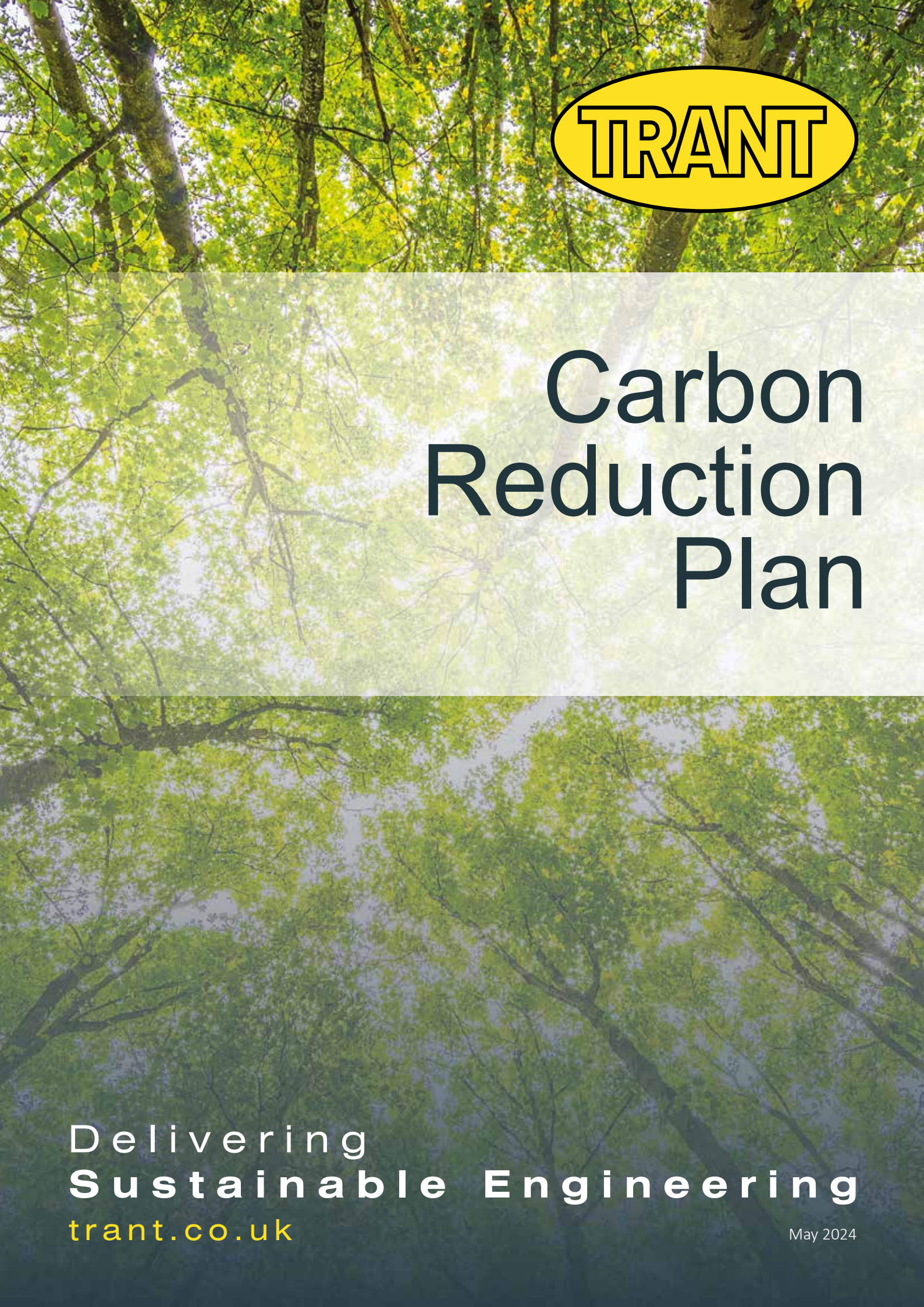


Carbon Reduction Plan

Delivering
Sustainable Engineering

trant.co.uk

May 2024

This document is an update to Trant Engineering Limited's Carbon Reduction Plan, originally published in December 2022 and developed in line with requirements set out as part of Procurement Policy Note (PPN) 06/21.

