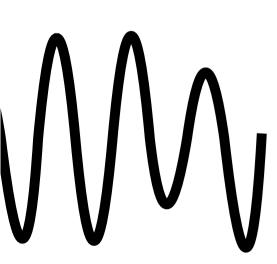


Annual Sustainability Report

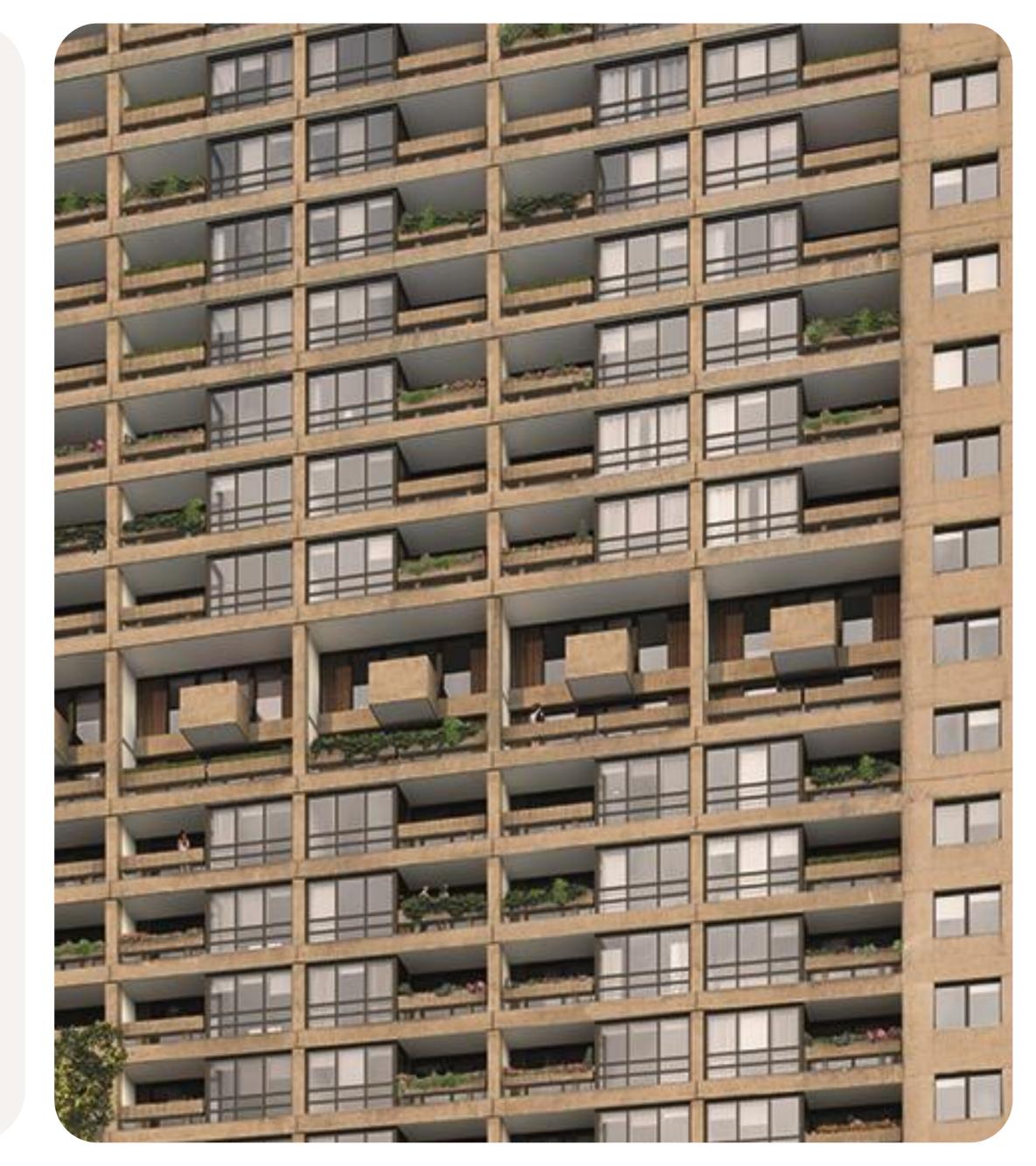
1st June 2022 – 31st May 2023





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ScotchPartners

A Message From Our Partners

We're pleased to present Scotch Partners' first annual sustainability report. We've been assisting our clients to improve their own sustainability performance since our inception in 2012; now we're excited to communicate our own performance.

