CARBON REDUCTION PLAN

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INTRODUCTION

CHAP Group is one of Scotland's leading privately owned construction groups dating back to 1976. CHAP Group is split into three main operating entities - Construction, Civils and Homes.

Commitment to Achieving Net Zero

CHAP Group Limited is committed to achieving Net Zero emissions by 2040.

Baseline Emissions Analysis

In 2021 /22 the company employed Carbon-Zero to calculate the Carbon Footprint of the business with the majority of the assessment taking place in 2022. The scope of the assessment extends to all associated carbon emissions relating to the ongoing business operations. This represents the starting reference point before major emission-reduction strategies were implemented.

Summary Table

Year	Scope 1	Scope 2	Scope 3	Total
2021/22 (Baseline)	120.6	26	672.4	**819**
2022/23	83	19	371	**473**
2023/24	57.7	9.1	491.3	**558.1**
2024/25	63.3	0.0	10.8	**74.1**

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.

Year on Year Analysis

Total Emissions Trend

Year	Total Emissions	YoY Change	% Change
2021/22 (Baseline)	819	–	–
2022/23	473	-346	-42.3%
2023/24	558.1	+85.1	+18.0%
2024/25	74.1	-484.0	-86.7%

Summary:
Total emissions have shown a strong overall downward trend since the 2021/22 baseline of 819 tCO_2e, despite some year-to-year fluctuations.

In 2022/23, emissions fell significantly by 42% to 473 tCO_2e, largely driven by substantial reductions in Scope 3, alongside decreases in Scopes 1 and 2. In 2023/24, total emissions rose by 18% to 558.1 tCO_2e, primarily due to an increase in Scope 3 emissions, even though operational emissions (Scopes 1 and 2) continued to decline.

The most notable change occurred in 2024/25, when total emissions dropped sharply by 87% to 74.1 tCO_2e. This dramatic reduction was driven by the near elimination of Scope 3 emissions and the complete removal of Scope 2 emissions, despite a small increase in Scope 1.

Overall, the organisation has achieved a substantial reduction from its baseline year, with Scope 3 remaining the main driver of year-on-year variability.

Total Emissions: What's Driving the Changes?

The year-on-year changes in total emissions are primarily driven by fluctuations in Scope 3 emissions, which make up the largest proportion of the organisation's footprint.

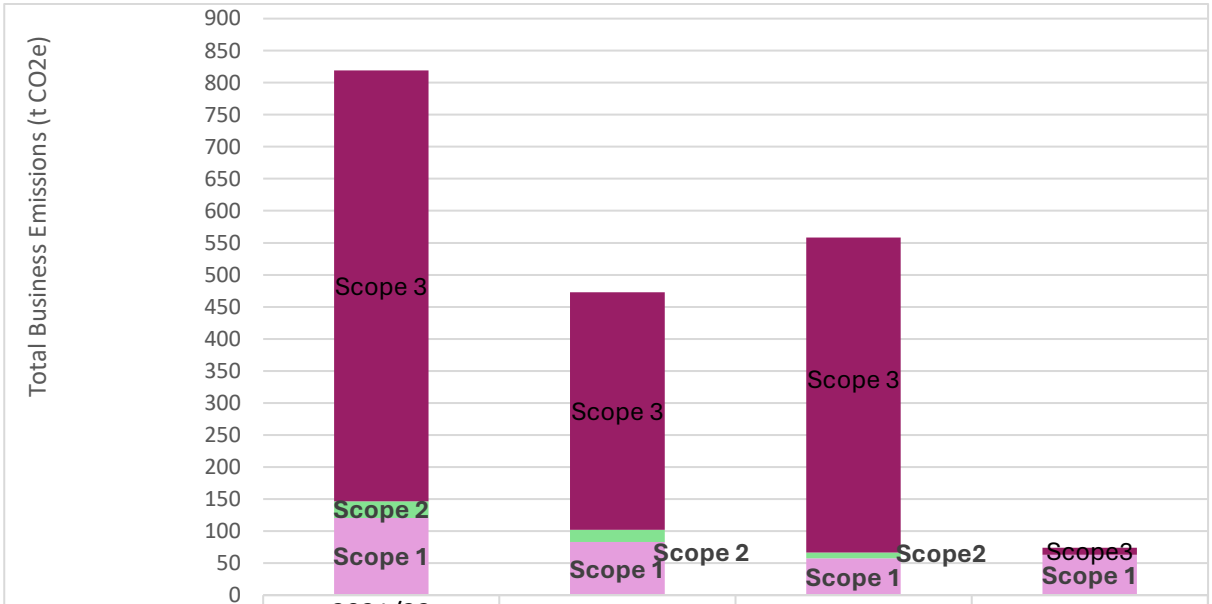
From the 2021/22 baseline to 2022/23, the significant 42% reduction was largely due to a sharp fall in Scope 3 emissions, supported by reductions in operational emissions (Scopes 1 and 2). This suggests changes in supply chain activity, procurement patterns, business travel, or methodological improvements may have contributed to the decline.