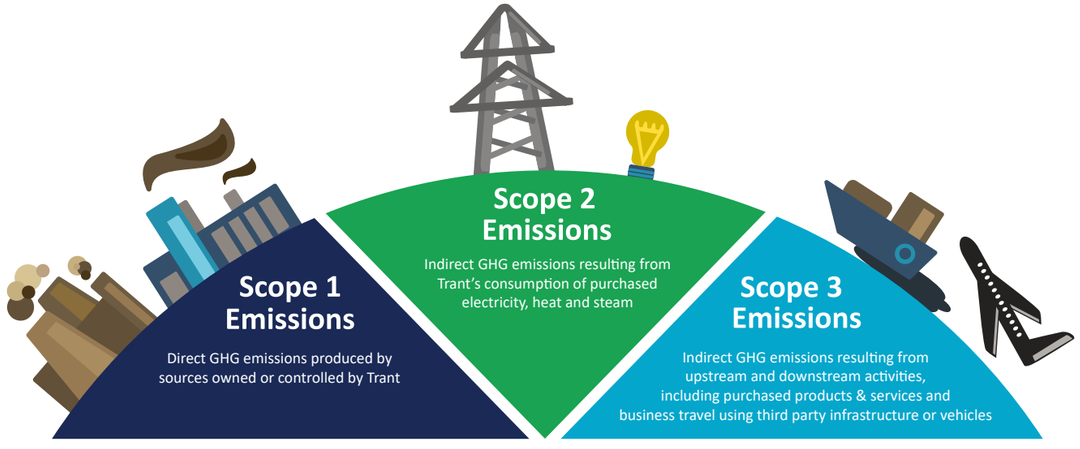
Our commitment to achieving Net Zero emissions

Trant Engineering has set targets to reduce greenhouse gas (GHG) emissions in support of the UK's Net Zero Target and to acknowledge the impact that our business operations have on the environment. We have committed to net zero operational emissions by 2040, and wider organisational (indirect) emissions by 2050.

These targets demonstrate our ambition to be industry leading, working with Clients and our supply chain to understand, measure and reduce emissions in line with our targets. As a corporate group, we are investing in renewable energy in the local area around our head office estate and optimising the energy generation and storage through battery installation. We are also enhancing biodiversity by creating more than 10% net gain for our developments and supporting companies such as beekeepers that produce local honey.

Due to improvements made to our data collection processes, we have refined the scope of our organisation and associated targets. The relevant emissions sources are identified in the below.

Operational Net Zero Target (2040)	Organisational Net Zero Target (2050)
Scope 1 & 2 Emissions: - Gas consumption – offices - Gas consumption – cannisters - Fuel consumption- company fleet - Fuel consumption- operational sites (bulk) - Electricity usage- offices- location-based - Electricity usage- electric vehicles & plug-in electric vehicles (company owned) - Fugitive emissions (when applicable).	**Scope 1 & 2 Emissions:** - As per Operational Net Zero Target **Scope 3 Indirect Emissions:** - Business travel - Purchased goods - Purchased services - Staff commuting - Well-to-tank - Electricity transmission and distribution - Waste - Water



