

Carbon Reduction Plan

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

Publication date: ...January 2026.....

Commitment to achieving Net Zero

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

Baseline Emissions Footprint

Baseline Year: February 2023 – January 2024	
Additional Details relating to the Baseline Emissions calculations.	
The organisation's benchmark year is from April 23 – March 24 and was the first year AD Modular measured our carbon emissions	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	<u>61 tonnes</u> (business travel from company vehicles)
Scope 2	<u>7 tonnes</u> (electricity usage at office premises)
Scope 3 (Included Sources)	<u>84 tonnes</u> - Business travel (rail) - Employee commuting - Waste & water - Transmission and distribution of electricity - Working from home electricity - Downstream transportation and distribution <u>Not applicable</u> - Upstream transportation and distribution (no emissions incurred during the benchmark period).
Total Emissions	<u>152 (tCO₂e)</u>

Last Years Emissions Footprint

Reporting Year: February 2024 – January 2025	
Additional Details relating to the Baseline Emissions calculations.	
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. Our baseline will establish a comprehensive foundation for tracking future reductions and setting achievable targets.	
Baseline year emissions: <u>152 (tCO₂e)</u>	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	<u>24.3 tonnes</u> (business travel from company vehicles)
Scope 2	<u>6.9 tonnes</u> (electricity usage at office premises)
Scope 3 (Included Sources)	<u>59.2 tonnes</u> - Purchased Goods & Services - Fuel & energy related activities (not in scope 1 or scope 2) - Waste generated in operations - Business travel (rail) - Employee commuting <u>Not applicable</u> - Upstream transportation and distribution (no emissions incurred during the benchmark period). - Downstream transportation and distribution (no emissions incurred during the benchmark period).
Total Emissions	<u>90.4 (tCO₂e)</u>

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.

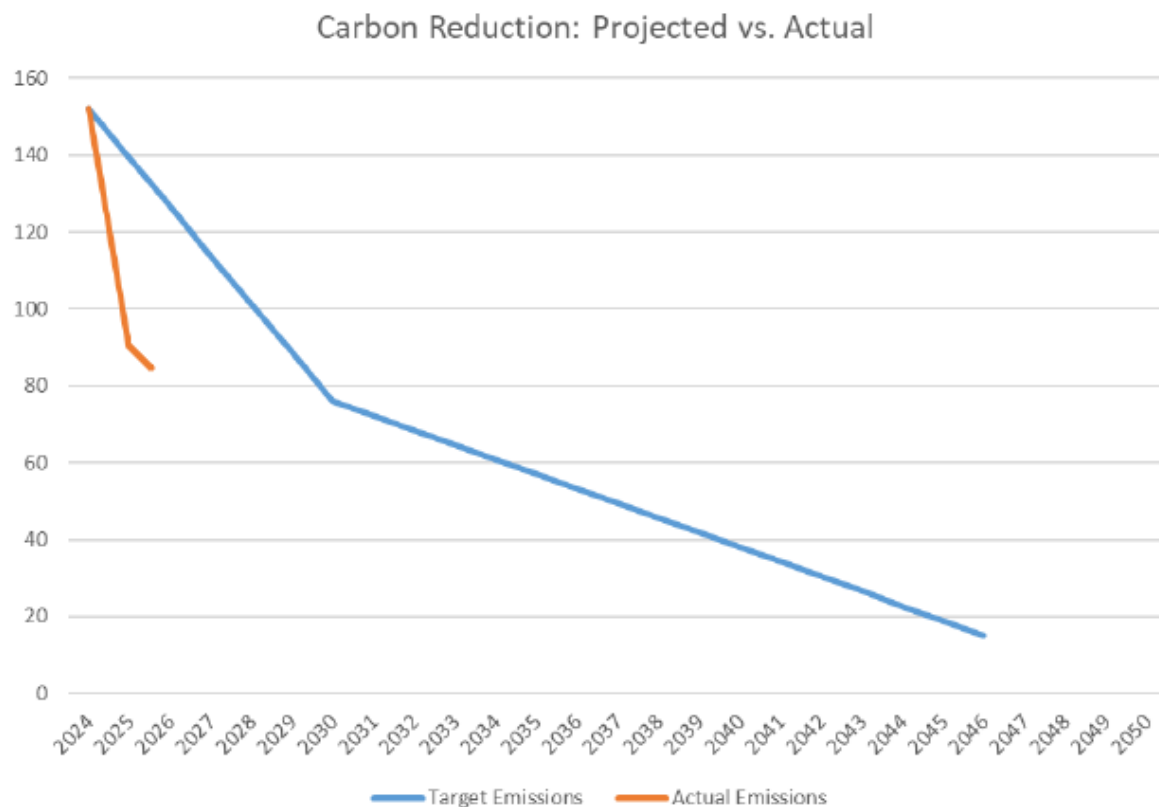
Reporting Year: February 2025 – January 2026 (same as benchmark period). The next report will be available at the end of our next financial reporting period (shortly after January 2025)	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	<u>22.4 tonnes</u> (business travel from company vehicles)
Scope 2	<u>5.8 tonnes</u> (electricity usage at office premises)
Scope 3 (Included Sources)	<u>60.4 tonnes</u> • Purchased Goods & Services • Fuel & energy related activities (not in scope 1 or scope 2) • Waste generated in operations • Business travel (rail) • Employee commuting <u>Not applicable</u> • Upstream transportation and distribution (no emissions incurred during the benchmark period). • Downstream transportation and distribution (no emissions incurred during the benchmark period).
Total Emissions	<u>88.6 (tCO₂e)</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 to 15 tCO₂e by 2045. This is a reduction of 90%.

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



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2023-2024 baseline. The carbon emission reduction achieved by these schemes equate to 63.4 tCO₂e, a 42% reduction against the 2023-2024 baseline and the measures will be in effect when performing the contract.

Ad Modular 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 006 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 Standard¹³ and use the appropriate government emission conversion factors for greenhouse gas company reporting.¹⁴

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements (where required), 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.¹⁵

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:



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

Date:31/01/2026.....

¹³ <https://ghgprotocol.org/corporate-standard>

¹⁴ www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

¹⁵ <https://ghgprotocol.org/standards/scope-3-standard>