

# Carbon Reduction Plan

Supplier name: ...AD Modular.....

Publication date: ...January 2024.....

## Commitment to achieving Net Zero

AD MODULAR is committed to achieving Net Zero emissions by 2045.

## Baseline Emissions Footprint

<b>Baseline Year: February 2023 – January 2024</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
<p>AD Modular’s emissions has been aligned to our financial reporting year (February – January). These emissions are being assessed in line with PAS 2080 principles, with particular focus on energy consumption, transportation, and waste generated during construction activities.</p> <p>Our baseline will establish a comprehensive foundation for tracking future reductions and setting achievable targets.</p>	
<b>Baseline year emissions: <u>152 (tCO<sub>2</sub>e)</u></b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<u>61 tonnes</u> <ul style="list-style-type: none"> <li>(business travel from company vehicles)</li> </ul>
<b>Scope 2</b>	<u>7 tonnes</u> <ul style="list-style-type: none"> <li>(electricity usage at office premises)</li> </ul>
<b>Scope 3 (Included Sources)</b>	<u>84 tonnes</u> <ul style="list-style-type: none"> <li>Business travel (rail)</li> <li>Employee commuting</li> <li>Waste &amp; water</li> <li>Transmission and distribution of electricity</li> <li>Working from home electricity</li> <li>Downstream transportation and distribution</li> </ul> <p><u>Not applicable</u></p> <ul style="list-style-type: none"> <li>Upstream transportation and distribution (no emissions incurred during the benchmark period).</li> </ul>
<b>Total Emissions</b>	<b><u>152 (tCO<sub>2</sub>e)</u></b>

## Current Emissions Reporting

As this is our baseline year, current emissions reporting will serve as a foundation for establishing future targets. Emission reduction initiatives will be developed based on the insights from this assessment.

<b>Reporting Year: February 2023 – January 2024 (same as benchmark period). The next report will be available at the end of our next financial reporting period (shortly after January 2025)</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<u><b>61 tonnes</b></u> (business travel from company vehicles)
<b>Scope 2</b>	<u><b>7 tonnes</b></u> (electricity usage at office premises)
<b>Scope 3</b> <b>(Included Sources)</b>	<u><b>84 tonnes</b></u> <ul style="list-style-type: none"> <li>• Business travel (rail)</li> <li>• Employee commuting</li> <li>• Waste &amp; water</li> <li>• Transmission and distribution of electricity</li> <li>• Working from home electricity</li> <li>• Downstream transportation and distribution</li> </ul> <u>Not applicable</u> <ul style="list-style-type: none"> <li>• Upstream transportation and distribution (no emissions incurred during the benchmark period).</li> </ul>
<b>Total Emissions</b>	<u><b>152 (tCO<sub>2</sub>e)</b></u>