The Scopes Explained

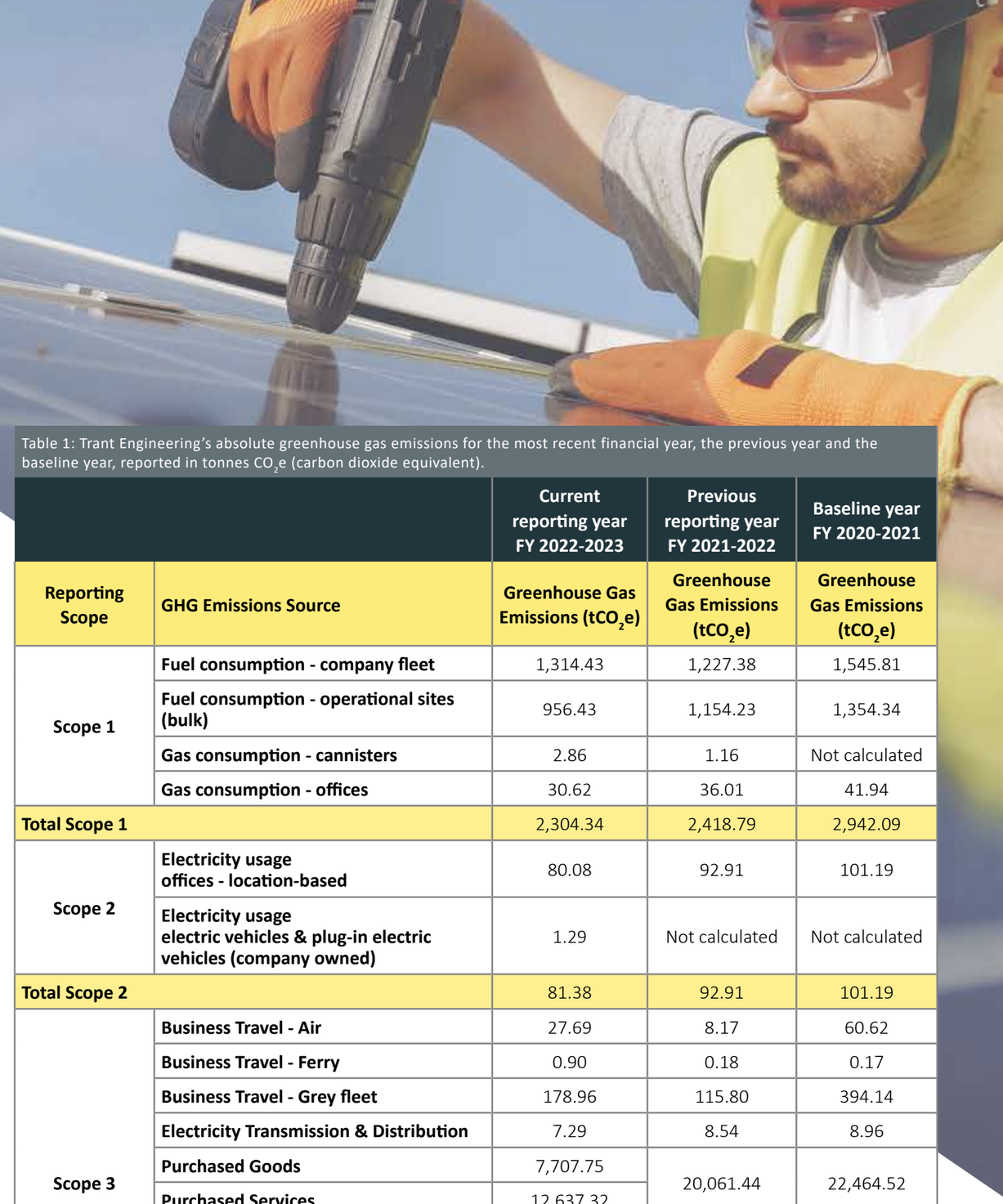


Table 1: Trant Engineering's absolute greenhouse gas emissions for the most recent financial year, the previous year and the baseline year, reported in tonnes CO_2e (carbon dioxide equivalent).

