MORRISROE GROUP LTD

Carbon Reduction Plan

Drafted in compliance with PPN06

Rev 01– Spring 2026 – final text for publication

Approved by Dan Bannister – Group HSEQ Director

CONTENTS

Carbon Reduction Plan 2026

Executive Summary & Declaration

This carbon Reduction Plan has been drafted in accordance with PPN 006 and details our organisational Carbon footprint and confirms our commitment to achieve Net Zero emissions by 2050. This plan is specific to Morrisroe Group and relates to the trading entities (as specialist trade contractors) within the Group. We commit to update this plan regularly and include details on energy efficiency and carbon reduction performance for the entities covered in the plan. The Plan is approved by our Group Board HSEQ Director Dan Bannister and will be published/signposted on our website.

In this plan we will declare our baseline year emissions, our annual emissions & carbon reduction targets and actions.

Four Strategic Commitments – these anchor our path to Net Zero

Decarbonise Operations

Reduce Scope 1 & 2 emissions from 3,131 tCO_2e (2023 baseline) to below 500 tCO_2e by 2035 (84% absolute reduction)

Full Net Zero by 2050

100% organisational Net Zero across all scopes including supply chain and embodied carbon

Supply Chain Leadership

Lead Scope 3 embodied Carbon reduction through design & material innovation. ConcreteZero founding member targeting 50% low-carbon concrete by 50% by 2030, 100% by 2050

Transparent Reporting

Track Carbon emissions at project and scope level. Carbon Reduction Plan published annually in full PPN 006 compliance

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Organisational Boundaries

Within this CRP we are including 6 operational/trading entities within Morrisroe Group

These companies fall within the Operational Control Approach described in the GHG Protocol

ENTITY 1

Morrisroe Group Ltd

Parent company, headquarters in Borehamwood

ENTITY 2

Kingscote Construction Ltd

Principal Contractor Operations. Incorporated August 2021, Oakmere House headquarters

ENTITY 3

Morrisroe Ltd

Principal contracting & Subs & Superstructure operations

ENTITY 4

Morrisroe Demolition Ltd

Specialist demolition services, acquired 2020

ENTITY 5

GSS Piling Ltd

Specialist piling services, acquired 2019

ENTITY 6

Houston Cox & Piper Joinery Ltd

Joinery & fit out operations inc factory

All company-owned offices, yards, factories, and construction project sites with operational control are included within the reporting scope.

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Carbon Reporting Boundary Exclusions

We apply the following exclusions to our emissions data and reporting:

Third-Party Subcontractors

Excluded from Scope 1 & 2. Captured in Scope 3 Category 1 where data available

Joint Ventures

Excluded where Morrisroe lacks full operational control, as per GHG Protocol

Client-Owned Assets

Excluded where material specification sits outside Morrisroe's control

Upstream Supplier Fleet

Partially captured in Scope 3 Category 3 with justifications noted

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Baseline Emissions Footprint 2023:

Total Organisational Emissions of 3,542 tCO2e | Established Across All Reported Scopes

BASELINE YEAR: FY TO OCTOBER 2023	EMISSIONS (TCO2E)
Scope 1: Total	**2,975**
— Company Fleet (HGVs, tippers, cars)	1,742
— NRMM (excavators, piling rigs, plant)	1,226
— LPG	4
— Mains Gas	3.48
Scope 2: Total	**156**
— Grid electricity (location-based)	156
Scope 3 (Reported Categories): Total	**410**
— Category 5 (Waste in operations)	196
— Category 6 & 7 (Business travel & commuting)	205
— Category 8 (Leased assets)	9
Category 1 (Purchased goods – RMC)	Not captured
Category 3 (Fuel & energy related)	Not reported
Total Emissions	**3,542 tCO2e**
Total Energy Consumption	**15,212,230 kWh**
Carbon Intensity (Scope 1 & 2 only)	**1.60 tCO2e/£m revenue**

Data Improvement Note: Categories 1 and 3 not captured in FY2023 baseline. Data collection tools (Converge Datahub, SmartWaste) not yet fully deployed. Comprehensive data improvement plan implemented for FY2025 onwards.

Scope 1 Baseline deep dive:

Direct Emissions of 2,975 tCO_2e Driven by Fleet and NRMM Operations

Emissions from our HGV & Tipper fleet remain the largest component of our Scope 1 and 2 emissions. Our target to move all NRMM plant to HVO to reduce emissions and improve energy efficiency continues to make progress. We have made significant reductions in emissions from our NRMM fleet – See Carbon Actions.

Company Fleet

1,742 tCO_2e = 58.5% of total

HGVs, tippers, cars

NRMM (Non-Road Mobile Machinery)

1,226 tCO_2e = 41.2%

Excavators, piling rigs, demolition plant

Smaller Sources

LPG: 4 tCO_2e

Mains Gas: 3.48 tCO_2e

Highest-opportunity reduction lever: NRMM given HVO availability | Fleet HGV migration represents largest remaining Scope 1 challenge to reach 2030 sub-500 tCO_2e target

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Scope 2 & 3 Baseline deep dive:

Indirect Emissions of 567 tCO2e Driven by electricity supply to our owned and leased buildings.

