy tariffs to renewable energy to reduce our Scope 2 and Scope 3 emissions.

Carbon Reduction Targets

Swietelsky Construction Company have set out ambitious key targets that will continue to develop and grow, just like our sustainability profile. To achieve Net Zero, our targets have been summarised in the “Carbon Reduction Roadmap” section.

We project that carbon emissions will decrease over the next seven years 359.8 tCO₂e by 2030. This is a minimum reduction of 20%.

Carbon Reduction Roadmap

During the COVID-19 pandemic, Swietelsky has opted to encourage online meetings through services such as Microsoft Teams. By using online meetings instead of face to face, our business travel emissions were reduced. Now that the pandemic is over, face to face meetings have become more prominent, as this type of meeting can support productivity. Going forward Swietelsky look to find cleaner transport for face to face meetings and will continue to encourage online meetings where possible.

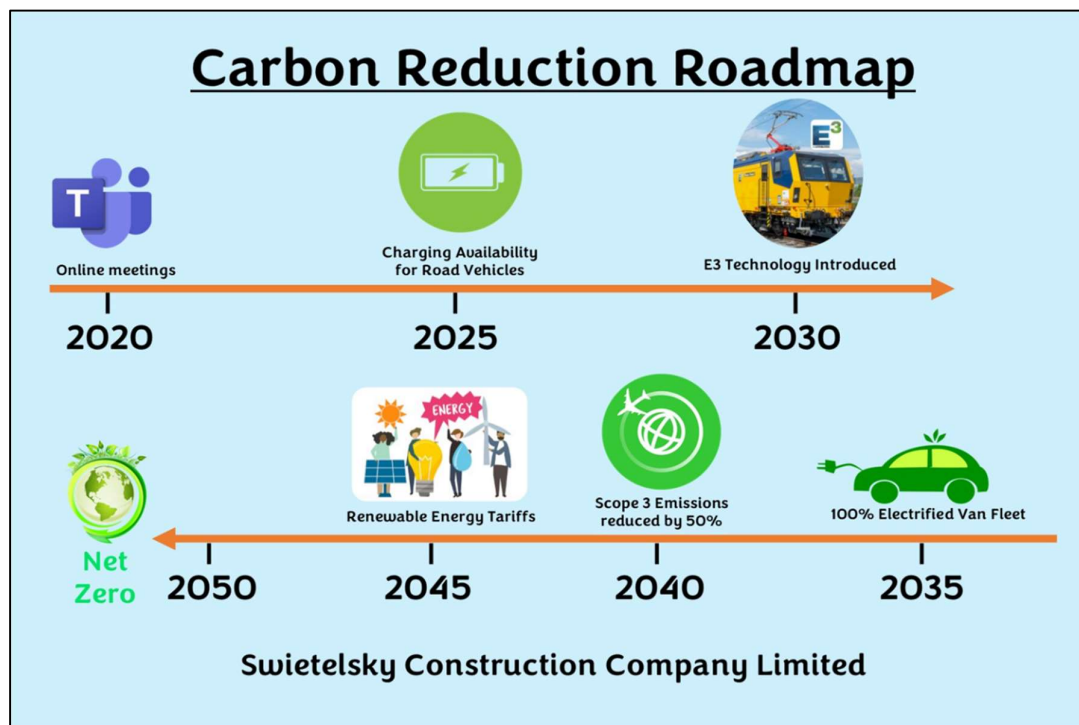


Figure 1 - Swietelsky Construction Company Ltd Carbon Reduction Roadmap

In 2025, Swietelsky will aim to be in the position where our road fleet charging infrastructure across our offices and depots will be available. Between 2030 and 2035, hybrid road vehicles will start to be replaced by electrical vehicles. As the UK government has newly mandated the sale of internal combustion vehicles and hybrid will be banned by 2035. Our electric infrastructure and electric road vehicle fleet is to be fully in place by 2035. Scope 2 will absorb Scope 1 emissions with the transition of road vehicles, however the overall emission total will be significantly reduced by 2035, and the remaining emissions in Scope 1 will have a slower transition as OTMs have longer design lives (up to 30 years).

As our company continues to strive for a stronger sustainable profile, our older machines will become outdated and be replaced by new E3 technology OTMs or equivalent low emission OTMs. The

E3 technology has been designed by Plasser & Theurer (OEM), and it will support our goal in reducing emissions through fuel saving as any electrified line in UK can be utilised for power, instead of the diesel engine.

By 2040 Scope 3 emissions will be the area in which Swietelsky can look to reduce. Scope 3 major reductions would be business travel, company cars to electric, deliveries of fuel, employee commuting, and energy extraction. By reducing all these factors, Scope 3 would aim to be in a position of less than 75% when compared to FY22-23 values.

As our roadmap can now see the target of NetZero with in its sights, energy extraction is to be to carbon neutral by 2045 with the support of renewable energy tariffs and sustainable fuel collection. From 2045 onwards, offsetting projects may be required or new technologies could be available to support our goal to achieve NetZero by 2050.

Swietelsky will embrace this challenge and look forward to reducing our emissions, and improve our social responsibilities for our employees and our client Network Rail.

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 and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

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.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors for Swietelsky Construction Company Ltd.

Signed on behalf of the Supplier:

Managing Director

Signature:  Date: 10.10.2023

Technical Director

Signature:  Date: 10.10.2023

Finance and Commercial Director

Signature:  Date: 10.10.2023



Swietelsky
Suite 1, Sycamore House
290 Bath Street
Glasgow
G2 4JR

info@swietelsky.com

Telephone: +44 (0)141 212 5648