		Current reporting year FY 2022-2023	Previous reporting year FY 2021-2022	Baseline year FY 2020-2021
Reporting Scope	**GHG Emissions Source**	**Greenhouse Gas Emissions (tCO_2e)**	**Greenhouse Gas Emissions (tCO_2e)**	**Greenhouse Gas Emissions (tCO_2e)**
Scope 1	**Fuel consumption - company fleet**	1,314.43	1,227.38	1,545.81
	Fuel consumption - operational sites (bulk)	956.43	1,154.23	1,354.34
	Gas consumption - cannisters	2.86	1.16	Not calculated
	Gas consumption - offices	30.62	36.01	41.94
Total Scope 1		2,304.34	2,418.79	2,942.09
Scope 2	**Electricity usage offices - location-based**	80.08	92.91	101.19
	Electricity usage electric vehicles & plug-in electric vehicles (company owned)	1.29	Not calculated	Not calculated
Total Scope 2		81.38	92.91	101.19
Scope 3	**Business Travel - Air**	27.69	8.17	60.62
	Business Travel - Ferry	0.90	0.18	0.17
	Business Travel - Grey fleet	178.96	115.80	394.14
	Electricity Transmission & Distribution	7.29	8.54	8.96
	Purchased Goods	7,707.75	20,061.44	22,464.52
	Purchased Services	12,637.32		
	Staff Commuting	884.56	614.81	915.33
	Waste	55.64	56.74	69.44
	Water (supply & treatment)	0.18	0.97	2.80
	Well-to-Tank	687.93	551.19	1,056.44
Total Scope 3		22,188.22	21,417.83	24,972.29
Total GHG Emissions (all scopes)		24,573.93	23,929.53	28,015.70

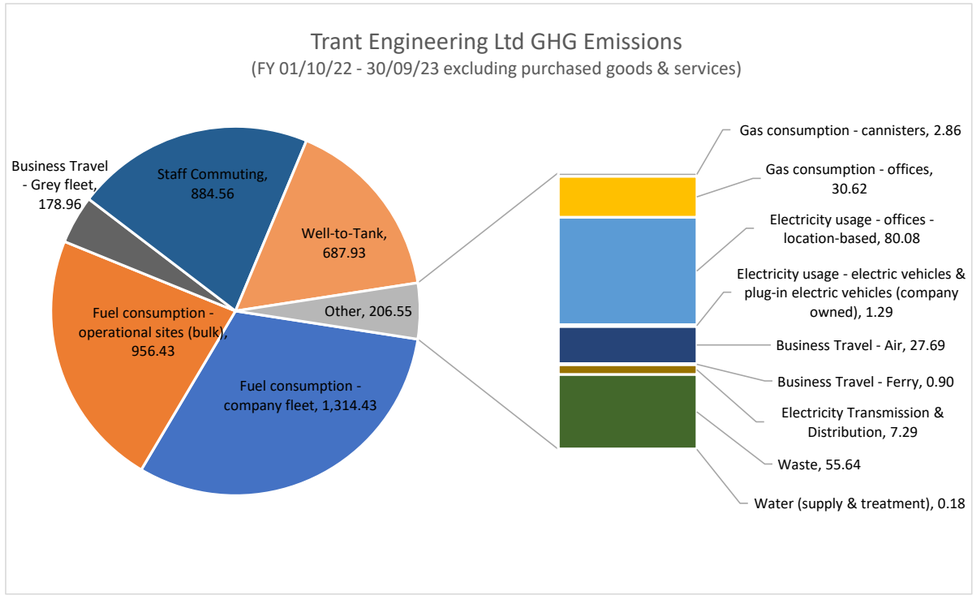


Figure 1: Our total GHG emissions footprint, split by emissions source with tCO_2e values. This chart excludes purchased goods and services because the emissions for those categories are 82.79% of the footprint which, if included, results in the remaining emissions not being visible on the chart.

