



Drumgrange Ltd

Carbon Reduction Plan

FEBRUARY 2026

© 2026 DRUMGRANGE LTD.

Unit A The Forum, Hanworth Lane, Chertsey, Surrey KT16 9JX

The Copyright of this document is vested in Drumgrange Ltd. and the document is issued in confidence only for the purpose for which it is supplied. It may not be copied, used, or otherwise disclosed in whole or part, without the prior written permission of Drumgrange Ltd.

Table of Contents

| | | | |
|--------------------------------------------------|----------|---------------------------------------------------|----------|
| Executive Summary | 3 | Carbon Reduction Initiatives | 7 |
| Organisational Profile | 3 | Operational Strategy | |
| Reporting Methodology | 3 | Fleet & Travel | |
| Emission Scopes | | Procurement & Supply Chain (Defence-aligned) | |
| Data Sources | | Waste & Circularity | |
| Baseline Emissions Footprint (2023) | 4 | Cross-cutting Initiatives | 7 |
| Current Emissions Footprint (2024) | 4 | Net Zero Trajectory (Tender Chart section) | 8 |
| Mandatory Scope 3 Category Breakdown | | Planned Reduction Pathway | |
| Boundary Change Disclosure | | Governance and Assurance | 9 |
| 2024 Emissions Intensity Metrics | | Conclusion | 9 |
| Key Strategic Initiatives | 5 | PPN 006/21 Declaration and Sign-Off | 9 |
| Upstream Supply Chain | | | |
| Downstream Supply Chain | | | |
| Net Zero Target and Reduction Commitments | 6 | | |
| Interim Targets | | | |

1 Executive Summary

Drumgrange Ltd is committed to achieving Net Zero greenhouse gas emissions by 2050 in alignment with UK Government policy and Ministry of Defence procurement expectations. As a UK defence SME operating within complex and security-sensitive supply chains, Drumgrange recognises both the operational constraints and the environmental responsibilities associated with defence capability delivery.

This Carbon Reduction Plan (CRP) defines our baseline footprint, current emissions profile, reduction trajectory, and implementation measures across Scope 1, Scope 2, and Scope 3 emissions. The plan is structured to meet the reporting and declaration requirements of Procurement Policy Note (PPN) 006/21 and is suitable for inclusion in MOD and wider UK Government tenders.

Scope 3 emissions, particularly Purchased Goods & Services and Employee Commuting, represent the largest share of our footprint. Accordingly, our strategy prioritises supply-chain engagement, low-carbon procurement, operational efficiency, and verified emissions measurement.

2 Organisational Profile

Drumgrange Ltd is an independent UK defence contractor specialising in the design, development, systems integration, and through-life support of communications and electronic systems. Operations include secure facilities, specialist integration environments, and field support activities.

- Carbon reduction measures are designed to:
- Maintain operational readiness and security compliance
- Support MOD supplier sustainability expectations
- Reduce lifecycle emissions across delivered systems
- Strengthen supply-chain carbon transparency
- Support defence social value and ESG evaluation criteria

3 Reporting Methodology

Emissions are calculated in accordance with:

- Greenhouse Gas Protocol Corporate Standard
- PPN 006/21 Technical Standard
- Planet Mark verified measurement methodology
- Market-based Scope 2 reporting

3.1 Emission Scopes

- **Scope 1:** Direct emissions from owned or controlled sources
- **Scope 2:** Indirect emissions from purchased electricity and energy
- **Scope 3:** Value chain emissions including procurement, travel, logistics, and commuting

3.2 Data Sources

- Planet Mark verified measurement reports
- Utility invoices and meter data
- Fuel and fleet records
- Travel and accommodation records
- Procurement and supplier data
- Employee commuting surveys and data

4 Baseline Emissions Footprint (2023)

| Emission Type | tCO ₂ e |
|---------------|--------------------|
| Scope 1 | 62.5 |
| Scope 2 | 87.7 |
| Scope 3 | 52.8 |
| Total | 203.0 |

TABLE 1: BASELINE EMISSIONS 2023

| Metric | Value |
|------------------------|------------------------|
| Employees (FTE) | 148 |
| Emissions per Employee | 1.4 tCO ₂ e |

TABLE 2: BASELINE INTENSITY METRICS

Note: Market-based baseline verified under Planet Mark Business Certification, reporting period 1 Jan 2023-31 Dec 2023.