Scotch Partners is a London-based design consultancy offering expertise in building services, sustainability and acoustics. We combine these disciplines to offer an integrated consultancy and continue to offer separate services as clients require. We believe that sustainable and efficient design engineering delivers the highest quality buildings and internal environments: this philosophy is integral to our service offering and applied to every project we support.

As a provider of sustainability services, we're eager to show how we've naturally evolved to adopt positive sustainability practices. However, we acknowledge that most of these practices have been informal due to the small size of our business. As we grow, we understand that these practices must be measured, improved and formally communicated to our stakeholders.

Over recent months, Scotch Partners has set specific sustainability goals encompassing all elements of environment, social and governance (ESG), and implemented data collection processes to ensure these goals are met. Our goals include lowering our greenhouse gas emissions, improving our social value contribution and achieving ESG certifications, among others. Our subsequent annual reports will formally measure progress against these goals and ensure we are heading in the right direction.

Services







Energy & Master Planning

Key Sectors

Science & Technology

Residential & Mixed Use

Education

Offices

Retail

Leisure & Hotels

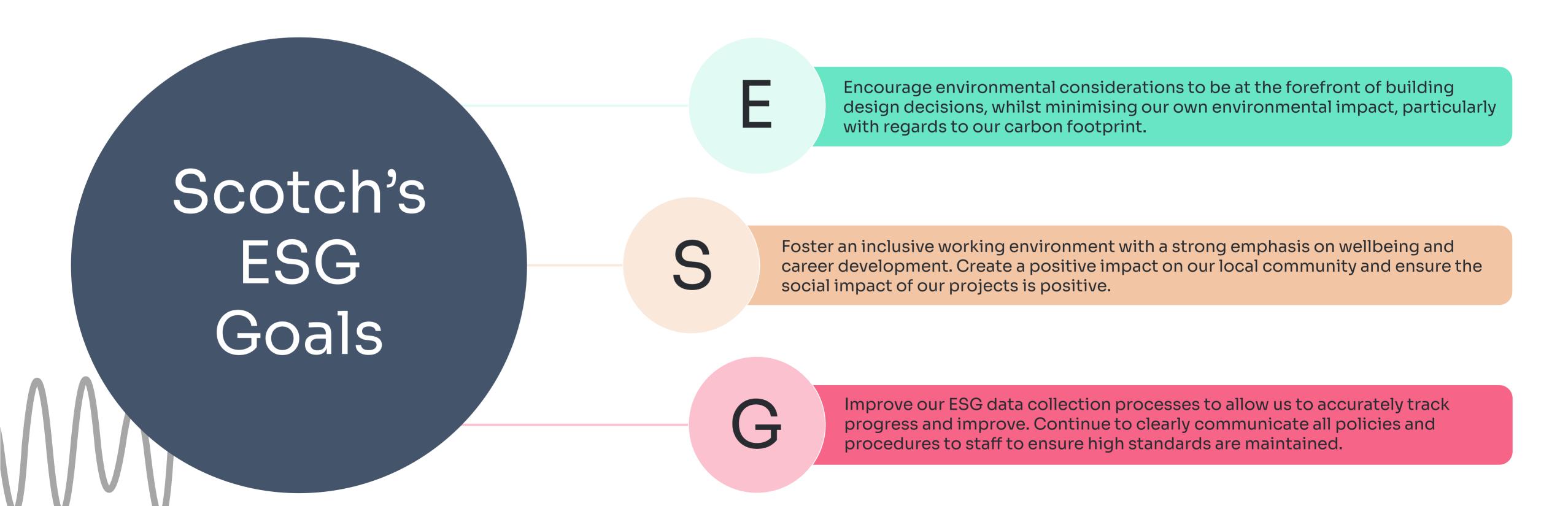
ScotchPartners



ESG at Scotch

Upscaling our ESG impact is important to both Scotch as a business and to Scotch's employees. This report sets out the ESG topics which are material to our operations. This has allowed us to implement data collection processes to track - and subsequently improve - our performance.

Our overarching E, S and G goals are set out below. Detailed performance, commitments and targets are discussed throughout this report.



Environment

Environment

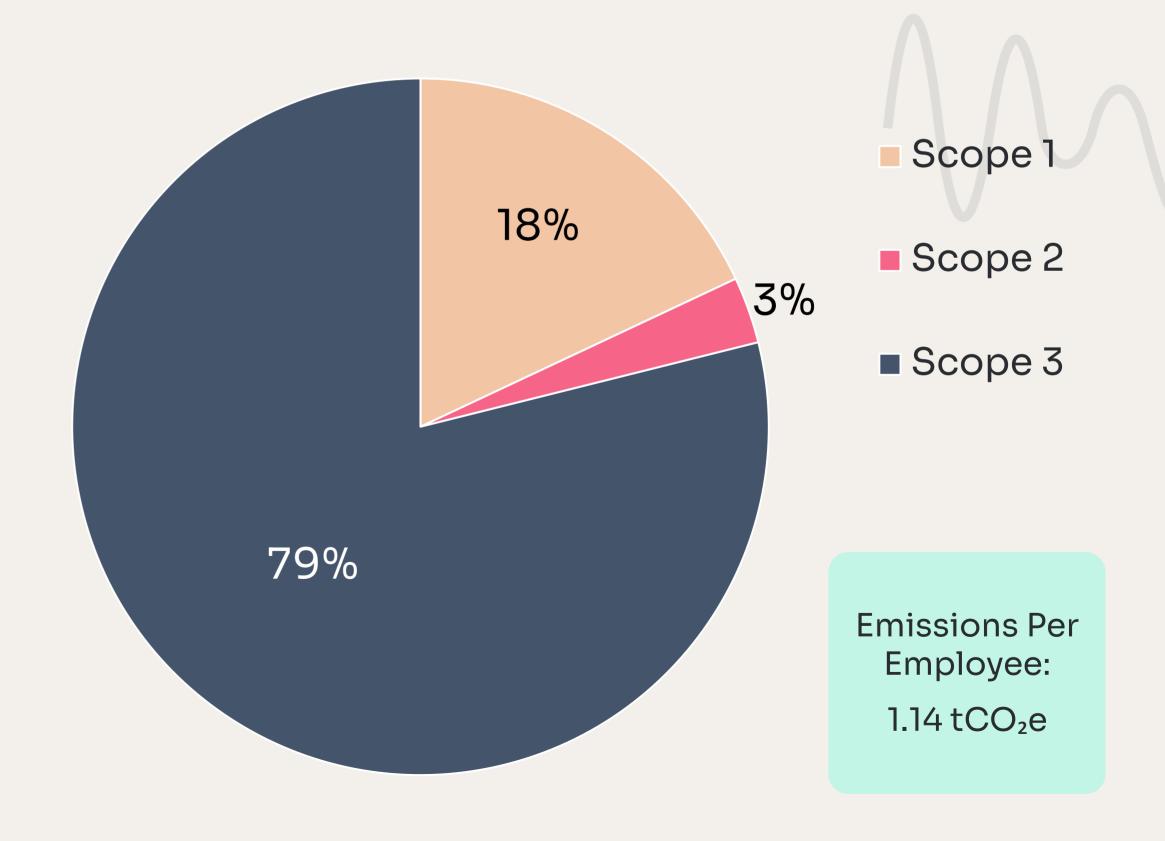
Greenhouse Gas Emissions

Between June 2022 – May 2023, our total greenhouse gas emissions were 52.62 tCO₂e. This has been calculated in line with the GHG Protocol's methodology and using conversion factors from the UK Government GHG Conversion Factors for Company Reporting.

