



Cabinet Office

Carbon Reduction Plan

Supplier name: Walker Construction (UK) Limited

Publication date: March 2026:

Commitment to achieving net zero

Walker Construction (UK) Limited 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: 2023 January 1st to December 31st

Additional details relating to the baseline emissions calculations:

Walker Construction (UK) Limited has carried out a full analysis of our Scope 1, 2 & 3 carbon emissions. We have an action plan in place to reduce our Scope 1 & 2 emissions by half by end 2030 and our Scope 3 emissions by half by end 2035 in line with government targets and the SBTi to limit global warming to 1.5 Degrees Celsius.

Baseline year emissions: 2023 Jan-Dec

Emissions	Total (tCO ₂ e)
Scope 1	1556
Scope 2	17
Scope 3 (all emissions sources included)	13,187
Total emissions	14,760

Current emissions reporting

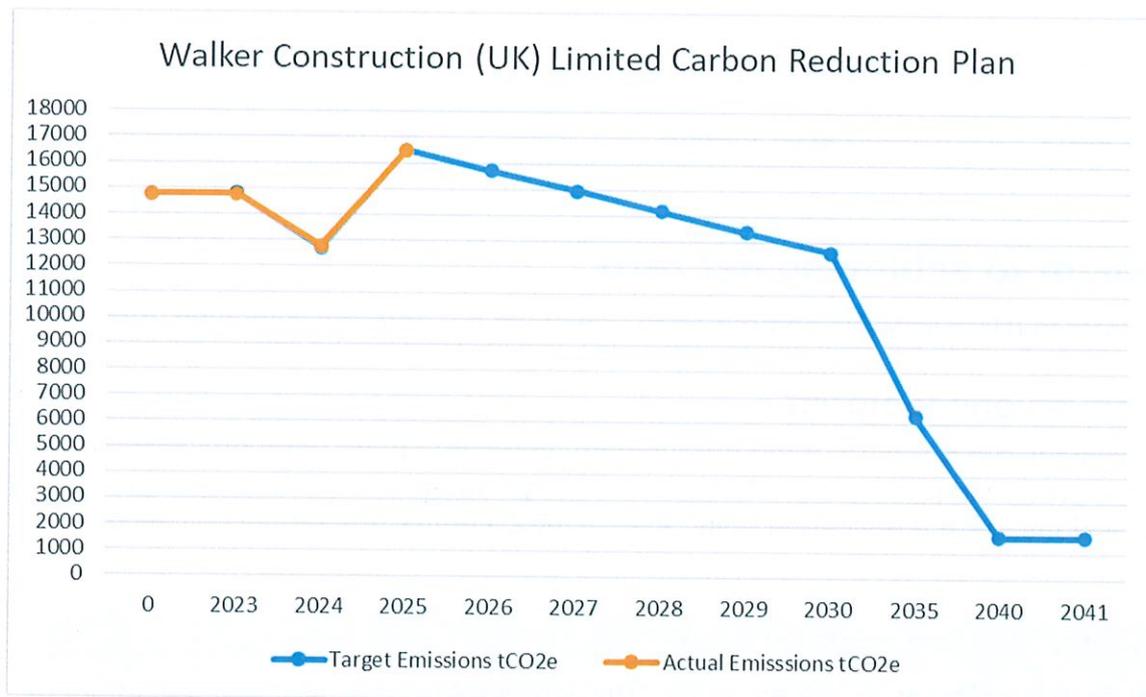
Reporting year: 2025 Jan-Dec

Emissions	TOTAL (tCO ₂ e)
Scope 1	1569
Scope 2	10
Scope 3 (all emissions sources included)	14,920
Total emissions	16,499

Emissions reduction targets

Our 5 Year Plan is to halve our Scope 1, 2 emissions by 2030 in line with the UN Backed Science Based Target Initiative (SBTi), and halve our Scope 3 emissions to include our wider supply chain by 2035.

We project that carbon emissions will decrease by 3870 tCO₂e over the next five years to 12,629 tCO₂e by end 2030. By 2035 this will decrease by a further 6314 tCO₂e, such that our overall emissions will be 62% lower than our most current 2025 carbon audit.



