Carbon Reduction Plan

Pro Enviro Ltd — Reporting Year 2023

Publication date: **May 2024**

Commitment to achieving Net Zero

Pro Enviro Ltd is committed to reaching Net Zero across the value chain by 2035. As part of this commitment, we will reduce absolute Scope 1 and Scope 2 emissions by 100% and absolute Scope 3 emissions by 90% against our 2019 base year by 2035. As an interim milestone, we aim to reduce absolute Scope 1 and Scope 2 emissions by 46.2% against the 2019 base year by 2030.

Baseline Emissions Footprint

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

Baseline Year: 2019

Additional Details relating to the Baseline Emissions calculations:

Emissions were calculated using Pro Enviro's in-house Carbon Footprinting Accounting and Reporting (CFAR) software, applying the appropriate UK Government GHG Conversion Factors for Company Reporting. 2019 was selected as the baseline year as it is the first full year for which a complete Scope 1 and Scope 2 inventory, and the majority of Scope 3 data, was available. The baseline reflects emissions from Pro Enviro Ltd's operations during the reporting year. Included sources are:

Scope 1 — passenger vehicles (cars by size, average car)

Scope 2 — purchased UK electricity

Scope 3 — transmission and distribution losses (T&D, UK electricity), well-to-tank UK and overseas electricity, employee transportation, water, employee commuting and waste.

In 2019, total emissions were 66.83 tCO_2e. Scope 3 accounted for 43.65 tCO_2e or 65% of this total, with employee commuting and business travel the largest individual sources; Scope 1 contributed 19.35 tCO_2e, 29% and Scope 2, 3.83 tCO_2e or 6% of total. This distribution, with Scope 3 as the dominant share, informs the emphasis of the reduction targets set out below.

Baseline year emissions:

EMISSIONS	TOTAL (tCO2e)
Scope 1	19.35
Scope 2	3.83
Scope 3	43.65
Material use – Electrical items, Clothing, food and drink, paper and Water supply	*7.73*
Fuel- and energy-related activities – Energy-related emissions	*0.91*
Upstream transportation and distribution – Freighting goods	*3.16*
Waste generated in operations – Waste, Water treatment	*0.22*
Business travel	*14.79*
Employee commuting – Commuting	*16.84*
Total Emissions	**66.83**

Current Emissions Reporting

Reporting Year: 2023

Reporting year emissions:

EMISSIONS	TOTAL (tCO2e)
Scope 1	2.95
Scope 2	2.79
Scope 3	**61.31**
Material use – Electrical items, Clothing, food and drink, paper and Water supply	10.60
Fuel- and energy-related activities – Energy-related emissions	0.91
Upstream transportation and distribution – Freighting goods	2.89
Waste generated in operations – Waste, Water treatment	0.30
Business travel	27.19
Employee commuting – Commuting	19.42
Total Emissions	**67.05**

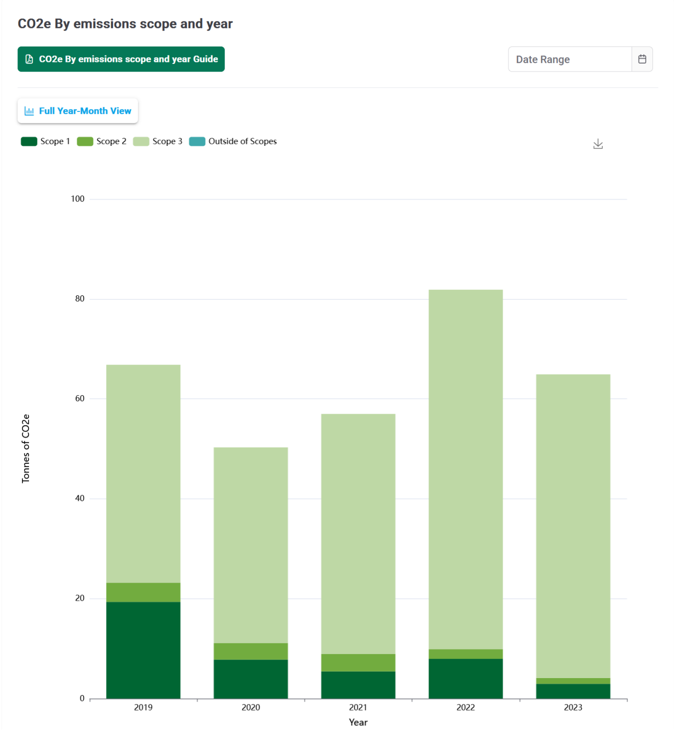
Emissions outside of the scope for the reporting year were 1.55 tCO2e.