Indirect energy utilisation across the Group premises and factory in 2023 followed the location-based approach for energy supply. Our Scope 3 baseline does not include Cat 1 purchased goods or services. Moving forward we have adopted new technology & processes to capture and report embodied carbon in Scope 3 cat 1.

SCOPE 2 BASELINE

156 tCO2e

- Grid electricity: 842,502 kWh
- Location-based method
- Market-based method to be adopted within 2 years

SCOPE 3 BASELINE

410 tCO2e

- Cat 5 Waste: 196
- Cat 6&7 Travel: 205
- Cat 8 Leased Assets: 9

DATA IMPROVEMENT

NOT captured in baseline:

- Cat 1 Purchased goods – Converge not deployed
- Cat 3 Fuel & energy – Not reported

Data improvement note: Cat 1 and Cat 3 now captured from FY2025 via Converge Datahub and SmartWaste.

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Current Year Emissions 2025: Scope 1 & 2 Reduced to 2,742 tCO2e —

Confirming 15% Reduction Against 2023 Baseline

Reporting Year: FY to October 2025 | Achievement: 15% Scope 1 & 2 reduction vs baseline | Methodology: GHG Protocol, DESNZ 2025 Revision 01

BASELINE YEAR: OCTOBER 2023

CATEGORY	EMISSIONS (TCO2E)
Scope 1: Total	**2,975**
— Company Fleet	1,742
— NRMM	1,226
— LPG	4
Scope 2: Total	**156**
— Grid electricity	156
Scope 1 & 2 Combined	**3,131**
Reduction Achieved	

CURRENT YEAR: OCTOBER 2025

CATEGORY	EMISSIONS (TCO2E)
Scope 1: Total	**2,538**
— Company Fleet	2,087
— NRMM	447
— LPG	4
Scope 2: Total	**204**
— Grid electricity	199
— EV energy (new category)	5
Scope 1 & 2 Combined	**2,742**
% Reduction	**15.0%**

Performance Highlights

- Scope 1 reduction: 437 tCO2e (14.7% decrease) – primarily driven by NRMM HVO adoption (64% reduction)
- Scope 2 modest increase: 48 tCO2e – reflects expanded estate at Oakmere House and improved EV energy tracking
- Combined Scope 1 & 2 reduction: 389 tCO2e (15.0% decrease) – confirms strong progress toward 2030 target of below 500 tCO2e

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Current Year Scope 3 Emissions 2025:

Expanded Data Capture Reveals 18,803 tCO2e

Critical Note: The material increase in Scope 3 from 410 tCO2e (baseline) to 18,803 tCO2e reflects new data capture via Converge Datahub, NOT a real increase in operational emissions. Enhanced measurement capabilities have enabled comprehensive tracking across previously uncaptured categories.

Cat 1: Purchased Goods

17,777 tCO2e

RMC concrete: 55,057 m^3 at avg 237 $kgCO2e/m^3$

Cat 3: Fuel & Energy

715 tCO2e

Newly captured emissions from operational energy sources

Cat 5: Waste

54 tCO2e

73% reduction from 196 tCO2e baseline through improved waste management

Cat 6 & 7: Travel

250 tCO2e

Employee and business travel emissions comprehensively tracked

Cat 8: Leased Assets

7 tCO2e

Emissions from leased asset operations

Total Scope 3 FY2025: 18,803 tCO2e | Data quality improving annually with SmartWaste rollout