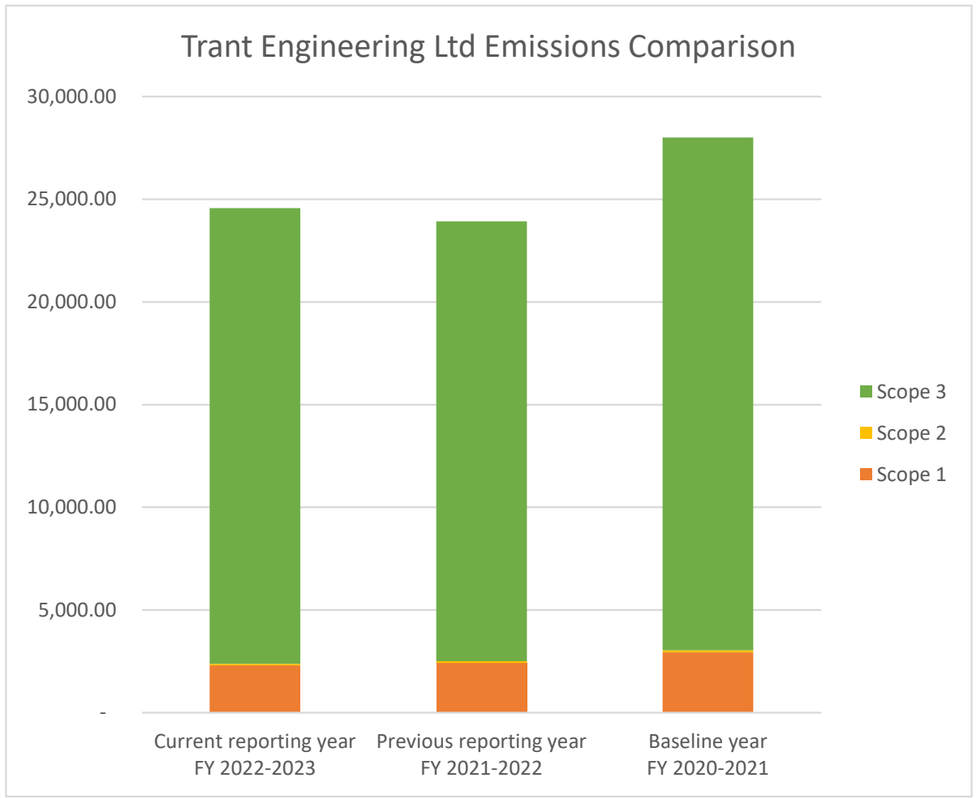


Figure 2: Emissions comparison for each reporting year since our baseline year.

Trant Engineering's baseline year operational emissions were verified to the ISO14064 standard by an external consultant. Our emissions are calculated following best practice methodology set out by the Greenhouse Gas Protocol and UK Government Reporting Guidelines. We have made some improvements to our data collection methodology and as a business we have improved our understanding of company emissions.

The emissions for FY 2022-2023 were calculated using 2023 conversion factors for reporting, developed by the UK Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Energy Security and Net Zero. Purchased goods and services emissions were calculated using the 2020 conversion factors by SIC code, also published by DEFRA.

Key Commentary

Trant Engineering's GHG emissions footprint for the 2022-2023 financial year is 24,573.93 tonnes CO_2e.

The emissions in Table 1 demonstrate a reduction in operational emissions since the baseline year (FY 2020-2021), but an increase in scope 3 emissions due to improved data visibility and understanding.

- Purchased goods and services remains our highest emissions category, contributing 20,345.07 tCO_2e; 82.79% of the total footprint. This category has been separated in Table 1 to demonstrate the emissions resulting from goods and those resulting from services, to allow for improved visibility of the data. The methodology used is spend-based and we recognise that this method is not as accurate as a supplier-specific method. Our ambition in the future is to migrate to a hybrid method incorporating supplier-specific data, to improve the accuracy. As this is a significant contributor to our emissions footprint, we appreciate the importance of taking action to reduce emissions in this area and have started the conversation with key supply chain members. Given the size and complexity of our supply chain, reducing emissions from procurement is within our longer-term ambition of achieving organisational net zero by 2050.