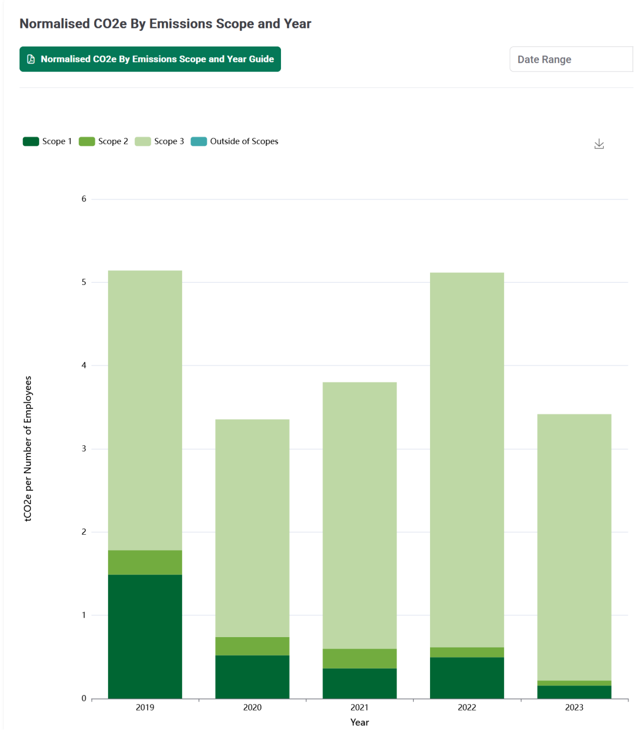
Emissions reduction targets

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

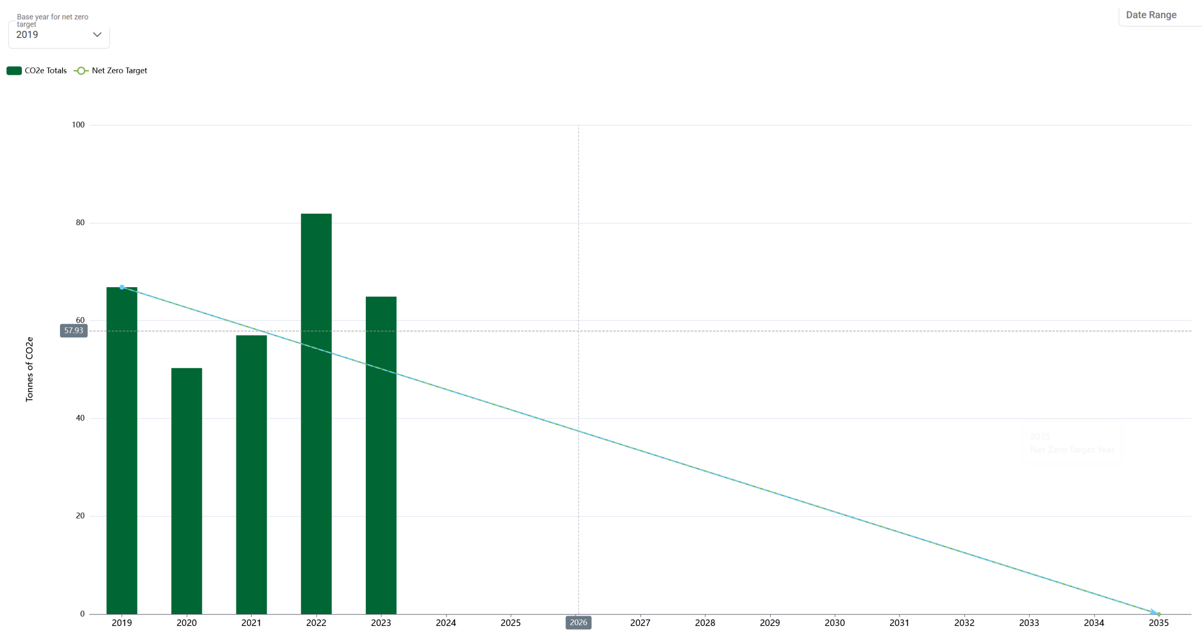
Our primary targets are a 46.2% reduction in absolute Scope 1 and Scope 2 emissions against the 2019 base year by 2030, and, by 2035 a 100% reduction in absolute Scope 1 and Scope 2 emissions and a 90% reduction in absolute Scope 3 emissions against the 2019 base year, reaching Net Zero across the value chain. Against the 2019 baseline of 23.18 tCO2e, combined Scope 1 and Scope 2 emissions in 2023 were 5.74 tCO2e, a reduction of 75.2%.

