

Carbon Reduction Plan

1.0 Commitment to achieving Net Zero

Hydrock Consultants Ltd (henceforth referred to as Hydrock) is committed to achieving Net Zero emissions by 2030 for scope 1 and 2 emissions from a base year ending 31st March 2020 (FY20). We intend to achieve net zero for scope 3 emissions by no later than 2050 and will revise this target date after finalising our scope 3 inventory. Hydrock has also committed to setting science-based targets (SBTs) and intend to submit these to the SBTi in 2022.

1.1 Background

Responsibility for carbon reduction is led at Board level and supported through action planning through the company Sustainability Working Group (SWG). The SWG members represent all Hydrock disciplines, locations and levels of seniority and include a board sponsor. They consider, and where necessary, challenge Hydrock's commitments and processes to ensure that the company operates in a sustainable manner that seeks to continually improve our environmental, social and economic impacts, both close to home and in wider society. Along with the Board, the SWG is responsible for ensuring that the targets set are achieved and will help deliver a sustainable Hydrock.

Hydrock's in-house Smart Energy and Sustainability (SES) specialists develop our carbon strategy on behalf of the SWG, and act as the technical advisors to the SWG and Board for Hydrock's journey to Net Zero and beyond.

Hydrock supports the UK Green Building Council's (UKGBC) framework for net zero carbon buildings which will ensure that our consultancy work will help to the UK construction and property industry to transition new and existing buildings to becoming net zero carbon by 2050.

2.0 Emissions footprint

2.1 Baseline emissions

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.

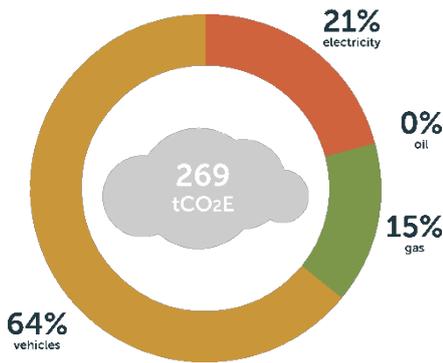
Hydrock aligns carbon reporting to its financial year (1st April through to 31st March "FY"). A baseline year of FY20 has been used for scope 1 and 2 emissions which also largely predates the business impact from the COVID-19 pandemic. Hydrock is currently in the process of measuring their scope 3 emissions for inclusion in future reporting. The intention is to create a new baseline for FY20 (where data is available) through to the current reporting period to cover scope 1, 2 and 3 emissions. Therefore, the historic baseline and current reporting period included in this report deviates from the requirements under this measure (PPN 0621) due to no prior Scope 3 emissions reporting. However, for the first-year reporting under this measure it has been deemed acceptable to report on Scope 1 and 2 only. The acquisition of Kelly Taylor and Associates Ltd (company number: 01698632) in the FY22 reporting year (still ongoing) will constitute substantial organisational change and will be considered in the re-baselining exercise.

2.2 Current and baseline emissions reporting

The capturing of our scope 1 and 2 emissions involved a detailed assessment of the buildings in which we operate and the vehicles we use for business travel purposes. For fuel usage, a fuel-based approach was used. The majority of oil, gas and electricity data was taken directly from meter readings. However, when a reading was unavailable, which was rare, then a value was calculated using pro-rata extrapolation, benchmarking or comparative data from a similar asset, as instructed by the reporting guidance. SES are developing a method of automated real time data collection to ensure complete and accurate accounting of energy usage and emissions.

Emissions scope	FY20 baseline (tCO2e)	FY21 (tCO2e)	Reduction from baseline
Scope 1	473.2	212.4	-55.1%
Scope 2	122.3	56.6	-53.8%
Scope 3	-	-	-
Total emissions	595.6	269.0	-5.8%

Note: Scope 2 emission figures refer to market-based emissions, however Hydrock intend to include dual-reporting of location-based emissions in future reporting. Scope 3 emissions have not been included in this year's reporting.



Hydrock's emissions from scope 1 and 2 reduced significantly in FY21 by 54.8%, however these reductions were mainly driven by the business interruption caused by the global COVID-19 pandemic.

The graphic on the left provides a breakdown of Hydrock's Scope 1 and 2 emissions for the FY21. What is instantly clear is that, by far, the largest contribution towards our total Scope 1 & 2 emissions comes from company-controlled vehicles, followed by electricity usage within our offices. Oil and gas consumption (used for heating and hot water) makes up just 15% of our total Scope 1 and 2 emissions in FY20. However, the proportion of this has decreased while emissions from vehicles has increased correspondingly.