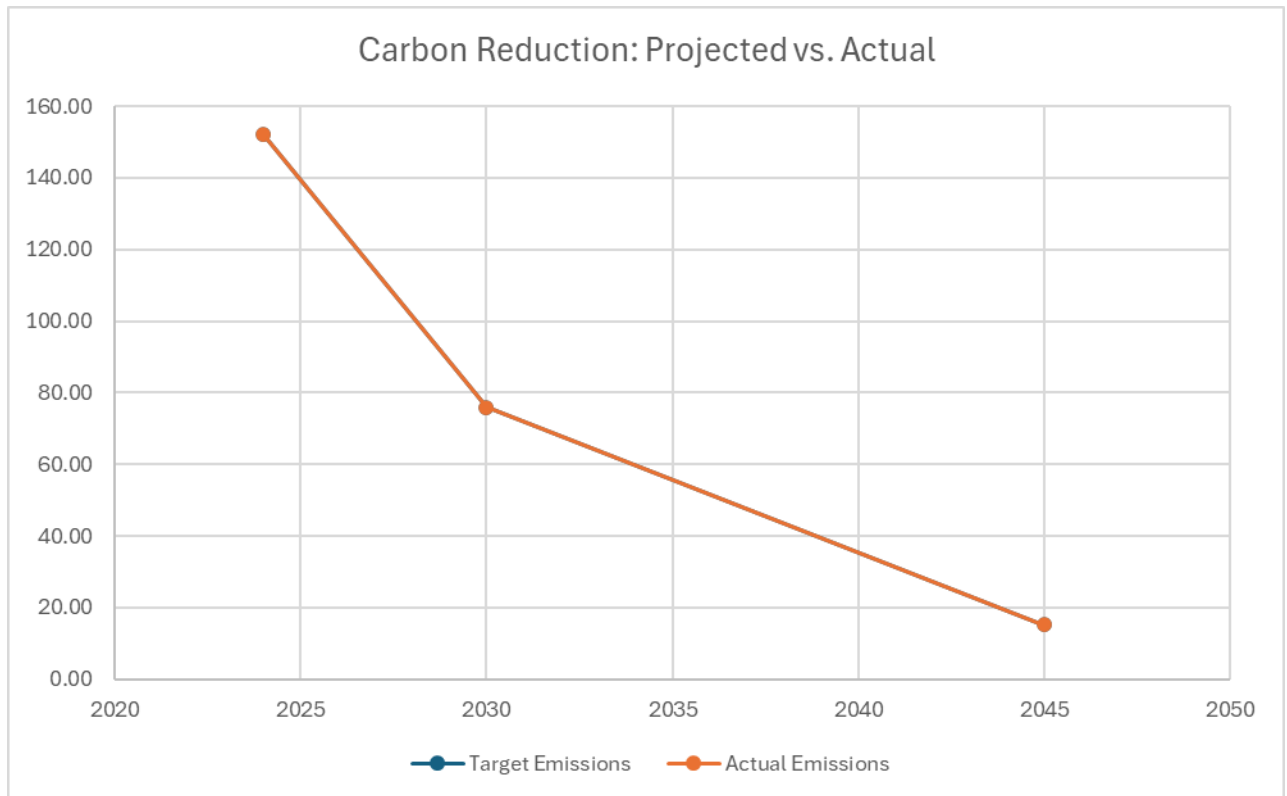
## Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years by 50% as we continue to maximise offsite manufacturing technology and methods.

Targets will be refined annually as our baseline data matures.

Progress against these targets can be seen in the graph below:



(Due to the data sample size being small the target emissions are in line with actual emissions).

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

While this is our baseline year, we have integrated carbon reduction principles into our operations:

- Adoption of 80-90% materials utilisation in situ, minimising waste sent to landfill.
- Implementation of energy-efficient modular designs, reducing operational carbon footprints.

### Future Carbon Reduction Projects Include:

- 1. Energy Efficiency Upgrades:**
  - Introduction of solar energy systems to power fabrication and welding processes.
  - Transition to low-carbon and renewable energy solutions across all facilities.
- 2. Transport and Logistics Improvements:**
  - Use of Hydrotreated Vegetable Oil (HVO) for vehicle fleets while transitioning to fully electric alternatives.
  - Strategic local storage to minimise transportation distances.
- 3. Circular Economy Practices:**
  - Increase recycling and reuse of materials in construction.
  - Evaluate end-of-life strategies to ensure assets are repurposed or recycled.
- 4. Stakeholder Collaboration:**
  - Work with supply chain partners to deliver innovative low-carbon solutions.
  - Regularly engage with clients and stakeholders to implement decarbonisation strategies.

We anticipate seeing the benefit of these initiatives in the next reporting period.

## Governance and Leadership

AD Modular Limited operates a Carbon Management System in accordance with PAS 2080:2023. This system is governed by our Quality Manager, under the leadership of the Managing Director. Key roles and responsibilities include:

- Ensuring compliance with carbon management policies.
- Driving innovation and continuous improvement.
- Engaging and supporting value chain members to achieve shared decarbonisation goals.

We have established mechanisms to monitor and report carbon emissions at each project stage. This includes:

- Tracking progress against emissions reduction targets.
- Recording and sharing best practices with value chain partners.
- Periodically reviewing data to refine baselines and inform future strategies.

## 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 standard and uses the appropriate Government emission conversion factors for greenhouse gas 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 (or equivalent management body).

### Signed on behalf of the Supplier:

A handwritten signature in black ink, appearing to read 'Bridie Gilligan', is written over a faint dotted line.

(Insert Name)... BRIDIE GILLIGAN (Director).....

Date: .....15/11/2024.....