

# Carbon Reduction Plan

**Morganstone Limited**

Reporting Period:  
2025 (January to December)

Produced with the support of Litmus Sustainability.



## Our Commitment to Net Zero

**Morganstone Limited is committed to achieving Net Zero emissions by 2050.**

## Baseline Year

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.

## Organisational Boundary

Our organisational boundary is defined using the operational control approach.

### Baseline Year: 2025 (January to December)

**Additional Details relating to the Baseline Emissions calculations.**

Morganstone Limited's baseline emissions cover the five mandatory activity categories of Scope 3 mandated under the UK PPN 006 standard, along with Scope 1 and 2 emissions. We also voluntarily reported the following activity categories in our Scope 3: Purchased Goods and Services, and Fuel and Energy-related activities.

The Downstream Transport activity category was not applicable to our organisation in our baseline year because we do not sell physical products.

To better reflect our real-world environmental impact, transport emissions took the effects of radiative forcing into account, and we used life cycle emission factors for Scope 3 activities wherever possible.

Some emissions in our baseline year were calculated using estimated volumes and/or spend-based data where more accurate information was not available. We are committed to continuous improvement in our emissions data, and recalculation of previous years will be implemented in future reports if necessary to maintain an effective base year comparison.

| Emissions                   | Total (tCO <sub>2</sub> e)       |
|-----------------------------|----------------------------------|
| Scope 1                     | 486.24                           |
| Scope 2<br>(location-based) | 88.76                            |
| Scope 3                     | 1,536.47                         |
| <b>Total Emissions</b>      | <b>2,111.47</b>                  |
| Emissions Intensity         | 0.041 (tCO <sub>2</sub> e/£'000) |



## Baseline Year Emissions Breakdown

| Scope 1                                      |  | Tonnes CO <sub>2</sub> e <sup>1</sup>       |
|----------------------------------------------|--|---------------------------------------------|
| 1.1 Stationary Combustion                    |  | 442.36                                      |
| 1.2 Mobile Combustion                        |  | 42.79                                       |
| 1.3 Fugitive Emissions                       |  | 1.10                                        |
| 1.4 Process Emissions                        |  | Excluded (not applicable)                   |
| Scope 2                                      |  |                                             |
| 2.1 Electricity (location based)             |  | 88.76                                       |
| 2.1 Electricity (market based)               |  | 88.76                                       |
| 2.2 Heat and Steam                           |  | Excluded (not applicable)                   |
| Scope 3 (Upstream)                           |  |                                             |
| 3.1 Purchased Goods & Services               |  | 1,236.91                                    |
| 3.2 Capital Goods                            |  | Excluded (minimal impact/data availability) |
| 3.3 Fuel & Energy Related Activities         |  | 137.33                                      |
| 3.4 Upstream Transportation & Distribution   |  | 14.32                                       |
| 3.5 Waste Generated in Operations            |  | 27.36                                       |
| 3.6 Business Travel                          |  | 88.08                                       |
| 3.7 Employee Commuting & Homeworking         |  | 32.37                                       |
| 3.8 Upstream Leased Assets                   |  | Excluded (not applicable)                   |
| Scope 3 (Downstream)                         |  |                                             |
| 3.9 Downstream Transportation & Distribution |  | Excluded (not applicable)                   |
| 3.10 Processing of Sold Products             |  | Excluded (not applicable)                   |
| 3.11 Use of Sold Products                    |  | Excluded (not applicable)                   |
| 3.12 End-of-Life Treatment of Sold Products  |  | Excluded (minimal influence)                |
| 3.13 Downstream Leased Assets                |  | Excluded (not applicable)                   |
| 3.14 Franchises                              |  | Excluded (not applicable)                   |
| 3.15 Investments                             |  | Excluded (not applicable)                   |

<sup>1</sup> Due to rounding, breakdown figures may not add up exactly to the total stated emissions.



## Current Emissions Reporting

### Current Year: 2025 (January to December)

Additional Details relating to the Current Year emissions calculations.