5 Current Emissions Reporting (2024)

| Emission Type | tCO ₂ e |
|---------------|--------------------|
| Scope 1 | 53.0 |
| Scope 2 | 84.3 |
| Scope 3 | 3,338.4 |
| Total | 3,475.8 |

TABLE 3: EMISSIONS 2024

Note: Market-based emissions verified under Planet Mark Business Certification, reporting period 1 Jan 2024-31 Dec 2024.

5.1 Mandatory Scope 3 Category Breakdown

| Category | tCO ₂ e |
|-----------------------------------|--------------------|
| Purchased Goods & Services | 2,880.8 |
| Fuel & Energy Related Activities | 38.5 |
| Upstream Transport & Distribution | 12.8 |
| Waste | 0.2 |
| Business Travel | 58.7 |
| Employee Commuting | 347.5 |

TABLE 4: 2024 SCOPE 3 EMISSIONS BREAKDOWN

5.2 Boundary Change Disclosure

The reporting boundary expanded in the current year to include additional Scope 3 categories, particularly Purchased Goods & Services and Employee Commuting. Normalised comparisons show Scope 1 and 2 emissions have reduced despite business growth.

5.3 2024 Emissions Intensity Metrics

| Metric | Current | Baseline |
|----------------------------|--------------------------|--------------------------|
| Employee | 149 | 148 |
| Scope 1 + 2 | 137.3 tCO ₂ e | 150.2 tCO ₂ e |
| Scope 1 + 2 (per employee) | 0.92 tCO ₂ e | 1.01 tCO ₂ e |

TABLE 5: 2024 EMISSIONS INTENSITY METRICS

Note: Scope 1 and 2 emissions show a downward trend on an intensity basis.

6 Key Strategic Initiatives

6.1 Upstream Supply Chain

Supplier Engagement and Collaboration

- By 2027, require key suppliers (representing 70% of procurement spend) to disclose their carbon footprints annually.
- Introduce mandatory carbon reduction clauses into supplier contracts by 2029.
- Facilitate regular workshops and knowledge-sharing events to support suppliers' carbon reduction efforts.

Supplier Evaluation and Selection

- Implement sustainability criteria in procurement processes, favouring suppliers with robust carbon management plans by 2028.

- Establish carbon intensity benchmarks for goods and services procured, targeting a 30% reduction in carbon intensity per procurement spend by 2032.

Low-Carbon Procurement

- Transition to suppliers offering low-carbon and recycled materials, with at least 40% procurement of materials sourced sustainably by 2035.
- Collaborate with strategic suppliers to develop and implement innovative low-carbon solutions and materials specific to Drumgrange's operational requirements by 2035.

Transport and Distribution

- Require logistics providers to implement low-carbon transportation options, such as electric or hydrogen-powered vehicles, targeting at least a 50% reduction in transportation-related emissions by 2035.
- Optimise logistics and distribution networks to reduce transportation emissions by improved scheduling and reduced shipment frequency.

6.2 Downstream Supply Chain

Product Stewardship

- Integrate eco-design principles to reduce the carbon footprint associated with product lifecycle, achieving at least a 25% reduction in product-related emissions by 2035.
- Develop clear guidelines and incentives for customers regarding end-of-life product recycling or refurbishment by 2030.

Customer and End-User Engagement

- Provide clear carbon footprint information for all major products and services by 2028.
- Collaborate with customers to identify opportunities for reducing product emissions during the use-phase by developing more energy-efficient, durable, and recyclable products.

Waste Reduction and Circular Economy

- Fully integrate circular economy principles, aiming for zero waste to landfill and achieving a recycling and re-use rate of 90% by 2035.

Partner with industry groups and local communities to establish closed-loop systems for key materials by 2040.

7 Net Zero Target and Reduction Commitments

Drumgrange Ltd commits to achieving Net Zero emissions by 2050.

Interim targets:

- Reduce Scope 1 & 2 emissions 50% by 2035
- Reduce operational energy intensity by 30% by 2030
- Require carbon disclosure from 70% of key suppliers by 2027
- Integrate carbon criteria into procurement decisions by 2028
- Achieve 90% waste diversion from landfill by 2035

Note: Offsets will only be used for residual emissions that cannot be technically eliminated.

