Carbon Reduction Plan Template

Supplier name: Zühlke Group – a 100% parent of Zuhlke Engineering Ltd

Publication date: July 2023

Commitment to achieving Net Zero

Zühlke Group is committed to achieving Net Zero emissions by 2040, this includes its UK operations (Zuhlke Engineering Ltd)

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2021

Additional Details relating to the Baseline Emissions calculations.

Our baseline is calculated at group level across our global sites. Our 2021 baseline year emissions have been recalculated in 2023, using the same methods that were used for our 2022 emissions. We've worked with our partner Carbmee who specialise in carbon accounting.

Baseline year emissions:	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	228 t
Scope 2	1291 t
Scope 3 (Included Sources)	4493 t
Total Emissions	6011 t

Current Emissions Reporting

Reporting Year: 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	260 t
Scope 2	1188 t
Scope 3 (Included Sources)	7041 t
Total Emissions	8489 t

In 2022, total emissions have risen by 41% against the previous year, which has three main reasons:

Growth: Our team grew by 20% in 2022, leading to additional spending on infrastructure and recruitment services.

Leaving the pandemic: Activities in 2021 were still restricted by Covid-19. In 2022, we were able to reconnect in person with business partners and colleagues, which led to increased office usage and energy consumption, as well as more business travel.

Long lead times: Most of our reduction activities take effect gradually, for example our move towards greener office buildings and sustainable procurement.

Emissions Reduction Targets

Zühlke Group is committed to reaching net-zero greenhouse gas (GHG) emissions in line with a 1.5°C pathway and according to the strict requirements of the science-based target initiative (SBTi) net zero standard. This is part of our engagement within the "Business Ambition for 1.5°C" initiative.

We commit to reach net-zero GHG emissions across the value chain by 2040. Specifically, we commit to the following reduction targets from a 2021 base year:

- Reduce absolute Scope 1+2 GHG emissions 90% by 2030
- Reduce absolute Scope 3 GHG emissions 42% by 2030
- Reduce absolute Scope 3 GHG emissions 90% by 2040

Our targets have been submitted to SBTi and we are awaiting validation.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

We continue to transition our energy consumption towards renewables. In 2022, we sourced about one quarter of our electricity from renewables across our global sites, including using Opus energy which is 100% renewable for our London office.

We have analysed our building emissions and have acted, including moving to a more sustainable office in Manchester.

We have identified sustainable hotels when required for business travel, as well as reviewing the formats for internal meetings. In 2022, we cancelled plans for a company-wide exchange that would have taken place in 2023.

Our EV company car scheme now has a fleet of 20 vehicles and are mainly charged using renewable energy, reducing our emissions for business travel and commuting.

In the future we are planning to implement further measures such as:

- Introducing a formal Environmental Management System
- Continuing to move our locations to using renewable energy sources and reducing unnecessary energy consumption.
- Assessing our business travel further and implementing business travel guidelines.
- Sustainable procurement and supply chain assessments.
- Circular economy principles, for example regarding our purchased IT equipment.

We have committed to neutralise our existing emissions which was completed in 2021, and we will continue to do so.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and 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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

This Carbon Reduction Plan has been prepared in line with our carbon reduction strategy at group level, and has been reviewed and signed off by the executive board of Zuhlke Engineering Ltd.

¹<u>https://ghgprotocol.org/corporate-standard</u>

²https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

Signed on behalf of the Supplier:

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CEO

Group Head of Sustainability