We are committed to continuous improvement in our emissions data, and recalculation of previous years will be implemented in future reports if necessary to maintain an effective base year comparison.

| Emissions                   | Total (tCO <sub>2</sub> e)       |
|-----------------------------|----------------------------------|
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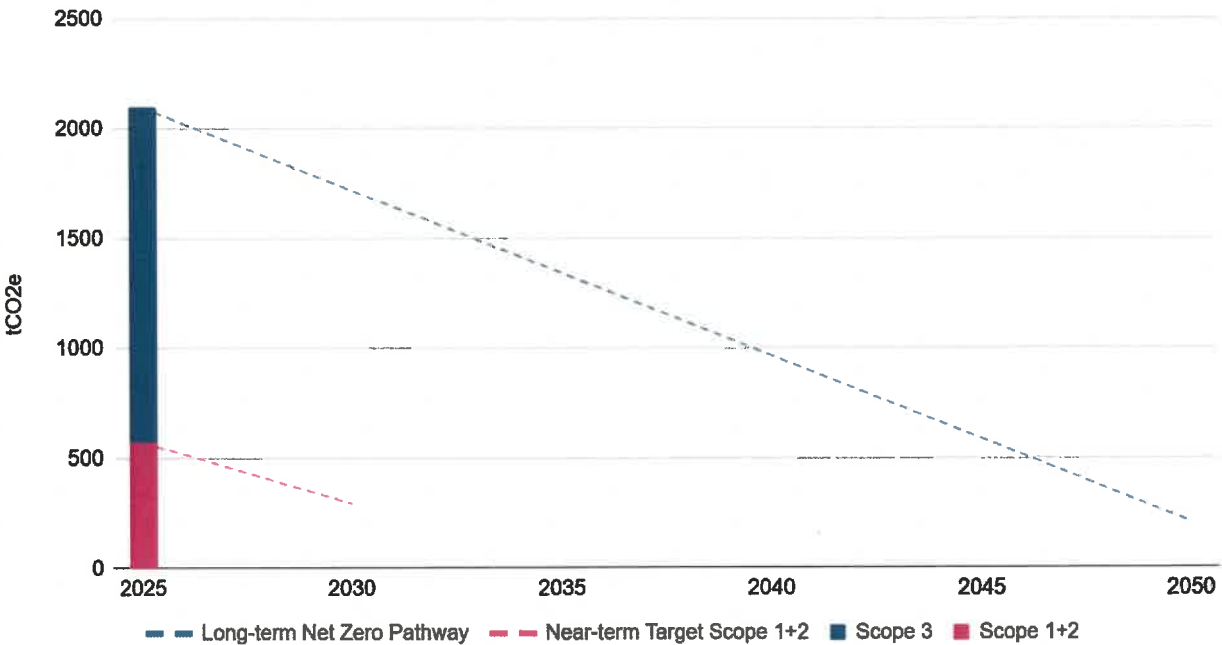


# Emissions Reduction Targets

We have committed to a long-term target of achieving net zero by 2050.

In practice, this equates to a 90% absolute reduction in Scope 1, 2 and 3 emissions by 2050 from our 2025 baseline. The remaining 10% of emissions will be balanced by emissions removals to achieve net zero.

We have also set a near-term target of a 42% reduction in Scope 1+2 emissions by 2030 from our 2025 baseline. Our annual emissions reduction targets are set out in the charts below.