8 Carbon Reduction Initiatives

Operational Energy

- Building energy optimisation
- Smart controls and monitoring
- LED lighting upgrades
- Heating efficiency measures

Fleet Travel

- Transition to low-emission vehicles
- Travel substitution via secure collaboration tools
- Travel approval controls

Procurement & Supply Chain (Defence-Aligned)

- Supplier carbon disclosure requirements
- Sustainability weighting in supplier selection
- Preference for low-carbon materials and components
- Collaboration with defence suppliers on reduction pathways

Waste & Circularity

- Waste hierarchy enforcement
- Packaging reduction
- Recycling partnerships

9 Cross-cutting Initiatives

Carbon Data and Reporting

- Invest in a robust digital platform to accurately track, report, and manage Scope 3 emissions throughout the supply chain by 2029.
- Improve the data quality score above 90% through enhanced data governance and supplier data integration by 2028.

Innovation and Investment

- Allocate dedicated annual funding towards innovation in carbon reduction within supply chain processes starting in 2028.
- Participate actively in sector-wide innovation programmes aimed at decarbonising the Engineering and Defence industries.

10 Net Zero Trajectory (Tender Chart Section)

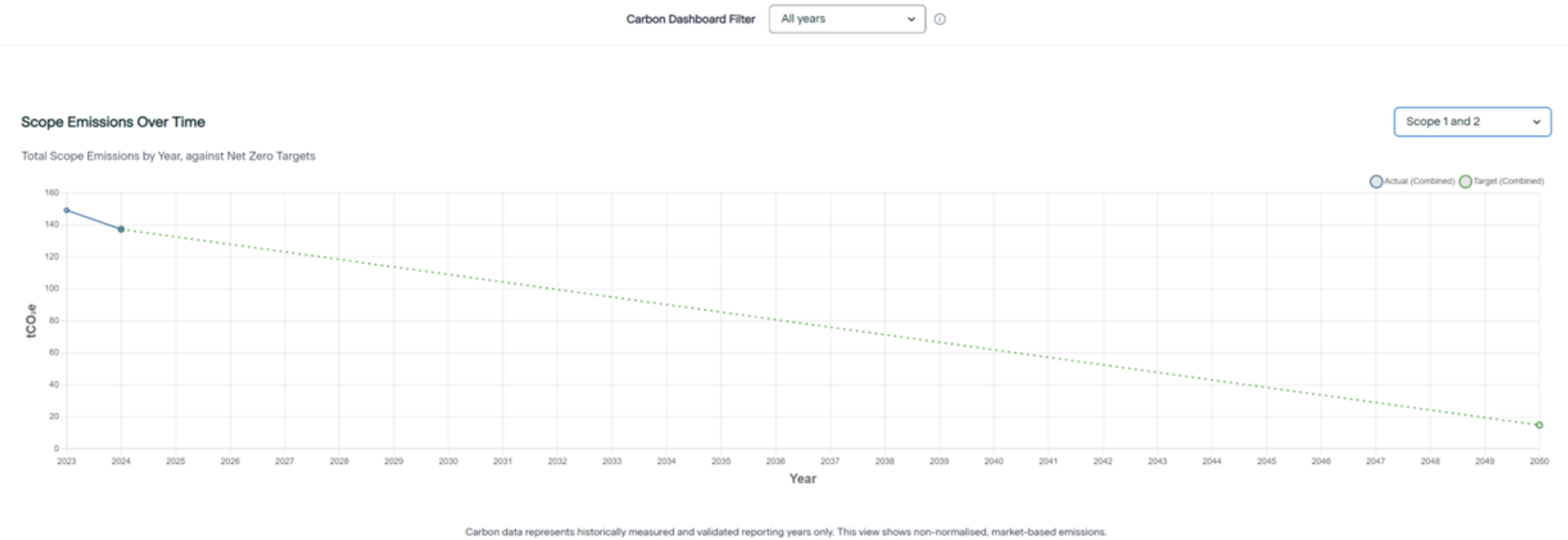


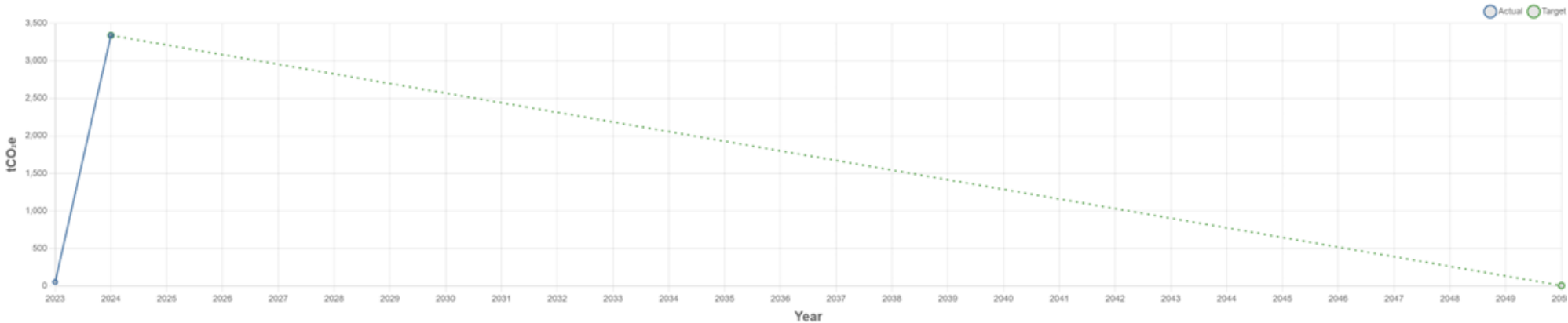
FIGURE 1: SCOPES 1 & 2

Carbon Dashboard Filter All years ⓘ

Scope Emissions Over Time

Scope 3 only

Total Scope Emissions by Year, against Net Zero Targets



Carbon data represents historically measured and validated reporting years only. This view shows non-normalised, market-based emissions.

FIGURE 2: SCOPE 3

10.1 Planned Reduction Pathway

| Year | Target Reduction vs Baseline | Notes |
|------|------------------------------|---------------------------|
| 2023 | Baseline | Verified |
| 2025 | -10% Scope 1+2 | Efficiency + controls |
| 2030 | -30% Scope 1+2 | Energy + fleet transition |
| 2035 | -50% Scope 1+2 | Electrification |
| 2040 | -70% total | Supply chain controls |
| 2045 | -90% total | Low-carbon procurement |
| 2050 | Net Zero | Residual offset only |

Note: Trajectory reviewed annually and adjusted to measured data.

11 Governance and Assurance

Carbon management is governed through:

- ESG Manager oversight
- Finance-verified activity data