- Our second highest emissions are from travel for business purposes, which collectively accounts for 1,521.8 tCO_2e. This includes fuel used for company fleet, grey fleet, air and ferry travel. The fuel used by company-owned fleet is the largest proportion of this, at 1,314.43 tCO_2e. This is a reduction against our baseline but an increase on FY 2021-2022. Data analysis indicates that an omission was made in FY 2021-2022 in error.
- Site fuel data has been combined (in our baseline year, red diesel was separated from white diesel). The use of hydrotreated vegetable oil (HVO) is also included in this figure. Total site fuel use emissions have reduced and, in FY 2022-2023, accounts for 3.89% of total emissions.
- Well-to-tank GHG emissions incorporate emissions associated with the upstream processing, refinement and transportation of fuels associated with the following sources: Electricity usage, Gas consumption (offices and cannisters), all fuel consumption for company fleet and operational sites (diesel, petrol, kerosene, HVO), and staff commuting.

Emissions Reduction Targets & Trajectory

Our trajectory to achieve the operational net zero target of 2040 can be seen in Figure 3 below.

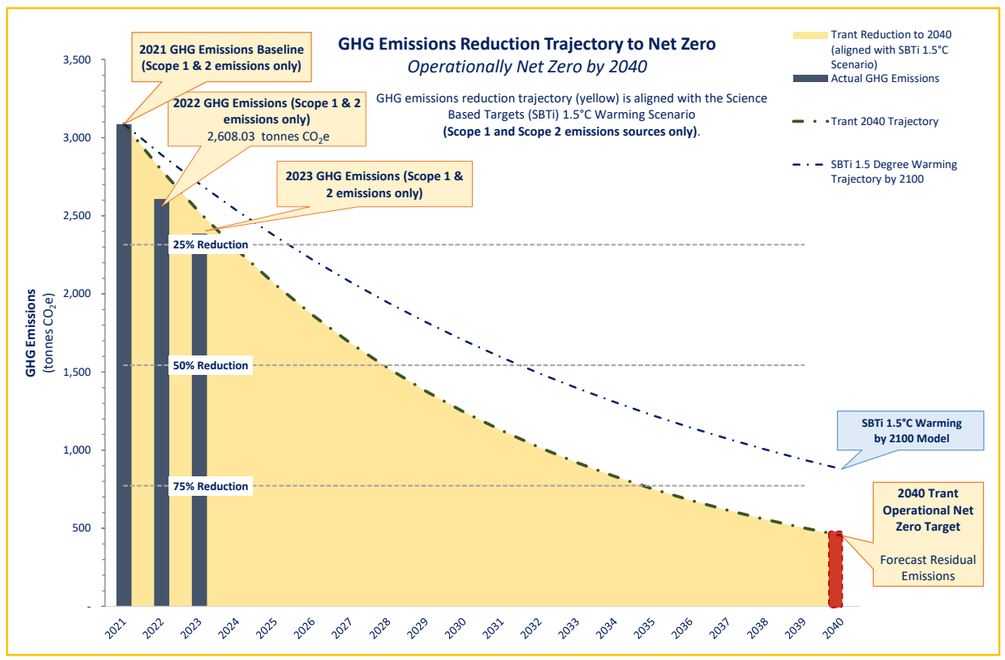


Figure 3: GHG Emissions Reduction Trajectories.

As demonstrated in Figure 3, we have achieved the required reductions since the baseline year to remain on the trajectory. Over the next five years, by 2028, we aim to decrease our operational emissions to 1,523.09 tCO_2e. This is a 50% reduction against our 2021 baseline. Achieving a 75% reduction against the baseline is targeted in 2035.

Once we have reduced our emissions as close to zero as possible, we will use offsetting and/or carbon sequestration to mitigate our residual unavoidable emissions.

The trajectories outlined in Figure 3 present two reduction pathways aligned with the Science Based Targets Initiative (SBTi) Absolute Contraction Approach, demonstrating the necessary emissions reduction required to achieve Net Zero. We will continue to strive for a 9.6% reduction in emissions to remain on the trajectory for Net Zero by 2040.