Scope	tCO ₂ e
Scope 1	9.48
Scope 2	1.62
Scope 3	41.52
Total	52.62

Our overall greenhouse gas emissions are relatively low in comparison to other organisations operating in the UK construction sector. This is because we are a small company with mostly desk-based activities.

In line with the SBTi's draft Buildings Sector Science-based Target-setting Guidance, we do not include the whole life carbon emissions of our projects within our emissions scope as this should be assigned to the developer. Our single largest source of emissions is employee commuting. A full breakdown is included on the next page.



EnvironmentGreenhouse Gas Emissions: Breakdown

Emissions Source	tCO₂e	%	Comments
Scope 1			
Natural Gas	0.13	<1%	Natural gas used in our offices. We occupy shared office facilities and do not procure renewable natural gas.
Refrigerants	9.35	18%	Refrigerants used for cooling our offices.
Scope 2			
Electricity	1.62	3%	Electricity used in our offices. This is location-based: we occupy shared office facilities in central London where the electricity is procured by the landlord, as such we do not procure or produce renewable electricity.
Scope 3*			
3.1 Purchased Goods and Services	3.45	7%	Includes our weekly order for office snacks and general office stationery.
3.2 Capital Goods	1.78	3%	Includes mobile phones, laptops and other electronic equipment.
3.3 Well-to-tank	4.91	9%	Well-to-tank emissions associated with the production of fuels and energy purchased and consumed by Scotch (i.e., natural gas, electricity, business travel and commuting).
3.5 Waste	0.16	<1%	The disposal of waste generated in our offices.
3.6 Business Travel	5.54	11%	All travel for business purposes (i.e., grey fleet, hire vehicles, taxis, trains, flights and hotels).
3.7 Employee Commuting	25.70	49%	Emissions from private and public transport used by employees to commute to the office. Also includes emissions associated with employees working from home. This was based on an employee commuting survey.

^{*} Scope 3 Categories 8-15 are not applicable to Scotch's operations. Data was not available to calculate Category 4 as we only purchase goods from Amazon. However, this is expected to contribute to less than 1% of our overall emissions.

Environment

Initiatives

We are firmly dedicated to reducing and minimising the impact of our, and our clients', activities on the environment.

To steer our environmental action, we have an existing environmental policy in place and have recently created a carbon reduction plan. These set out the measures and commitments that we are taking to hold ourselves accountable and actively track our impact. Some current initiatives we undertake to reduce our, and our clients', impact include:

Engaging with our landlords to improve the quality of energy, refrigerant, waste and water data, including requesting submetering of our office space.

Reusing, refurbishing or repairing our equipment (e.g., laptops and mobile phones).

Reducing our energy consumption by utilising heating controls and switching off electronics not in use.

Aiming for the highest sustainability certification scores for our projects (e.g., BREEAM, WELL).

Calculate and reduce the embodied carbon impact of all buildings we're appointed on.

Encourage the installation of renewable energy technologies on our projects, where feasible.

Aim to reduce operational energy consumption on all projects.

Encourage our clients to make sustainable design choices for their buildings.

Reducing our greenhouse gas emissions is one of our top priorities. However, we recognise that a large portion of our emissions are out of our control. For example, the vast majority of our employee commuting emissions originate from public transport and working from home. Although we offer a cycle-to-work scheme and hybrid working, we are ultimately dependent on emissions reductions in public transport and the UK's housing stock to make a significant impact on our greenhouse gas emissions.