In 2023/24, total emissions increased by 18%, despite continued reductions in Scope 1 and 2. The rise was driven almost entirely by a rebound in Scope 3 emissions, highlighting the sensitivity of overall performance to value chain activities outside direct operational control.

The most dramatic shift occurred in 2024/25, when total emissions fell by 87%. This was driven by the near elimination of Scope 3 emissions and the reduction of Scope 2 to zero, indicating either major structural changes (e.g., renewable electricity procurement, operational downsizing, supply chain changes) or a significant change in reporting boundaries or methodology. Scope 1 increased slightly, but this had minimal impact on the total due to the scale of reductions elsewhere.

Overall, while operational emissions have steadily declined, Scope 3 remains the dominant driver of total emissions volatility, and managing value chain emissions is critical to maintaining long-term reductions.

Emissions by scope for business activities covering the last 4 years.



	2021/22 (Baseline)	2022/23	2023/24	2024/25
Scope 3 (tCO_2e)	672.4	371	491.3	10.8
Scope 2 (tCO_2e)	26	19	9.1	0
Scope 1 (tCO_2e)	120.6	83	57.7	63.3

Opportunities for Improvement

New Vehicles

Options include:

1. Replacing diesel vehicles with hybrid or electric vehicles.
    a. When leased vehicles are up for renewal switching to hybrid or electric vehicles.
    b. Replacing existing diesel vehicles with a hybrid or electric vehicles, particularly delivery vans.

Electricity

Potential options for minimising carbon emissions associated with electricity use include:

1. Temporary solar panel installations with onsite battery systems
    a. These may need to be supplemented by a mains connection or backup generator.
    b. There would be some emissions associated with initial delivery/setup of a solar PV system at each development site.
2. Biofuel generators may offer an alternative option to providing energy onsite from a lower carbon source.

Material Use

Setting and enforcing environmental performance requirements for materials used within the building is an effective way of minimising embodied carbon. There are various alternative material options available on the market, and a key aspect could be working with existing suppliers to understand specific products' current carbon performance and requesting lower embodied carbon alternatives.

Deliveries

1. Assuming deliveries could be consolidated to decrease the number of deliveries, emissions could thus be reduced. This involves working with suppliers to ensure deliveries are as efficient and local as possible, with vans and trucks being as close to full as possible. Ensuring ordering processes are organised and streamlined so that appropriate materials are ordered in advance will also assist with minimising freight trips.
2. It is noted that the delivery numbers in this report have been based on literature assumptions, so improving record keeping of actual deliveries will be essential going forward to ensure changes can be properly implemented.

Fuel Use

A large proportion of development site emissions relate to fuel use (diesel, petrol and natural gas).

1. Options to move away from the use of these fuels (e.g., moving to battery equipment charged on electricity or biofuel) should be considered.
2. Moving to battery or electric equipment will decrease the emissions associated with using fuel driven equipment. It is noted that this should be considered closely as part of a comprehensive approach, as some development sites use generators for electrical power, so while fuel may be saved in one aspect, the net improvement may not be recognised depending on the electricity source.
3. An option for where fuel is used for generators could be to look at a hybrid system. Generators run less efficiently at low loads, with engines unable to produce the same kWh per litre of fuel when delivering low power outputs (<25% of capacity).
4. Hybrid power generators have an on-board management system that automatically manages the supply of power during lower loads, switching the main diesel generator off and relying on an onboard battery when only low loads are required.

Emissions Reduction Targets

To continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next 5 years to 50tCO_2e by 2040.

This plan and the opportunities for the business will be reviewed and updated on an annual basis.

Emissions Reduction Projects

The following environmental management measures and projects have been completed or implemented since the **2021/22** baseline.

- Company has changed the Electricity Tarriff to Zero for Business
- The business has moved head office, to more modern premises

Since the 2021/22 baseline year, the organisation has reduced operational (Scope 1 and 2) emissions by 83.3 tCO_2e, representing a 56.8% reduction. Total emissions have reduced by 744.9 tCO_2e (91%) over the same period.

In the future we hope to implement further measures such as:

- Progressive replacement of existing internal combustion engined company vehicles, with hybrid or electric vehicles, particularly vans.
- Solar Panels for company offices and buildings
- Reviewing materials options and requesting lower embodied carbon alternatives during purchasing.

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 standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

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

Signed on behalf of the Company:

Name:

Position: Managing Director

Publication Date: 11th February 2026

[1] https://ghgprotocol.org/corporate-standard
[2] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
[3] https://ghgprotocol.org/standards/scope-3-standard