2025 Emissions Audit Context

Spend: Our 2025 spend on direct materials and sub-contractors compared with 2024 has increased by £550,000 and £1.65M respectively. A total of £2.2M in additional procurement! We would therefore expect our emissions to increase in proportion here all things being equal.

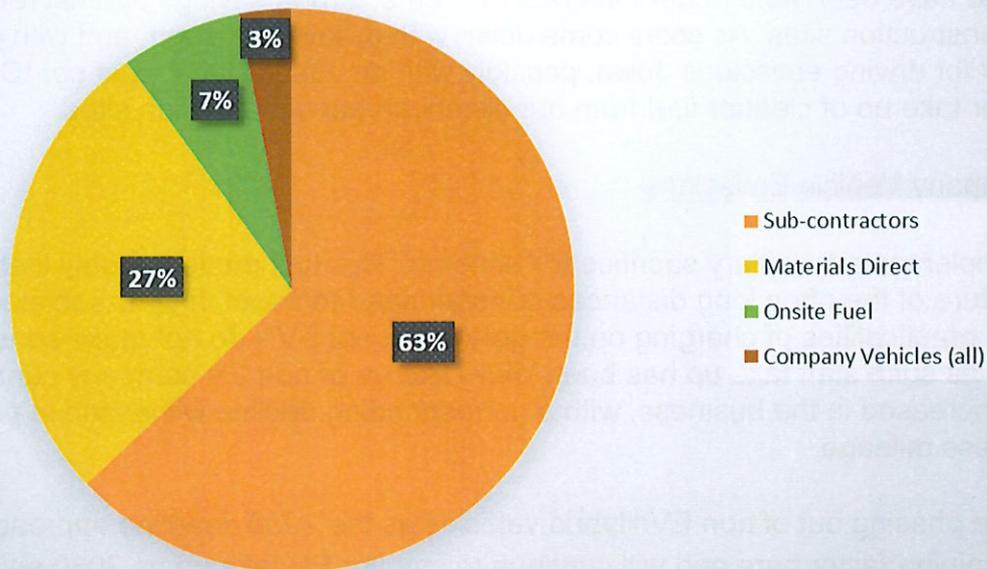
Methodology Overhauls: However, the 2022 DEFRA/BEIS update (used for our 2025 Audit as the most recent), introduced substantial changes to how spend based emissions were calculated, particularly in Scope 3, causing massive, one-off spikes in certain sectors *e.g. cement/concrete products*.

When looking at our carbon intensity ratio, and removing this effect for our direct materials purchases, we were able to establish the 'net' emissions resulting from our increase in procurement spend here – the equivalent of 350 additional tCO₂e compared with the 951 additional tCO₂e in our audit. This will also have had a similar effect on our sub-contractor emissions in particular emissions categories like cement/concrete products for example.

Nature of Work: Finally, no two years are the same in construction when it comes to make-up of build projects. Our higher carbon intensity ratio in 2025 reflects new higher emissions categories like Glazing procurement for example and not in our 2024 audit.

In 2025 we had 17 key sub-contractor procurement categories included in our audit, compared with just 13 in 2024 for example, again reflecting the more diverse range of sub-contractor services used. 71 suppliers were included in our 80/20 pareto rule cut off in 2025, compared with just 55 in 2024, further highlighting our diverse supply chain needs.

Carbon Emissions Hot Spots Breakdown 2025



Carbon reduction projects

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

Completed carbon reduction initiatives

A sustainability committee has now been created in the business comprising operations, HR and estimating & bid team key personnel to oversee the following objectives and strategies;

Scope 2 Office Emissions

Our office emissions have been steadily falling and are down 41% from our 2023 Baseline. This is due in large part to the installation of SolarPV at our Lympe & Verney offices.

We are investigating further renewables opportunities *e.g. battery storage* to move fully off-grid for our office energy needs.

Scope 1 Construction Site Emissions

The primary contributor to our emissions here comes from the quantity of diesel fuel being used to power our construction sites. 70% of our Scope 1 emissions come from this source. This remains a challenge and the sharing of emissions savings to be made by moving to cleaner fuel sources *e.g. Bio/HVO Fuel* must be facilitated at tender stage.