Achieving net zero remains our long-term goal. In the meantime, we intend to invest in highly verified carbon offsets aligned to the UN's Sustainable Development Goals, alongside continual emissions reductions, to become carbon neutral whilst Scotch Partners expands.

Annual Emissions

Calculate our annual carbon footprint across all scope 1, 2 and 3 sources and publish this within our annual sustainability report.

Achieve net zero greenhouse gas emissions across scope 1, 2 and 3 by 2045. Become carbon neutral by 2028.

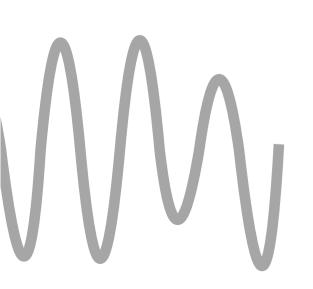
Environmental Commitments

ESG Certification

Pursue certification from ESG platforms such as EcoVadis and B Corp.

Employee Training

Provide training to employees to reduce environmental impacts in operations and enlist their support in improving performance.



Social

Social

Our Employees

Our workforce is our most valuable asset. Being able to provide high quality services to our clients depends on fostering a work environment where our people can thrive. We do this by providing a range of initiatives to support their personal and professional development.

Wellbeing

We place emphasis on the overall wellbeing of our people. We are improving our mental health strategy and policy to increase support for our employee's psychological wellbeing. Currently we have three Mental Health First Aiders that are available for emotional support and advice to anyone at Scotch.

If employees require further mental health support, they can access our Employee Assistance Programme. Scotch subscribes to this programme via BUPA to provide employees with a confidential and easily accessible channel to professional support.

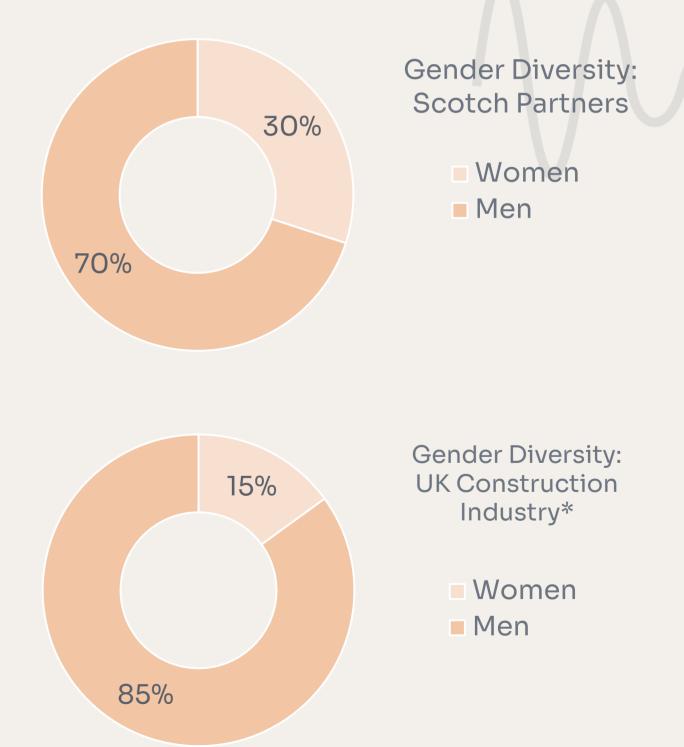
By allowing hybrid working and flexible working hours around start and finish times, we strive to assist employees with parental or care responsibilities and encourage a good work-life balance.

Health & Safety

We are committed to ensuring that our workplaces are healthy and safe environments. Our Health and Safety Policy is regularly reviewed at monthly internal meetings, where staff also have the opportunity to raise health and safety matters at any time. An Office Risk Assessment is also reviewed annually to identify any hazards and mitigation measures. Scotch has a Contractors Health and Safety (CHAS) accreditation and had 0 work-related accidents in the 2022–23 financial year.