Total reported emissions across Scopes 1, 2 and 3 were broadly flat, moving from 66.83 tCO2e in 2019 to 67.05 tCO2e in 2023, a change of +0.3%. This overall stability masks two opposing trends. Combined Scope 1 and Scope 2 emissions fell sharply over the period, from 23.18 tCO2e in 2019 to 5.74 tCO2e in 2023, a reduction of 75.2%. This substantial fall was offset by growth in Scope 3, which rose from 43.65 tCO2e to 61.31 tCO2e. The increase in Scope 3 reflects growth in the company's underlying activity as the business has expanded, supporting a larger workforce and higher operational throughput. It is concentrated in our largest, activity-driven Scope 3 categories: business travel (up from 14.79 to 27.19 tCO2e), employee commuting (up from 16.84 to 19.42 tCO2e) and material use (up from 7.73 to 10.60 tCO2e). These activity-driven categories are the focus of the next phase of our reduction work.





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 2019 baseline. The carbon emissions reduction achieved by these schemes amounts to 17.44 tCO2e (75.2%) across Scopes 1 and 2.

- Transition of the company vehicle fleet away from petrol and diesel passenger vehicles, reducing Scope 1 emissions from 19.35 tCO2e in 2019 to 2.95 tCO2e in 2023
- Deployment of the in-house CFAR (Carbon Footprinting Accounting and Reporting) platform for accurate, continuous data collection, collation and analysis, enabling science-based target setting and annual verification
- Site electricity efficiency measures, including LED with on-board PIR lighting control upgrades, reducing Scope 2 emissions from 3.83 tCO2e to 2.79 tCO2e
- Establishment of annual Scope 1 and Scope 2 reporting and expansion of the Scope 3 data inventory

In the future, we hope to implement further measures such as:

- Supplier engagement programme to extend carbon reduction requirements through our own supply chain
- Completing the transition of our company vehicle fleet to electric vehicles, around 50% converted to date, to eliminate Scope 1 emissions by 2024
- Installing additional solar capacity, battery storage and a further EV charging point, and increasing our procurement of renewable electricity to reduce residual Scope 2 emissions ahead of the 2030 target
- Improving the quality of our Scope 3 data across transport, water and waste

- Introducing support for staff to switch to more sustainable means of travel
- Submitting our near-term Science Based Targets initiative (SBTi) targets for validation and pursuing B Corp certification, while continuing to embed the UN Sustainable Development Goals across our business strategy.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and the 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 has 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.

Signed on behalf of the Company:

Nersi Salehi,

Managing Director