

Carbon Reduction Plan

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

Publication date: June 2026

Commitment to achieving Net Zero

Zühlke Group is committed to achieving Net Zero emissions by 2040, this includes its UK operations (Zühlke 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.

Emissions are reported using the Operational Control approach in accordance with the GHG Protocol Corporate Standard. Zühlke Engineering Ltd reports on all sources of greenhouse gas emissions over which it has operational control within its UK operations. Where data is collected at Group level (across Zühlke Group's global locations), UK-specific emissions are identified and disaggregated using appropriate activity-based allocation methods.

Baseline Year: 2021	
Additional Details relating to the Baseline Emissions calculations.	
We note that 2021 was significantly affected by Covid-19 restrictions and does not fully represent a business-as-usual year. We have worked with our carbon accounting partner, to continually improve data quality and methodology. Minor retrospective adjustments have been applied to all prior-year figures, including the baseline, to reflect these improvements. All emissions are stated in tonnes of carbon dioxide equivalent (tCO ₂ e), covering the seven greenhouse gases named by the Kyoto Protocol, using UK Government conversion factors.	
Baseline year emissions:	
EMISSIONS	TOTAL: (tCO₂e)
Scope 1	115
Scope 2	464 (market-based emissions) (Energy Attribute Certificates (EAC's) not purchased)

Scope 3 (Included Sources)	6324 Breakdown: Scope 3 – Category 1: Purchased goods and services: 3781 Scope 3 – Category 2: Capital goods: 723 Scope 3 – Category 3: Fuel & energy-related activities (well-to-tank): 195 Scope 3 – Category 4: Upstream transportation & distribution: 35* Scope 3 – Category 5: Waste generated in operations: 2* Scope 3 – Category 6: Business travel: 382* Scope 3 – Category 7: Employee commuting (incl. home working): 1176* Scope 3 – Category 8: Upstream leased assets: 31 Scope 3 – Category 9: Downstream transportation & distribution: 0*
Total Emissions	6903

* Categories 4, 5, 6, 7, and 9 are the mandatory Scope 3 categories required under PPN 06/21. Categories 1, 2, 3, and 8 are reported voluntarily for completeness.

Current Emissions Reporting

Reporting Year: 2025	
EMISSIONS	TOTAL (tCO_{2e})
Scope 1	134
Scope 2	335 (market-based emissions pre-purchase of EAC's) 0 (market-based emissions post-purchase of EAC's)
Scope 3 (Included Sources)	TOTAL 8159 Breakdown: Scope 3 – Category 1: Purchased goods and services: 4544 Scope 3 – Category 2: Capital goods: 324 Scope 3 – Category 3: Fuel & energy-related activities (well-to-tank): 148 Scope 3 – Category 4: Upstream transportation & distribution: 10* Scope 3 – Category 5: Waste generated in operations: 3* Scope 3 – Category 6: Business travel: 1676 * Scope 3 – Category 7: Employee commuting (incl. home working): 1373 * Scope 3 – Category 8: Upstream leased assets: 80 Scope 3 – Category 9: Downstream transportation & distribution: 0 *

Total Emissions	8628 (market-based emissions pre-purchase of EAC's)
	8293 (market-based emissions post-purchase of EAC's)

* Categories 4, 5, 6, 7, and 9 are the mandatory Scope 3 categories required under PPN 06/21. Categories 1, 2, 3, and 8 are reported voluntarily for completeness.

Commentary on Year-on-Year Performance

In 2025, our total emissions were 8,628 tCO₂e (pre EAC purchase) representing an increase of 4.9% compared to 2024.

Key factors driving performance in 2025 include:

- Increased procurement and delivery activity, driving a rise in emissions from purchased goods and services, which remains our largest emissions source
- Growth in business travel and employee commuting, reflecting increased in-person collaboration and a shift back to office-based working patterns. The increase in employee commuting emissions also partly reflects an improvement in methodology, with building cooling now estimated for the first time
- Increased investment in equipment and infrastructure, contributing to higher capital goods emissions

At the same time, some reductions were observed in electricity-related emissions, supported by continued use of renewable electricity and optimisation of office space. Ongoing improvements in data quality and coverage have also influenced year-on-year comparability.

Emissions reduction targets

Zühlke Group has had its targets approved by the Science Based Targets initiative (SBTi), in line with the SBTi Net-Zero Standard and a 1.5 °C pathway. All targets use 2021 as the base year.

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

Carbon reduction projects

The following environmental management measures and carbon reduction initiatives have been completed or implemented since the 2021 baseline year. These measures will be in effect when performing the contract.

Completed Carbon Reduction Initiatives

Environmental Management & Governance

- Implemented a formal Environmental Policy across the Group.
- Achieved ISO 14001:2015 environmental management certification at our London and Zurich office locations.
- Embedded environmental obligations into our Code of Conduct, Supplier Code of Conduct, and Business Travel Guidelines.

Energy, Water & Emissions

- Transitioned to 100% renewable electricity through the procurement of Energy Attribution Certificates (EACs) and renewable energy providers.
- Completed energy, water, and waste audits to identify inefficiencies and drive resource savings.
- Neutralised Scope 1 and Scope 2 emissions through investment in certified carbon mitigation projects.

Waste Management & Circularity

- Introduced IT hardware buy-back schemes for phones and laptops, extending product lifecycles.
- Improved waste efficiency via waste sorting stations and waste weighing (London and Manchester offices).
- Increased purchasing of eco-friendly consumables across all sites.
- Promoted paperless office practices.

Sustainable Travel & Mobility

- Promoted sustainable commuting through an EV company car scheme and cycle-to-work scheme.
- Identified lower-impact hotels for business travel and encouraged virtual meeting alternatives.

Sustainable Operations & Procurement

- Enabled flexible and hybrid working models to reduce commuting frequency and office resource consumption.
- Reviewed all office locations and begun optimising footprints, including downsizing and subletting underutilised space.

Supply Chain & Stakeholder Engagement

- Assessed publicly available ESG data and net-zero commitments for key suppliers.

Training & Culture

- Deliver ESG onboarding training for all new starters.
- Made ongoing ESG learning resources available to all employees.
- Deliver annual mandatory net zero and SBTi training for all employees.

Planned Future Carbon Reduction Initiatives

Environmental Management & Governance

- Implement formal waste management plans across more sites.
- Embed sustainability in our ICT strategy, including responsible and energy-efficient use of AI technologies.

Sustainable Operations & Procurement

- Review IT hardware and software procurement to assess and reduce associated environmental impact.
- Continue improving office efficiency through downsizing, subletting, and relocating to greener premises where feasible.

Emissions Targets & Reporting

- Review our 2021 baseline year which was significantly impacted by COVID-19 restrictions and is not fully representative of a normal business operation, to ensure any reduction targets remain credible and appropriately challenging.
- Continue annual publication and board sign-off of this Carbon Reduction Plan in accordance with PPN 06/21 requirements.

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.

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) Standard³.

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:

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

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

³ <https://ghgprotocol.org/standards/scope-3-standard>