Diversity & Inclusion

We recognise that everyone has a contribution to make to our society and a right to equal opportunity. We strive to create an environment in which individual differences and the contributions of all our staff are respected and valued. To support this, we have diversity and inclusion policies that apply to all our staff: our Equal Opportunity Policy covers recruitment and promotions, and our Respect in the Workplace Policy covers workplace treatment. The UK construction industry typically has a larger proportion of male employees: this is reflected in our own gender diversity, which we aim to improve over time.



Social Our Employees

Culture and Development

We are committed to investing in our people. We prioritise supporting talent and professional development, recognising that career progression and growth is important to our employees. Currently, we organise formal Continuing Professional Development (CPD) and informal 'Lunch and Learn' sessions that are open to all employees. We are working on expanding opportunities for our workforce to enhance their skills and advance their careers.

On top of this, we believe that a vibrant social atmosphere is key to fostering a positive work culture. We hold regular social events, such as bi-monthly 'Beer and Pizza' nights, to give company updates in an informal setting. Additionally, we have a buddy programme to integrate new employees into the team and we have a dog-friendly office.

ESG Metric	2022-23 Figures
Total Employees (inc. Partners)	46
New Hires	11
Apprentices	3
CPD Sessions	22
'Lunch and Learn' Sessions	5

Employee Benefits

Bi-annual Discretionary Bonus

There are two discretionary bonus periods in each financial year to reward excellent work.

28 Days Annual Leave All employees have 28 days of annual leave, three of which should be taken between Christmas and New Year when the business closes.

Private Medical Insurance (BUPA)

Employees can choose to join our BUPA private medical insurance programme.

Pension

Employees can choose to make voluntary pension contributions: Scotch will match the employee's contribution up to 6%.

Cycle-to-work Scheme Scotch offer financial support to employees who are purchasing bicycles to encourage active commuting and lower emissions.

Enhanced Maternity and Paternity Pay

Scotch operates an enhanced company maternity and paternity pay scheme under our Family Friendly Policy. This also applies to same sex parents.

Social Community

Community Engagement

Making a positive impact has always been at the heart of our work. Beyond our client work that aims to create sustainable, high quality built environments, we understand that it is also our responsibility to contribute to the wider community. We are dedicated to supporting local initiatives through volunteering and donations by encouraging our employees to actively participate in community projects. These efforts not only contribute to the community, but also strengthen relationships within Scotch. Moving forward, we are committed to strengthening our community engagement efforts by increasing our volunteering days.

Approximately £1,000 in charity donations

We held our annual 'Great Scotch Bake Off' and raised approximately £100.



We entered CRASH's
Construction Industry's
Charity Dragon Boat
Racing to raise money
for homelessness
charities and hospices.



Our staff took part in a netball and football fundraiser tournament organised by M3 Consulting in aid of the charity Mind.



Spotlight on Our First Official Apprentice: Varanika Jeyapahan

We launched our official apprenticeship scheme after operating an informal approach to apprenticeships for the last 8 years. We recognise that investing in the future of our sector is crucial to ensure our ongoing growth as an industry and aim to take on one apprentice every year. We actively support our apprentices in managing their time effectively and offer days off for study leave and exams.

Varanika joined us fresh from completing her A-levels and is now studying the HNC in Building Services Engineering at London Southbank university alongside working with our Mechanical and Electrical Engineering teams.



What skills have you gained or developed during your apprenticeship? My apprenticeship has provided me with opportunities to strengthen my communication and organisational skills. It is also significant that I have acquired the skill of working with other people and taking responsibility in the workplace, as well as the ability to manage my finances, since I am being paid.

How has Scotch supported your development during your apprenticeship? To support my development, the company has provided me with a buddy, which allows me to ask questions and obtain advice from them. The support I receive from Lawrence, my Line Manager, and other staff members contributes significantly to my development of confidence.

Employee Benefits

Review our employee benefits in collaboration with our employees.

Mental Health Awareness

Ensure all employees are fully aware of the mental health support available.

