

Crest Nicholson Holdings Plc Greenhouse Gas (GHG) Verification Statement FY2020

1. Boundaries of the reporting company covered by the assurance report and any known exclusions

Crest Nicholson's GHG report is completed on an operational control basis. The operational boundary covers emissions arising from Crest Nicholson's direct operations and includes scope 1, 2 and 3 emissions as described below:

- Scope 1 direct emissions include site and premises fuel combustion, and company-owned vehicles and refrigerant gas losses.
- Scope 2 indirect emissions include purchased electricity. To align with the Greenhouse Gas Protocol, scope 2 emissions have been reported using both the location-based method and the market-based method. Location-based emissions are calculated using the UK Government's GHG Conversion Factors for Company Reporting. Market-based emissions are calculated using tariff specific factors from Crest Nicholson's energy suppliers, which may be more or less carbon intensive than the location-based factors.
- Scope 3 indirect emissions include business travel, employee commuting, waste disposal, water, upstream 'well to tank (WTT)' emissions from vehicle fuels and electricity, and downstream transmission & distribution losses from electricity.

The organisational boundary includes head and regional office activities, and site related emissions.

2. Emissions data verified - broken down by Scope 1, Scope 2 and Scope 3 categories with figures given

Total reported emissions from Crest Nicholson's operations:

Location-based method: **8,224 tonnes CO₂ equivalent (CO₂e)**

Market-based method: **6,953 tonnes CO₂ equivalent (CO₂e)**

Direct Scope 1 emissions reported, **4,232 tonnes CO₂e** includes:

- Onsite energy combustion (natural gas, LPG and diesel);
- Company owned vehicles;
- Emissions from refrigerant gases which occurred during the reporting year.

Indirect Scope 2 emissions reported using the location-based method, **1,771 tonnes CO₂e** includes:

- Purchased Electricity.

Indirect Scope 2 emissions reported using the market-based method, **500 tonnes CO₂e** includes:

- Purchased Electricity.

Indirect Scope 3 emissions reported, **2,221 tonnes CO₂e** includes:

- Commuting;
- Business travel (road including employee owned vehicles, rail and air);
- Waste;
- Water;
- 'Well to tank' emissions from vehicle fuels, natural gas, electricity; and
- Downstream transmission & distribution losses from grid electricity.

Further note on company and employee owned vehicles

Vehicle specific emission factors were available for company owned and employee owned vehicle travel reimbursed through Crest Nicholson's mileage expenses scheme. This data enabled annual emissions to be calculated based on manufacturer estimates of carbon emissions. An uplift factor over manufacturer estimate based gCO₂/km factors is applied to take into account the combined 'real-world' effects on fuel consumption¹. Where vehicle make and model are unknown, the UK Government emissions factor for 'average unknown fuel type vehicles' is used. Vehicle specific emissions factors were not available where fuel cards were used to purchase fuel. In these circumstances UK Government emissions factors were used.

Period covered

The reported emissions cover 12 months from 1st November 2019 to 31st October 2020.

3. Verification standard used

ISO 14064 part 3.

¹ Based on 2020 Government greenhouse gas conversion factors for company reporting: *Methodology Paper for Emission Factors*
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/901692/conversion-factors-2020-methodology.pdf

4. Assurance opinion

Limited assurance statement

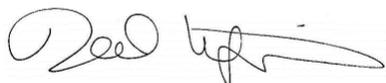
Verco has reviewed Crest Nicholson Holdings Plc's GHG calculations using the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Based on its review of Crest Nicholson's GHG emissions inventory for 1st November 2019 to 31st October 2020, Verco has determined that there is no evidence that the GHG assertion is not materially correct. Furthermore, Verco finds no evidence that Crest Nicholson's assertion is not a fair and accurate representation of Crest Nicholson's actual emissions.

Verco finds that the information submitted by Crest Nicholson is consistent with the WRI/WBCSD GHG Protocol's methodology and reporting guidance, and conforms to generally accepted GHG accounting standards.

5. Lead verifier name and relevant accreditations/professional membership

Dave Worthington AMIMechE



Dave Worthington

Managing Director, Verco

DATE: 15 January 2021