3.0 Emission reduction targets

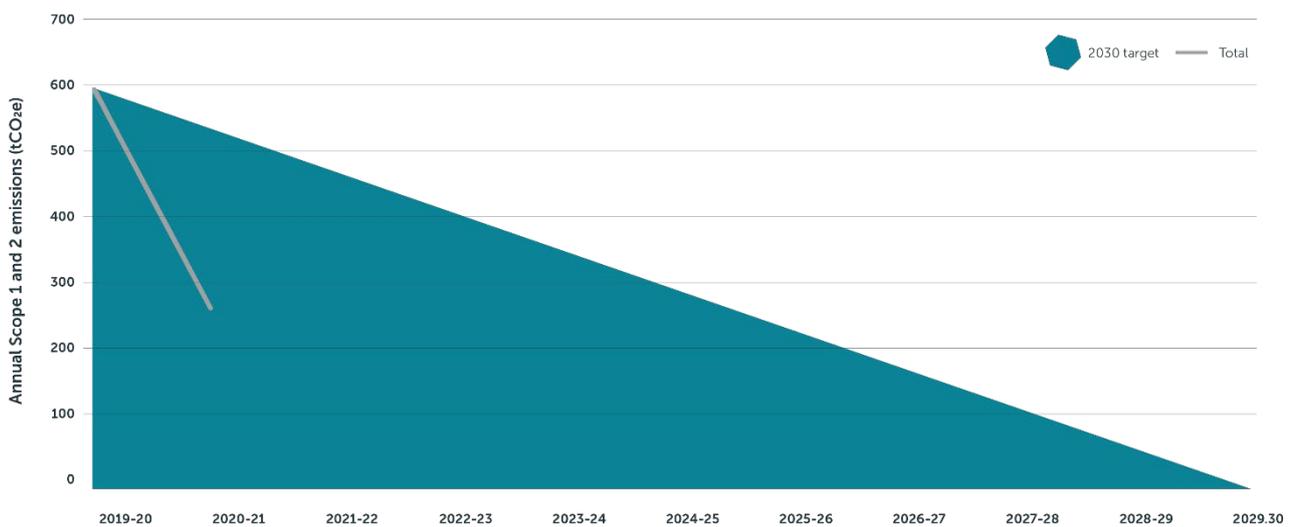
Hydrock has committed to becoming net zero carbon in our business operations by 2030 and, to capture and continuously improve the data quality of our value chain emissions. In 2021 we committed to setting a science-based target (SBT) which aligns with 1.5°C of warming as per the Paris agreement. Below sets out our approach so far to achieve this, and what we propose to do during FY23 to continue working towards this.

The interventions that Hydrock is advised to pursue in order to achieve net zero for scope 1 and 2 are summarised below:

- > Absolute target: A 79% reduction in scope 1 and 2 emissions by 2030
- > Intensity target: A reduction of business mileage by 80% per employee

By reducing business mileage, adopting working from home, transitioning to an EV fleet, decarbonising heat and switching to more renewable energy providers, Hydrock estimates it can reduce its total scope 1 and 2 emissions by 79%. Carbon offsetting will be explored for hard-to-decarbonise emission sources to achieve net zero emissions for scope 1, 2 and 3 emissions by no later than 2030.

Progress against a 2030 net zero target is outlined in the below graph:



4.0 Carbon reduction projects

A range of initiatives will be required to address the breadth and complexity of carbon reduction across Hydrock's own operations and value chain. This will also include introducing new data management systems to better capture our emissions data and ultimately to identify emission reduction opportunities and realise further emission savings.

The following measures have been implemented since the FY20 baseline:

- > Support for remote working and facilitating tools to reduce reliance on office space and vehicle mileage (in addition this will serve to reduce scope 3 emissions from employee commuting and business travel).
- > Transitioning pool and company cars to electric vehicles.
- > Moving away from oil and gas heating in Hydrock offices, and switching to renewable electricity providers.
- > Introducing office waste audits, a third-party business travel booking system, employee commuting survey to gather data and effectively tackle Scope 3 emissions.

The following data management and carbon reduction measures are being looked into:

- > Transition energy procurement in offices to 100% renewable energy backed with Renewable Energy Guarantee of Origin (REGO) certificates.
- > Develop a sustainable procurement policy in line with ISO 20400.
- > Expand office waste audits and investigate new suppliers to support improved data collection and recycling initiatives for waste materials .
- > Introduce sign-in app for offices to capture supplier and client travel.
- > Upgrades to central finance system to better capture and align to scope 3 reporting of emissions from procured goods and services.

5.0 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. Hydrock are currently in the process of measuring their Scope 3 emissions in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard. The required subset of Scope 3 emissions will be included in an updated Carbon Reduction Plan in 2022.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of Hydrock Consultants Ltd (company number: 03118932):

A handwritten signature in black ink, appearing to read "Mike Yiannis". The signature is fluid and cursive, written in a professional style.

Mike Yiannis, Board Representative

9 February 2022