Upskilling and Training

Increase number of CPD and Lunch & Learn sessions, whilst encouraging higher attendance.

Social Commitments

Inclusion
Create an inclusive
workplace that
accommodates
diversity.

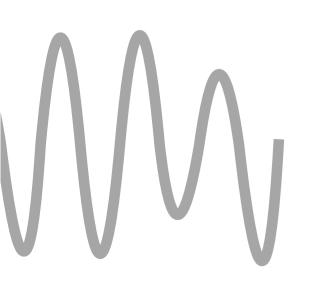
Diversity &

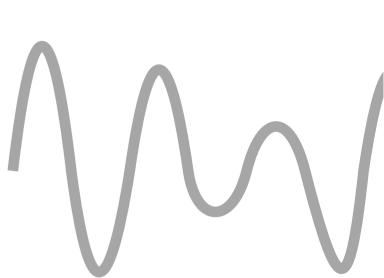
Volunteering

Increase the number of annual volunteering days and amount of charity donations.

Employee Engagement

Undertake annual employee engagement surveys to better understand and account for the needs of our workforce.





Governance

Governance

Policies and Procedures

Our commitment to transparent and ethical business practices is reflected in our comprehensive suite of business procedures and policies.

Modern Slavery

Our zero-tolerance approach to modern slavery is communicated to all stakeholders throughout Scotch.

Anti-bribery

Our anti-bribery policy provides a framework for all staff to be aware of bribery, facilitation payments and gifts, among other forms of bribery. It also enables employees to identify and report policy breaches.

Data Protection

Our data management is informed by our Data Protection Policy and Employee Data Protection Privacy Notice. These ensure that our clients', employees' and suppliers' data is protected.

Quality Control

It is the responsibility of everyone at Scotch to ensure the highest levels of quality in our services. To enable this, we ensure that our employees have regular training, and both formal and informal performance reviews.

Whistleblowing

Our whistleblower procedure encourages openness and ensures support for anyone who raises genuine concerns in good faith, even if they turn out to be mistaken.

Governance

Engineers Declare

We're a signatory of Engineers Declare to ensure sustainability is at the heart of our operations and projects. This member-led declaration acknowledges the major role that buildings and construction play in the climate crisis, contributing to nearly 40% of energy-related carbon dioxide emissions. Through this, we pledge to enhance our practices to create building services engineering outcomes that achieve more positive impacts on the environment.

UK Building
Services
Engineers
Declare Climate
& Biodiversity
Emergency

Working Group

Establish a 'Net Zero Carbon Buildings' working group ahead of the UKNZCBS release. ESG Champion

Appoint a dedicated internal employee at Scotch to oversee Scotch's ESG performance and commitments.

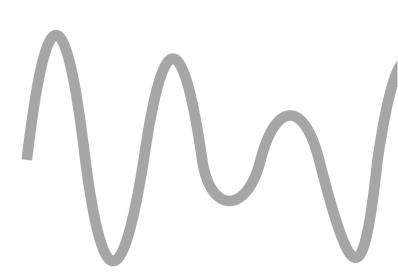
Governance Commitments

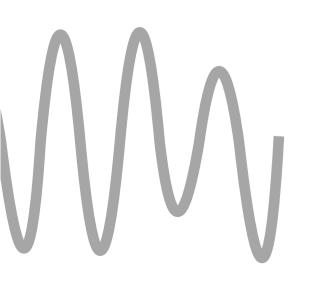
Policies & Ethics

All policies are reviewed annually. These are updated where applicable.

ESG Data Tracking

Formal systems have been put in place to accurately collect ESG data. This includes tracking business travel and purchased goods, for example.





Key Statistics

This table summarises the key statistics from this report. It will be updated annually to show progress against previous years.

