

Mace Basis of Carbon Reporting

STATEMENT FOR FINANCIAL YEAR
ENDING 31ST DECEMBER 2020



Introduction

This document outlines the data scope, collection and verification approach that has been used to quantify Mace's Greenhouse Gas (GHG) emissions.

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
- Estimations and assumptions

Mace GHG emission targets

The Mace Steps Without Footprints strategy released in January 2020 outlines the following key targets:

1. Reduce absolute GHG emissions by 60% by 2030 against our 2019 baseline against all our reporting scopes
2. Achieve Net zero carbon (with offsets) by end of 2020 (reporting based on our operational control)
3. Procure 100% renewable power by 2022 through our RE100 membership (reporting based on our financial control)
4. Reduce embodied carbon on our development projects by 50% by 2030 against our 2019 baseline
5. Reduce embodied carbon on our construction projects by 20% by 2030 against our 2019 baseline
6. Reduce business travel carbon emissions by 50% by 2030 against our 2019 baseline
7. Reduce waste across our construction projects by 20% by 2030 against our 2019 baseline
8. Reduce water use across our construction projects by 40% by 2030 against our 2019 baseline

The 2019 baseline was prepared in line with the definitions outlined in this document.

Offsetting through Gold Standard projects

Until new technologies are developed, and carbon free alternatives are readily available, we will continue to generate carbon emissions through our daily lives and business activities. In 2020, we reduced our carbon emissions as far as we could, and the remaining, unavoidable emissions, were offset. Mace selected carbon offsetting projects certified to the internationally recognised Verified Carbon Standard (VCS) or Gold Standard programmes that generated additional social value for local communities in areas where we work. We also offset an additional 2,500 tonnes of estimated carbon emissions to account for Mace people working from home during the COVID pandemic.

In addition to planting of 4,000 trees in the Southeast region of the UK, Mace offset 13,000 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
- Clean drinking water borehole rehabilitation in Uganda – 3,000 tonnes offset
- Improved household cookstoves in Kenya – 1,000 tonnes offset
- Solar energy & wind power generation projects in India – 5,000 tonnes offset

We apply these offsets to our emissions footprint to reach our stated net zero position. 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: Development, Consultancy, Construction and Operation.

The reporting scope includes all scope 1 and 2 emissions from Mace offices and construction sites within our operational control. This includes all our construction sites which currently operate in; the UK, Ireland and Denmark as well as our offices based in 19 countries; Australia, Belarus, Egypt, Germany, Hong Kong, India, Ireland, New Zealand, Poland, Qatar, Saudi Arabia, Serbia, Singapore, South Africa, Spain, UAE, UK, US, and Vietnam.

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 site is a fully serviced co-working space, the site is a virtual office or the site is so small it is considered de-minimis. These are: Abu Dhabi, Angola, Australia (Brisbane), Bahrain, China (virtual), Kenya, New Zealand, Oman, Spain (Barcelona), and Vietnam (virtual) which have not been included in our reporting boundary.

The baseline has been calculated in line with the GHG Protocol control approach for Operational Control. A company has operational control if it or one of its subsidiaries has the full 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.
- **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 in Mace offices globally.

How we determine operational control

- Every construction project Mace works on must be put onto our online reporting platform Optimise as part of the 'Mace Way'. All construction projects are deemed to be within our operational control. The Optimise central listing is used to collate a list of all construction sites required for reporting.
- All Mace offices where we lease or own space and have operational control of the electricity supply sit within our operational control. This means 'virtual offices' and fully serviced offices were not included. A central list of these offices is maintained in a spreadsheet 'Lease Global Summary'. In 2020 this spreadsheet was maintained on behalf of Mark Holmes (Group Board Director) by Jess Williams and reviewed in July 2020. An updated schedule will be reviewed in July 2021.

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 consultancy banner	Natural gas & fuels consumed on all construction sites	Natural gas & fuels consumed by offices under our operational control
Scope 2				
	N/A (Operational control with contractor)	Electricity consumed on construction sites run under the consultancy banner	Electricity consumed on all construction sites	Electricity consumed by offices under our operational control
Scope 3				
Purchased goods and services	N/A (Water consumption under the control of the contractor)	Water consumed on construction sites run under the consultancy banner	Water consumed on construction sites	Office water consumption globally (where data available)
Capital goods	Embodied carbon associated with the materials used on our development projects	N/A (Procurement control with client)	N/A (Procurement control with client)	N/A (Procurement control with client)
Fuel and energy related activities	N/A	N/A	N/A	N/A
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 consultancy banner	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	N/A	N/A	N/A	N/A
Downstream transportation and distribution	N/A	N/A	N/A	N/A
Processing of sold products	N/A	N/A	N/A	N/A
Use of sold products	N/A	N/A	N/A	N/A
End-of-life treatment of sold products	N/A	N/A	N/A	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