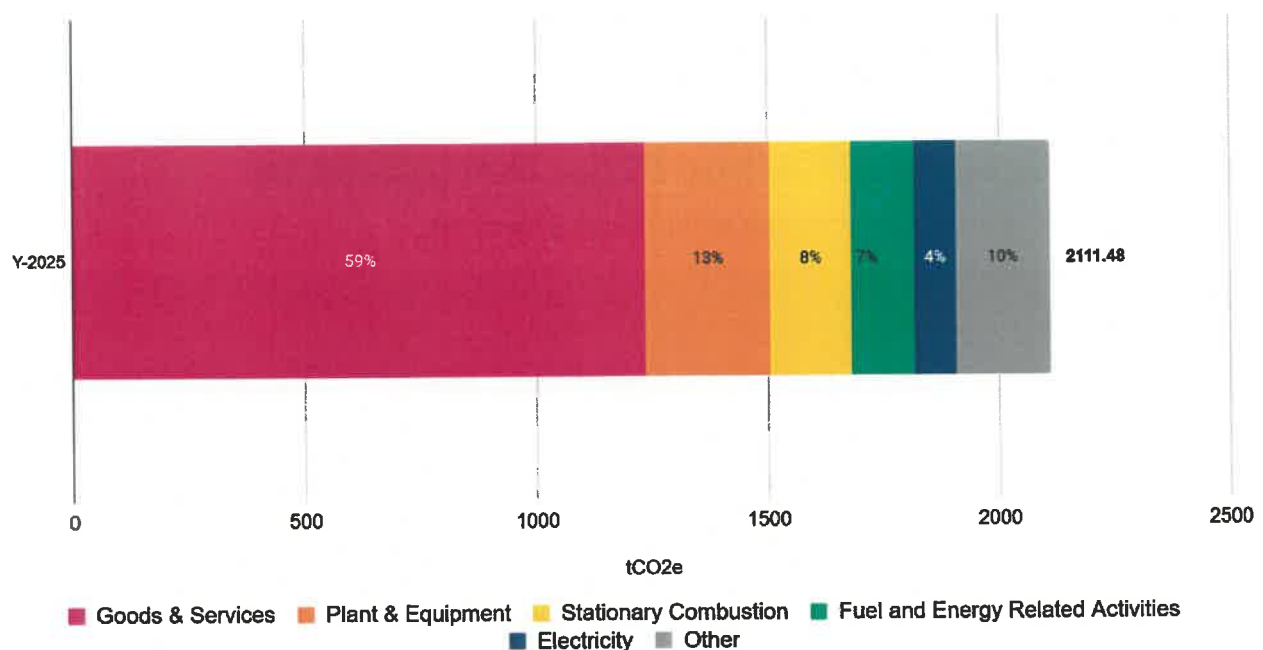


## Progress to date

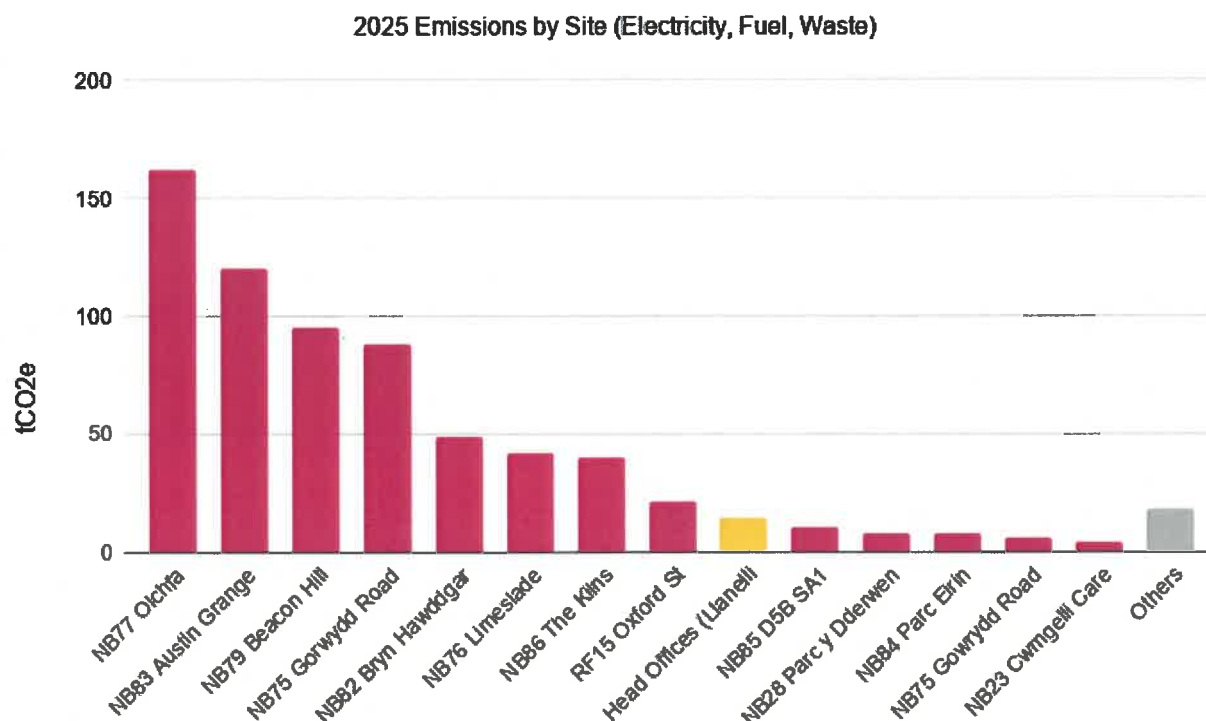
| Scope                                                   | Baseline Year   | Current Year    | Change     |
|---------------------------------------------------------|-----------------|-----------------|------------|
| Scope 1                                                 | 486.24          | 486.24          | N/A        |
| Scope 2<br>(location-based)                             | 88.76           | 88.76           | N/A        |
| Scope 3                                                 | 1,536.47        | 1,536.47        | N/A        |
| <b>Total</b>                                            | <b>2,111.47</b> | <b>2,111.47</b> | <b>N/A</b> |
| <b>Emissions Intensity<br/>(tCO<sub>2</sub>e/£'000)</b> | <b>0.041</b>    | <b>0.041</b>    | <b>N/A</b> |