Metric	2022-23
Number of Employees	46
Total Greenhouse Gas Emissions	52.62 tCO₂e
Greenhouse Gas Emissions Per Employee	1.14 tCO₂e
Number of Work-related Accidents	0
Number of Mental Health First Aiders	3
% Women Employees	30%
CPD and 'Lunch & Learn' Sessions	27
Charity Donations	~£1,000

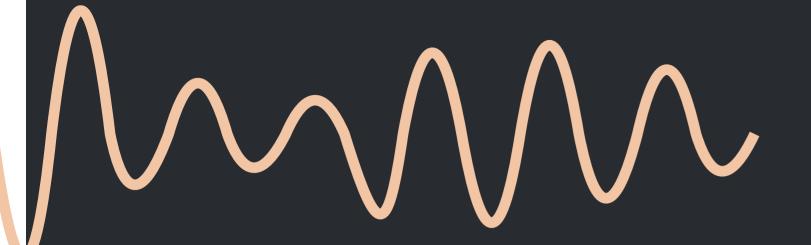
Case Studies



Our Services

We provide a range of services that support the design and delivery of highly sustainable buildings. In addition, we offer consultancy services to help our clients improve the overall ESG performance of their organisation. Services include:

- ESG and NZC Strategy Development & Implementation
- Sustainability and Low Carbon Consultancy
- Building Physics Modelling & Consultancy
- Embodied and Whole Life Carbon Assessments
- Circular Economy Assessments
- Operational Energy Assessments
- BREEAM
- WELL and Fitwel



Providing a high quality of sustainable living, while paying homage to the building's history

Balfron Tower, a Grade II Listed 27-storey building, is an iconic symbol of 'Brutalist' architecture, designed by the celebrated architect Ernö Goldfinger in the 1960s. Following a state of decline, Balfron Tower underwent major refurbishment and enhancement to re-provide 146 high quality homes and community 'rooms' that will meet today's living standards, whilst preserving and celebrating the history of the building.

Working closely with the architects, Scotch developed solutions that enabled the fabric of the building to be substantially upgraded in terms of ventilation, thermal efficiency and external noise ingress. This includes the design of a bespoke acoustically treated ventilator-type system by our acoustic engineers.

Balfron Tower was designed by Goldfinger to promote a sense of community living and as such provided a level of 'sustainable living' for its occupants. The project team were keen to retain this ethos and an 'Excellent' rating was achieved under BREEAM Domestic Refurbishment with the final energy performance aligned with that of an 'Outstanding' rating.

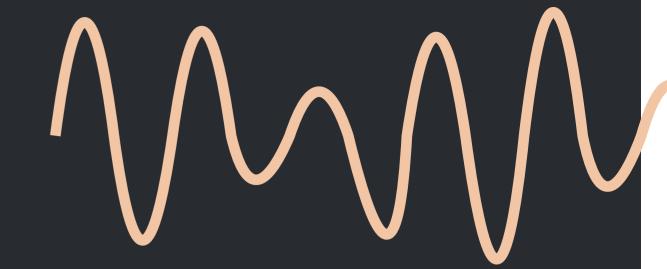
Balfron Tower Poplar



Plus X Brighton



Enabling small businesses to thrive among high levels of sustainability and wellness



The seven storey, 53,000 sq. ft building forms the first phase of works on the Preston Barracks masterplan, a significant mixed-use regeneration scheme that has transformed this part of Brighton.

Plus X Brighton accommodates more than 550 people, attracting a wide community of members including freelancers, start-ups, scaleups, corporates and education partners. The building blends a range of workspace including hot desks, fixed desks, dedicated studios, meeting rooms, video conference booths, event space, quiet zones, cafe and an outdoor roof terrace to enhance member cohesion and space to develop ideas.

Coordinating closely with the architect, Studio Egret West, our building services design incorporates the additional plant and risers needed, achieving a WiredScore 'Platinum' certification, for which we were the main point of liaison between the design team and the certification body. As sustainability and occupant wellness were high on the client's agenda for this building, the project is also on track for a 'Platinum' rating under the WELL Building Standard and has achieved 'Excellent' under BREEAM.