This is a simple calculation. For example the quantity of fuel envisaged at tender stage can be multiplied by the relevant period diesel conversion factor and then compared to the relevant period Bio/HVO fuel conversion factor to demonstrate the carbon savings. This should be the default position in tender submissions.

Example:

In 2025 a total of 425,685 litres of diesel fuel were ordered and using the 2025 UKGOV official conversion factor, 1094 tCO₂e generated. In comparison and using the Bio/HVO fuel conversion factor this order would equate to a mere 15 tCO₂e!

Our barrier to client adoption presently is £ Cost. Presently there is a circa 25% 'premium' on cleaner Bio/HVO fuel alternatives. Since 2025, and through our estimating system Causeway, we have been able to demonstrate to clients carbon savings against renewable fuel on our construction sites. As costs come down with greater adoption, and with greater accountability for driving emissions down, possibly with an associated £ cost per tCO₂e, we expect greater take up of cleaner fuel from our clients on our construction sites.

Scope 1 Company Vehicle Emissions

In 2025 we implemented a salary sacrifice EV scheme. This has proved largely ineffectual due to the nature of the often long distances our staff need to travel, high associated leasing costs and the practicalities of charging on the go! At present EV's do not make sense for our business and as such staff take up has been low! Take up of non EV company car options has actually increased in the business, with a corresponding decline witnessed in private vehicle business mileage.

We expect the phasing out of non EV/Hybrid vehicles as the 2030 deadline approaches to be the key determining factor here and will continue to monitor EV take up as 2030 approaches.

Commercial vehicle emissions have however decreased by 80 tCO₂e or 14% compared with 2025 and our 'stay away' policy for commuting distances of 2+ hours is an important factor here as is greater take up of 'virtual meeting' capability.

Scope 3 Emissions – Daily Business Operations

Emissions from our daily business operations are little changed from our 2023 Baseline Audit report. Business travel accounts for 72% of our footprint here. As noted above, our EV salary sacrifice scheme has proved unworkable due to the high mileage being covered by our staff and the associated high leasing cost.

From 2030 the phasing out of non EV/hybrid new car sales will therefore be the key driver here in changing our staff behaviour. We also expect EV ownership/leasing costs to reduce and vehicle range and charging infrastructure to improve such that current barriers to adoption are largely removed. Our carbon reduction plan will therefore now reflect this from 2030 onwards.

Emissions associated with employee commuting – currently 18% of Daily Business Operations will also reduce for the same reason.

Scope 3 Emissions - Waste Emissions

Our emissions associated with construction waste are static year on year. Waste recycling rates in the construction industry are 99% + with a 'Zero to Landfill' policy in place for most operators. As such our associated emissions – around 70 tCO₂e are minimal when seen in the context of our other emissions 'hot spots'.

We will continue to driver greater 'uptake' of soil stabilisation activity on construction sites where possible and carry out more on-site processing of waste materials e.g. hardcore for direct reuse as part of the construction process. We are also targeting 'bio-diversity net gain' on our sites through the creation of nature areas by working more closely with developers and local/planning authorities.

Future carbon reduction initiatives

Scope 3 Emissions – Direct Materials

Emissions associated with direct purchasing of materials used on our construction sites have increased markedly - +25% or 951 tCO₂e from 2024, though still marginally lower than our 2023 Baseline where in the main less accurate £ spend based conversion data was used leading to 'overstated' emissions.

2024 & 2025 Audit reports have been carried out using more robust quantity based data and twice yearly updated Government conversion factors in order to more accurately calculate emissions compared to the more generic SIC code £ spend based approach which overstates emissions with data not updated as frequently.

The effects of this are best highlighted in the 2025 audit report, where the 2022 DEFRA £ spend based conversion factor update introduced substantial changes to how emissions were calculated, particularly in Scope 3, causing massive, one-off spikes in certain sectors.

