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Pexhurst Sustainability Report 2024/25

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An update on our Pro-Sustainability Commitment



As the built environment continues to evolve and the focus on wellbeing intensifies, we are pleased to have stepped up our sustainability efforts over the course of the past 12 months. This has been captured in a sustainability report covering our most recent financial year – starting 1st February 2024 and ending 31st January 2025.

The contents of this report reflect the contributions and enthusiasm of so many at Pexhurst, who drive us forward with our people and planet in mind. Additionally, the purpose of this report is to both summarise recent progress and outline our future sustainability goals as we remain committed to integrating sustainable practices into our operations.

Big strides forward have been made in relation to our environmental ambitions, with an ambitious target set for our Scope 1 and Scope 2 emissions. Meanwhile, we continue to do what we do best and deliver projects for our clients that support them with environmental targets of their own.

This report also covers the actions we have taken to strengthen communities and our own foundations, which are integral priorities in helping to create brighter and more sustainable futures for everyone. Though we have our own goals and our own approach, these are heavily influenced by everyone we work with and learn from. There is always room for improvement and we welcome this opportunity with open arms.

We're not alone in our sustainability journey and look forward to our continued collaboration with you to make it more successful.

Martin Vella, Managing Director



Get in touch with our Sustainability Coordinator, Luca Sidoli

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Our year in numbers

2030 is our net zero target for

Scope 1 and Scope 2 emissions. (against a 2023/24 financial year baseline)

reduction in Scope 1 and Scope 2 emissions.

of company car fleet is fully

electric or hybrid powered.



of waste across our sites was recycled, recovered, reused and diverted from landfill.

85 tonnes

98.6%



£21,735

donated to charity, from grassroots to national.



of material reused.

of total revenue was generated through BREEAM projects, ranging from Very Good to Outstanding.



SEGRO Park Croydon Purley Way

As well as achieving BREEAM Outstanding, this 76,000 sq ft warehouse and office space refurbishment project led to the building becoming EPC A rated - with 90% of waste materials recycled or reused during the construction process.

Learn more here >



Unit 2, Origin

BREEAM Outstanding, EPC A rated, equipped with SMART energy management technology and boasting almost 500 PV panels this 36,000 sq ft project is a masterclass in sustainability driven warehouse refurbishment.

Learn more here >



Environmental

Our journey to net zero

Protecting and enhancing the environment remains central in our approach to sustainability, to meet the needs of our clients as well as to address the ongoing climate emergency and need for meaningful emission reductions.

Carbon reduction plan

Learn more here >

Having made significant steps forward in this area of our sustainability journey in 2023, the momentum only increased in 2024. We announced our ambitious target to achieve net zero across our Scope 1 and Scope 2 emissions by 2030 (against our 2023/24 financial year baseline), alongside a robust carbon reduction plan outlining exactly how we plan to achieve this target – addressing each component of our footprint, our solutions to decarbonise and a roadmap for when such changes should occur.

To ensure our target holds as much credibility as possible, we submitted it to the Sciencebased Targets initiative (SBTi) for validation. This will ensure that it aligns with what the latest climate science deems necessary to limit global warming to 1.5°C above pre-industrial levels. As a Main Contractor, we understand that the majority of our carbon emissions lie within Scope 3. To address this, we completed a screening process to identify our material categories within Scope 3. Findings from this process can be found in <u>Appendix 1</u>. Preliminary figures were calculated for our material categories, which are being developed and used to inform our reduction strategy for these emissions.

Whilst data collation and analysis for Scope 3 can be complex and time consuming, we have made significant progress and aim to report on our Scope 3 footprint in our next 2025/26 Sustainability Report.

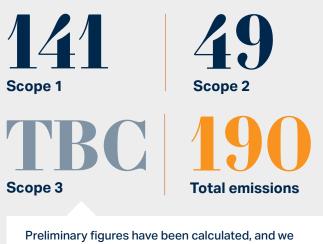




Our carbon footprint

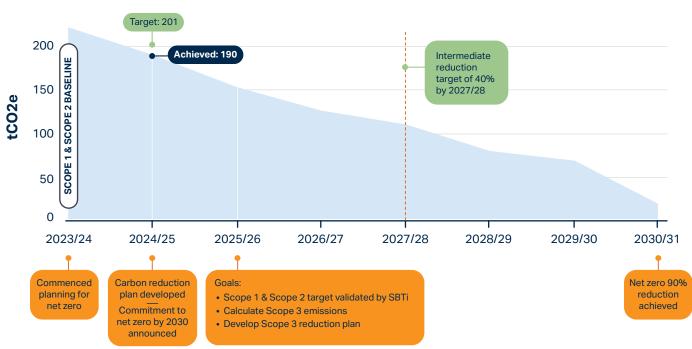
Total emissions (tCO2e):

