

Carbon Reporting

STATEMENT FOR FINANCIAL YEAR ENDING
31ST DECEMBER 2022

Introduction

This document outlines the data scope, collection and verification approach that has been used to quantify Mace's Greenhouse Gas (GHG) emissions. Our 2022 carbon reporting and measurements have been verified by independent auditor, Carbon Footprint.

The approach presented in this document is designed to be used as the calculation methodology for all future Mace GHG reporting.

This document covers:

- Mace GHG emission targets,
- Scope and boundaries of GHG reporting,
- Methodology for calculating GHG emissions,
- Emission factors applied; and
- Estimations and assumptions.

Mace GHG emission targets

The Mace Steps Without Footprints strategy released in January 2020 included a commitment to achieve carbon neutrality (using offsets) by end of 2020 (reporting based on our operational control). This was met in 2020 and is now an ongoing commitment.

In our 2026 Business Strategy we committed to a refreshed target to reduce absolute carbon emissions by 10% year on year from 2021-2026, against 2020 data. This represents a decrease to 7,379 tCO₂e by 2026 (a 47% reduction overall). Mace also have a target to procure 100% renewable power through meeting our RE100 target (reporting based on our financial control) by 2030.

The 2020 baseline was prepared in line with the definitions outlined in the Mace Basis of Carbon Reporting in our Statement for Financial Year ending 31st December 2020.

Offsetting through Gold Standard projects

Alongside our robust carbon calculation pathway, we purchased Verified Carbon Standard (VCS) or Gold Standard programmes to achieve our carbon neutral position. The offsets support carbon reductions but offer more co-benefits. They provide funding streams for projects that may not otherwise happen, support reforestation, creation, and protection of wildlife habitats, improve air quality, and provide jobs and income for local communities.

Mace offset over 11,000 tonnes of carbon through the following Verified Carbon Standard (VCS) and Gold Standard VER carbon reduction projects:

- Protecting the Amazon in Brazil – 4,000 tonnes offset.
- Wildlife Sanctuary conservation in Cambodia – 1,500 tonnes offset.
- Restoration and conservation of peatland in Indonesia – 500 tonnes offset.
- Solar energy & wind power generation projects in India and Vietnam – 3,400 tonnes offset.
- Improved household cookstoves in China – 750 tonnes offset.
- Clean drinking water borehole rehabilitation in Uganda – 1,000 tonnes offset.

We procure our carbon offset credits via a carbon broker. The carbon broker provides us with carbon credit retirement certificates awarded Mace to confirm that we have procured the required number of carbon credits.

Scope and Reporting Boundaries

Mace works across the whole built environment life cycle and has four engines across the business: Develop, Consult, Construct and Operate.

Our full reporting scope includes all Scope 1 and 2 emissions from Mace offices and construction sites within our operational control. We also report on a number of Scope 3 emissions categories which have the most material impact.

There are further Mace offices in some locations which are not deemed to be under Mace's operational control for a number of reasons including, the office is a fully serviced co-working space, the site is a virtual office, or the office is so small it is considered de-minimis.

The Mace 2020 baseline was calculated in line with the Greenhouse Gas Protocol control approach for Operational Control (a company has operational control if it or one of its subsidiaries has the authority to introduce and implement its operating policies at the property).

- **Develop:** This covers activities where Mace acts as the main developer of a project. As a developer Mace has control over the materials procured for the project but not the construction site set up and construction activities.
- **Consult:** This covers activities where Mace carries out business consultancy projects. As a consultant Mace does not have control over emissions associated with client activities. This also covers activities where Mace acts as a project/construction manager for projects run under the consultancy banner. Mace has control of emissions associated with the construction site set up and construction activities but does not control the materials procured for the project as this sits with the client. This also covers activities in Mace offices globally.
- **Construct:** This covers activities where Mace acts as a project/construction manager. Mace has control of emissions associated with the construction site set up and construction activities but does not control the materials procured for the project as this sits with the client.
- **Operate:** This covers activities where Mace carries out facilities management and operational services to clients. Mace does not have control over emissions associated with client activities.

How we determine operational control

- All construction projects are deemed to be within our operational control. Every Mace construction project must be logged on our online reporting platform 'Optimise' as part of the 'Engage'² process. The Optimise central listing provides a list of all construction sites that are eligible for reporting.
- All Mace offices where we lease/own space and where we have operational control of the electricity supply are included in our reporting. A central list of these offices is maintained by the Mace Group Board.

Where Mace has operational control, the calculation methods are detailed below. Mace does not currently quantify:

- Upstream Scope 3 transportation (datasets are not currently available).
- Downstream Scope 3 transportation and distribution of sold products (we do not produce goods/services for transportation downstream).

1 Optimise is the Mace KPI monitoring tool – it shows a project's performance against our corporate environmental and responsible business targets.
2 Engage is our ISO 9001 certified management system which holds our mandatory policies, procedures and guidance.

Reported Emissions Sources

	Develop	Consult	Construct	Operate	
Scope 1	N/A (Operational control with contractor)	Natural gas & fuels consumed on construction sites run under the consult engine. Natural gas & fuels consumed by offices under our operational control.	Natural gas & fuels consumed on all construction sites.	N/A (Operational control with client)	
Scope 2	N/A (Operational control with contractor)	Electricity consumed on construction sites run under the consult engine. Electricity consumed by offices under our operational control.	Electricity consumed on all construction sites.	N/A (Operational control with client)	
Scope 3	Purchased goods and services	N/A (Procurement under the control of the contractor)	Water consumed on construction sites run under the consult engine.	Water consumed on construction sites. N/A (Procurement control with the client)	N/A (Procurement under the control of the client)
	Capital goods	Embodied carbon associated with the materials used on our development projects.	Water consumed on construction sites.	N/A (Procurement control with the client)	N/A (Procurement control with the client)
	Fuel and energy related activities	N/A (Transmission and distribution losses under the control of the contractor)	Transmission and Distribution (T&D) Losses.	T&D Losses.	N/A (Procurement control with the client)
	Upstream transportation and distribution	N/A	N/A	N/A	N/A
	Waste generated in operations	N/A (Operational control with contractor)	Waste sent to landfill on construction sites run under the consult engine.	Waste sent to landfill on construction sites.	N/A (Operational control with client)
	Business travel	Business travel	Business travel	Business travel	Business travel
	Employee commuting	Working from home	Working from home	Working from home	Working from home
	Upstream leased assets	Not Quantified	N/A	Not Quantified	N/A
	Downstream transportation and distribution	Not Quantified	N/A	Not Quantified	N/A
	Processing of sold products	Not Quantified	N/A	Not Quantified	N/A
	Use of sold products	Not Quantified	N/A	Not Quantified	N/A
	End-of-life treatment of sold products	Not Quantified	N/A	Not Quantified	N/A
	Downstream leased assets	N/A	N/A	N/A	N/A
Franchises	N/A	N/A	N/A	N/A	
Investments	N/A	N/A	N/A	N/A	