Emissions Reduction Projects

To support our progress towards net zero, we have produced a Net Zero Action Plan which has been published separately and can be found on our website. This demonstrates the actions that we aim to have completed by set dates on the journey to Net Zero. Our Energy Savings Opportunity Scheme (ESOS) phase 3 submission will also highlight further reduction opportunities.

Operational Estate

In FY 2023, the operation of our head office estate resulted in 149.44 tCO_2e emissions, a reduction of 27.56 tCO_2e from our baseline in FY 2021. We aim to decarbonise our head office estate by 2028.

Half way through the reporting year, we installed solar panels on all Trant Engineering buildings and so our electricity emissions will continue to reduce as a result. The sustainable refurbishment of our head office building planned for completion in 2025 will result in further reductions, including the removal of natural gas as an energy source. Regular assessments of the office plumbing are conducted to identify issues such as leaks and therefore reduce water waste and increase water efficiency.

Where electricity cannot be produced on-site, we intend to purchase a significant proportion of our energy from certified renewable energy tariffs until such time as the National Grid is fully decarbonised; subsequently reducing our annual Scope 2 emissions.

Operational Sites

The use of fuel to power construction plant and machinery on our sites accounted for 956.43 tCO_2e emissions (3.89%) in FY 2023, a reduction of 397.91 tCO_2e from the baseline in FY 2021.

We have committed to investigating longer-term alternative low emissions solutions for our plant and machinery, including working with a number of suppliers to understand the alternatives to diesel powered generators for site setup. Our targets are for 50% reduction in site fuel emissions by 2028 and 75% by 2035, which are highlighted on our Net Zero Action Plan.

We will continue to raise awareness across the business of the importance of efficient fuel use on site to help reduce overall consumption and unnecessary use.

We have also been looking at the alternatives to replace our use of other fuels such as kerosene and natural gas, which is included in the decarbonisation of our operational estate.

Owned Fleet

The company-owned fleet refers to the cars and vans directly owned and controlled by Trant Engineering. Our owned fleet contributed 1,314.43 tCO_2e (5.35%) in FY 2023, a reduction of 231.38 tCO_2e from the baseline.

Our emissions have reduced in line with our purchase of lower emissions vehicles, and this is set to continue as we focus on updating our company car policy and implement other initiatives to encourage reduction of fleet fuel use. We have targeted 2030 for our company car fleet to be Net Zero and 75% of our vans to be ultra-low emission vehicles.

Business Travel

Business travel currently includes grey fleet, air travel and ferry travel. A breakdown of GHG emissions associated with these transport modes is as follows:

- Grey fleet travel – 178.96 tCO_2e
- Air travel – 27.69 tCO_2e
- Ferry travel – 0.90 tCO_2e

We recognise that some journeys are unavoidable and, as such, are committed to reviewing the necessity of all business travel whilst not detrimentally impacting business operations.

Improved data collection methods are required to ensure that data is collected automatically, as human error due to manually manipulating the data has resulted in errors and omissions in previous reporting years. We have also identified opportunities to improve the completeness of our data so that taxi and train travel can be included and analysed.

Staff Commuting

Staff commuting emissions accounted for 884.56 tCO_2e (3.60%) in FY 2023, a reduction against the 2021 baseline of 30.77 tCO_2e.

This estimate was based on the extrapolation of data collected by a sample of staff employed by Trant Engineering who completed a survey to disclose their commuting habits, resulting in improved accuracy of the calculation compared to the methodology use for the baseline calculation. The survey was re-run in April 2024 to capture data to be used for the next reporting year.

Initiatives to reduce our emissions associated with staff commuting include encouraging staff to work from home, use a car allowance incentive to encourage low emission vehicles, carpool and an established cycle to work scheme.

Declaration & Sign Off

This Carbon Reduction Plan has been completed by the Environment and Sustainability Manager, in accordance with PPN 06/21, associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol Corporate Standard, using the appropriate Government emission Conversion Factors for GHG Company Reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the Board of Directors.

Signed on behalf of Trant Engineering Limited:

Name Jeremy Somers

Position: Managing Director

Date: 22/05/2024

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