1st February 2024 – 31st January 2025



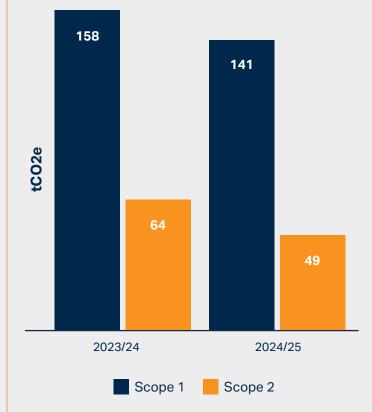
Preliminary figures have been calculated, and we are working on being able to include these in our 2025/26 Sustainability Report. Our Scope 3 material assessment has revealed the following categories are most relevant to us:

- Purchased goods & services
- Capital goods
- Fuel & energy related activities
- Upstream transportation & distribution
- · Waste generated in operations
- Business travel
- Employee commuting



Our pathway to net zero

Comparative emissions data: 2023/24 vs 2024/25





Our carbon footprint

(Continued)

Overall, our Scope 1 and Scope 2 emissions decreased by 32 tCO2e or 14.1% compared to our baseline year (2023/24), exceeding our projected 9.2% reduction outlined in our carbon reduction plan.

To achieve this reduction, two measures were vital. These included:

- Decarbonising our company car fleet our entire fleet is now fully electric (80%) or hybrid (20%), with the last diesel vehicle removed in 2024. As a result, company car emissions have decreased by 3 tCO2e or 6.6% compared to their contribution in our baseline year of emissions. Our plan is to continue this transition, with hybrids being phased out for fully electric alternatives.
- Procuring a 100% REGO-backed renewable electricity tariff at our head office as a result, we saw a significant reduction in our Head office electricity emissions of 11.8 tCO2e or 60% compared to their contribution in our baseline year of emissions. By the end of 2025/26, we expect to report zero carbon emissions using the market-based approach for our head office electricity use.

Following our carbon reduction plan, solutions to decarbonise our operating fleet were not due to be implemented in this reporting period. Despite this, the associated emissions decreased by 16 tCO2e or 25% compared to their contribution in our baseline year of emissions. This is partly due to a change in reporting method, but also due to less overall mileage covered by our fleet vehicles.

Waste reduction

Through the creation of a circular economy plan, we have been able to assess both our current position and progress to date, as well as outline future objectives and detail our overall strategy.

Within our plan, we have explored ways of creating more sustainable outcomes for 'end-of-use' materials through the implementation of reuse initiatives within the industry. One example that was trialled and later rolled out across all our sites was a pallet repair and reuse scheme. Through this approach, 189 total pallets were collected and put back into circulation in 2024/25.



Our internal reuse programme, which facilitates the sharing of surplus materials across our sites, continued to operate in 2024/25 and diverted approximately 3.5 tonnes of potential waste from landfill. Externally, we were able to reuse approximately 81.5 tonnes of material through various material exchange platforms and take back schemes.

Circular economy in action

In Battersea, London, we inherited approximately 70 concrete retaining walls when we commenced work on site.

The opportunity was focussed on keeping these materials in their highest value form, instead of crushing them during the typical recycling process. We were able to donate them to a local recycling facility for reuse in their recycling yard, as a barrier to separate waste.



We will continue researching and trialling reuse initiatives for end-of-use materials within our direct operational control, also involving our supply chain to create more sustainable outcomes for the end-of-use materials they handle on our behalf.



Community

We take pride in being a socially responsible business, providing social value through the creation of local jobs and skills, protecting the environment and helping our communities to thrive. Through 2024/25, we celebrated several highlights.

Establishing the Pexhurst Charitable Trust

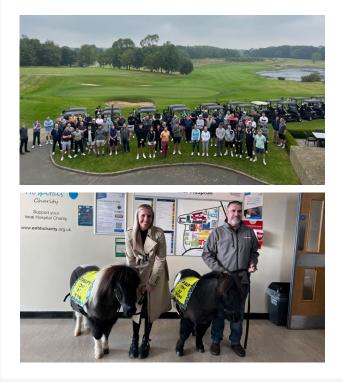


The Pexhurst Junior Board built on our history of giving back, by forming a trust that will provide more targeted support for individuals and organisations in the communities where we operate.

£21,735 donated to national and grassroots charities



We thank all who donated and participated in our charity events to help us fundraise and support several worthy causes.



Engaging our supply chain



From a meet and greet afternoon at our head office to a night of go-karting and fundraising, our supply chain came out in force to support our events which connect people working in our industry with charitable opportunities.



Purposeful initiatives beyond our site hoardings



By actively engaging with clients on their own community activities, we delivered sustained project-based initiatives ranging from artwork competitions with local schools to food bank donations.



Shadow placements and local apprenticeships

Maintaining our annual commitment, we provided six short-term shadow placements for school leavers and those of college-age within a 10-mile radius of our head office, as well as four Level 3 to degree level apprenticeship positions.