- Planet Mark third-party verification
- Annual Board review
- Integration with ISO 14001 roadmap

12 Conclusion

This Carbon Reduction Strategy positions Drumgrange Ltd as a proactive leader in addressing both upstream and downstream emissions. By implementing these targeted initiatives, Drumgrange Ltd commits to an ambitious but organised and measurable pathway to achieving Net Zero emissions by 2050, substantially mitigating the company's highest carbon risk areas.

13 PPN 006/21 Declaration and Sign-Off

Procurement Policy Note (PPN) 006/21 Declaration

This Carbon Reduction Plan has been completed in accordance with PPN 006/21 and associated technical guidance. Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard.

Scope 1 and Scope 2 emissions have been reported on a market-based basis and Scope 3 emissions have been reported for all required categories defined by the standard.

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

Signed:


George Howe, Managing Director

¹ This Carbon Reduction Plan (CRP) sets out our strategic commitment to reducing greenhouse gas emissions and assures our customers that carbon management is embedded within our business planning and governance. Building on this, we are working with Planet Mark on a Net Zero Transition Plan, which will provide the operational details on how those commitments will be delivered in practice. Now in year three of our carbon reduction journey, and having already made measurable progress towards a carbon-neutral future, the Transition Plan translates our carbon baseline and targets into defined, time-bound and costed actions across Scopes 1, 2 and relevant Scope 3 emissions. It aligns carbon reduction activities with wider business and environmental management systems, supports continual improvement in line with ISO 14001 principles, and provides a credible, evidence-based roadmap consistent with Planet Mark and science-aligned net zero guidance. Together, the CRP and Net Zero Transition Plan demonstrate a mature, transparent and deliverable approach to decarbonisation, giving confidence that Drumgrange Ltd can meet both current MOD requirements and emerging future regulatory expectations. The Net Zero Transition Plan will be completed within 2026, and we are currently submitting our data for the 2025 certification and report.

The Drumgrange Roadmap to Net Zero