DEFRA changed the conversion factor from 0.982 kg CO₂e £1 in 2021 to 2.153 kg CO₂e in 2022 for cement / concrete products. Using the DEFRA 2021 spend based conversion factor for concrete products, our net emissions increase would come down to 350 tCO₂e and result in a carbon intensity ratio / £ spent which mirrors our 2024 audit. The net increase therefore of 350 tCO₂e being directly attributable to an actual increase of £556,000 spent in 2025 in our direct materials supply chain.

This highlights the need for accurate QTY/and/or supplier based emissions data rather than relying on DEFRA! Whilst this has been largely eliminated for direct materials purchases, though not entirely, the problem is even greater in our sub-contractor supply chain where emissions are almost entirely calculated using a £ spend based approach and DEFRA conversion factors.

Whilst more accurate reporting of materials purchased will help to iron out anomalies in the DEFRA emissions conversion factor methodology, we still need to source lower carbon alternatives through our supply chain. Our Scope 1 example above is a good benchmark here and we have already seen the benefit of using recycled aggregates and steel on the AVA Bridge & Wickford Station Hub projects for example in our emissions reporting.

ACTIONS: Move to accurate quantity and or weight/emissions based supplier invoicing for all invoices and record this not just £ spent. Investigate lower carbon alternatives at estimating/tender stages supported by emissions savings. Are we asking the question? We then need to capture this as evidence based support.

RESP: Estimating/Buying & Bid Teams at Project Tender Stage

Scope 3 Emissions – Sub-contractors

Scope 3 sub-contractor emissions have increased most significantly - up 37% compared with 2024.

As with our direct materials purchases, we have seen an actual increase in £1.65M spent in 2025 with our sub-contractor supply chain. This will inevitably increase emissions and our sub-contractors now account for 62.5 % of our total emissions footprint.

As highlighted above, whilst more accurate reporting of materials purchased will help to iron out anomalies in the DEFRA emissions conversion factor methodology, we still need to source lower carbon alternatives through our supply chain. The Ava Bridge project using 50% recycled steel is an excellent example, but we must do more to facilitate the move towards lower carbon alternatives in PARTNERSHIP with our supply chain.

When looking at our Scope 3 sub-contractor emissions and wider value chain, we have done so by carrying out an initial 'pareto' 80/20 analysis. This has helped us to identify the 21% of suppliers (71 in total) who constitute 82% of our supply chain sub-contractor open

As with our direct materials suppliers, it should be possible to move towards emissions and/or quantity based invoicing with our larger suppliers. Many should hopefully have a similar annual carbon audit in place now and be able to tell us the associated emissions based on our £ spend/ quantity ordered *e.g. Toppesfield for Tarmac.*

In addition to facilitating more accurate emissions reporting, our objective here should be to achieve a position where - when we tender for work, we can highlight that our 'pareto' supply chain i.e. our top 20% of suppliers accounting for 80% of our sub-contractor spend are also fully 'Net Zero' aligned. This would be a significant point of difference for Walker Construction in tendering for business.

ACTIONS: Move to accurate quantity and or weight/emissions based supplier invoicing for all invoices and record this not just £ spent. Investigate lower carbon alternatives at estimating/tender stages supported by emissions savings. Again, are we asking the question?, with evidence based support to help tell our story here where enabled.

RESP: Estimating/Buying & Bid Teams

In summary, Sustainability is no longer optional. In the built environment, considerations around sustainability directly impact relevance, trust and the ability to win work.

We now understand our carbon emissions and where our hotspots are as a business in depth. We need to build on this further – to facilitate more accurate reporting of our supply chain emissions in the first instance, but crucially to also manage them down in partnership with our suppliers.

We then need to further evidence this to our stakeholders and be seen as a key strategic partner aligned with their 'Net Zero' and Social Value agendas.

Declaration and sign off

This Carbon Reduction Plan has been completed in accordance with PPN 006 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 standard¹³ and uses the appropriate government emission conversion factors for greenhouse gas company reporting.¹⁴

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements (where required), 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.¹⁵

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:

P. A. Webb

Date: 16/03/2026

Phil Webb

Managing Director

Walker Construction (UK) Limited