Our people

We are an inclusive organisation that prioritises the long-term and invests in the future, as well as ensuring our team always have the right tools to excel in their individual roles. At the forefront of our approach is our greatest asset – the Pexhurst people. With 35% of the team celebrating more than 10 years' service, we understand the importance of enlisting and engaging the right talent who are inspired and enjoy what they do. We will continue to invest in people, who are the backbone of our success, through relevant training programmes, and promote young learners into our industry.

2024/25 saw us maintain high standards through compliance with multiple important industry certification schemes, including ISO, Constructiononline, SafeContractor and Chas. Meanwhile, we gained membership to the Supply Chain Sustainability School to support our people and our industry peers with training on environmental sustainability.

How is Sustainability Managed?

Pexhurst Board of Directors

Represents the interests of the business, makes decisions that impact the future, and communicates with shareholders on opportunities to maintain sustainable growth.

Pexhurst Junior Board

Provides recommendations to the Pexhurst Board of Directors and shareholders on matters that should be considered as we continue to review and improve operational activities.

Sustainability Coordinator

Oversees our sustainability strategy, providing additional guidance and support as we continue our journey to become a net zero business.

Delivery Teams

Responsible for day-to-day project management and delivery.

Head Office Team

Oversees core business functions including operations, procurement, HR, marketing, etc.





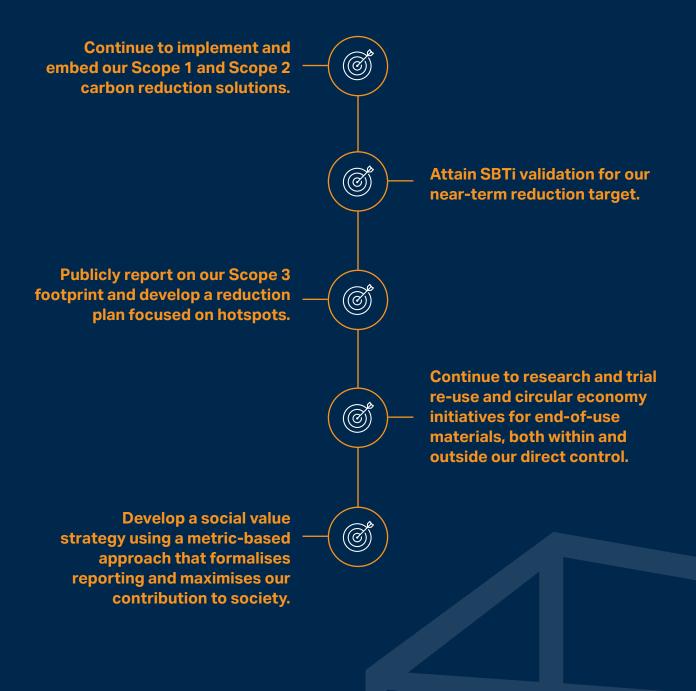
Constructionline





What's next?

As our journey towards a more sustainable future continues, we will be focussing on the following goals:





Appendix 1

Scope 3 emissions breakdown

No.	Category	In scope	Comments
1	Purchased goods and services	\bigcirc	Preliminary figures show this category will be the largest contributor to our Scope 3 footprint, meaning our strategy will be focused here. The data includes all the activities of our sub-contractors and suppliers, and, as a main contractor, there will be significantly greater investment here in addition to our own Scope 1 and Scope 2 emissions.
2	Capital goods	\oslash	Largely computer equipment and company vehicle purchases.
3	Fuel and energy related activities (not in Scope 1 or Scope 2)	\bigcirc	Transmission and distribution losses associated with Scope 2 emissions as well as 'Well to Tank' emissions associated with Scope 1 fuel use.
4	Upstream transportation and distribution	\bigcirc	Transport emissions associated with our materials, plant and waste skip deliveries to all our sites, as well as head office. Initial data analysis indicates this will be a significant component of our overall Scope 3 emissions footprint.
5	Waste generated in operations	\bigcirc	Waste processing and transport emissions as a result of our direct waste generation. Initial data analysis indicates this isn't particularly significant to our overall Scope 3 emissions footprint.
6	Business travel	\bigcirc	Business Mileage, flights and public transport costs paid for either directly or indirectly (via expenses) by Pexhurst.
7	Employee commuting	\bigcirc	Non-expensed travel of employees to place of work.
8	Upstream leased assets	\otimes	No upstream leased assets.
9	Downstream transportation and distribution	\otimes	Waste transportation may be considered here but would be double-counted from category 5 – we will determine the most appropriate categorisation to avoid double counting.
10	Processing of sold products	\otimes	No processing of sold products.
11	Use of sold products	\otimes	No use of sold products.
12	End of life treatment of sold products	\otimes	There is no end-of-life treatment of sold products.
13	Downstream leased assets	\otimes	There are no downstream leased assets.
14	Franchises	\otimes	There are no franchises.
15	Investments	\otimes	We acknowledge the carbon footprint associated with company pensions but at this stage we do not anticipate this will be within scope due to difficulties in calculations.



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Join us on our sustainability journey by getting in touch with our Sustainability Coordinator, Luca Sidoli.

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