## Carbon Reduction Projects

We are committed to taking action to bring down our emissions in-line with our near-term and long-term targets. A materiality analysis of our baseline and current year emissions, showing the key contributors to our carbon footprint, is shown in the chart below.



Energy consumption and waste generation at our offices and development sites accounted for 32% of our total emissions in 2025.



## Current & Completed Carbon Reduction Initiatives

We have completed or are currently working on the following measures:

| Measure Description                                                                                                                                                                                                                                                                                                                                                                                                   | GHG Category  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| <b>ISO 14001</b><br><br>To improve our processes and mitigate our environmental impacts, we have embedded an Environmental Management System (EMS) within our operations and across our sites. This formalises our commitment to monitoring and management of environmental impacts. The associated Plan, Do, Check, Act process ensures our management system is fit for purpose and is continuously being improved. | Cross-cutting |
| <b>Responsible construction techniques</b><br><br>In recent construction projects, we have used less-intensive techniques to reduce our overall impact. This includes the use of timber and lightweight steel frames                                                                                                                                                                                                  | Cross Cutting |





|                                                                                                                                                         |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| manufactured off-site to reduce our requirements to manufacture on-site. The impacts of these efforts will be demonstrated in future reporting periods. |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|--|

## Future Initiatives

To keep on track to our targets we are committing to implementing the following initiatives in future:

| Measure Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | GHG Category          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>Increase Modular Construction</b><br><br>To reduce the impact of our building projects, we are exploring strategies to encourage and enhance modularity and multi-functionality. This would enable a more responsible use of raw materials and ultimately lower the carbon emissions across our project life spans. The full impacts of these efforts will be outlined in future reporting periods.                                                                                                                                                                                                                              | Cross-cutting         |
| <b>Sustainable Fuel Alternatives</b><br><br>The use of diesel within our operations equates to around 13% of our total annual emissions. Although diesel is currently an essential fuel for our manufacturing operations, we are working with Hydrogenated Vegetable Oil (HVO) suppliers to determine the feasibility of using this as a drop-in replacement.<br><br>If 100% HVO was applied across our operations, we could see a 98% reduction in direct plant emissions. Due to the cost associated with this transition, we are also exploring a blended approach to lower emissions in the near-term whilst controlling costs. | Stationary Combustion |
| <b>Fleet Replacements</b><br><br>Our company fleet was responsible for around 8% of our total emissions (43 tCO <sub>2</sub> e). So far, we have switched one vehicle to a hybrid model, and thereby lowered its per-mile emissions by around 40%. The rest of our vehicles are petrol or diesel models.<br><br>Although an immediate and full-scale transition to an electric fleet is not currently possible, we are exploring vehicles on a case-by-case basis as they come to the end of their operational lives. A full transition would avoid around 30 tCO <sub>2</sub> e per annum, based on 2025 mileage.                  | Mobile Combustion     |
| <b>Data Improvement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Cross-cutting         |



Due to a lack of data availability, some of our 2025 emissions were calculated using a spend-based methodology. This was most prevalent in our Purchased Goods and Services, which accounted for over 59% of our emissions.

To ensure our footprint is as accurate as possible, we are embedding processes within our operations to allow for more accurate, volumetric calculations in future, based on the weights of purchased materials.

We are also working with suppliers to determine whether life-cycle assessments of products are available, which would allow for more accurate calculations, alongside enabling targeted product-based improvements.



## 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 standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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<sup>3</sup>.

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:*

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**Name:** ANDREW PETTIGREW

**Position:** DIRECTOR

**Date:** 18<sup>th</sup> May 2026

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

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

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

This Carbon Reduction Plan was produced with the support of [Litmus Sustainability](#).