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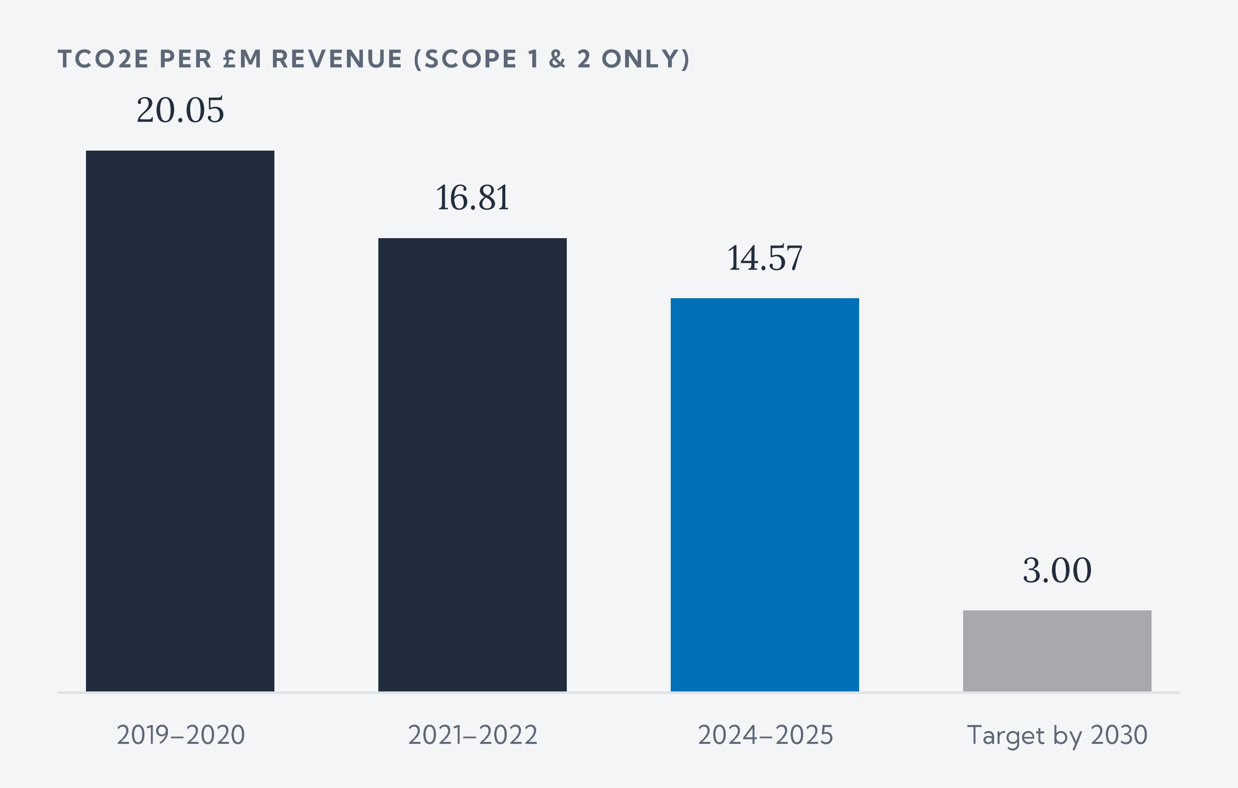
Carbon Intensity Ratios

Consistent Downward Trend Since 2022 Peak Confirms Structural Efficiency Improvement



Intensity Metric Definition

Carbon intensity = tCO2e per £m revenue (Scope 1 & 2 only). This is the standard construction sector metric for measuring carbon efficiency.

Key Data Points

- 2019–2020: 20.05 tCO2e/£m
- 2021–2022: 16.81 tCO2e/£m (peak post-acquisition)
- 2024–2025: 14.57 tCO2e/£m
- Target by 2030: Below 3.0 tCO2e/£m

Scope Clarification

Scope 3 excluded from intensity calculation to prevent distortion. Scope 2 market-based approach to be adopted within 2 years.

Completed Measure 1 — HVO Fuel Adoption:

NRMM Emissions Cut 64% Through Alternative Fuel Transformation Programme

Action Completed

Doubled HVO biodiesel consumption to 150,000 litres in FY2025. HVO now ~50% of NRMM fuel.

Quantified Impact

Emissions reduced from 1,226 tCO_2e (2023) to 447 tCO_2e (FY2025) = 779 tCO_2e reduction, 64% decrease.

Infrastructure

Ampthill yard fuel storage upgrade. Bulk HVO procurement enabled. On-site refuelling capability.

Cost & Strategy

HVO 20–30% premium over white diesel. Offset by emission reduction value. Next phase: HGV and tipper fleet migration.

Completed Measure 2 — Fleet Electrification:

100% of Company Cars Now EV or PHEV Delivering Direct Scope 1 Reduction

Action Completed

- Full transition of all company cars to EV or PHEV
- Completed by FY2025 across all Morrisroe subsidiaries
- Fleet policy: all future procurement to be EV only

Data Improvement

- EV energy consumption now captured in Scope 2
- 23,425 kWh | 5.43 tCO2e
- Demonstrates improved reporting granularity

Current Status

- Company cars fully transitioned
- HGV & tipper fleet remains largest emissions source (2,087 tCO2e Scope 1)

HGV Challenge & Roadmap

- Limited electrification technology for heavy construction haulage
- Dual-fuel & HVO strategy adopted as bridge
- Migration to HVO/electric/hydrogen by 2030 – primary lever to reach sub-500 tCO2e target

Completed Measure 3 — Renewable Energy & Solar Generation

Piper Joinery Now Generates 50% of Factory Energy from Solar PV

Action Completed

- New factory roof at Piper Joinery with integrated solar PV array
- Commissioned FY2025
- Full estate-wide renewable programme underway

Generation Capacity

- ~250,000 kWh annual output modelled
- Covers ~50% of Piper Joinery grid electricity requirements
- Directly reduces grid electricity draw

Estate-Wide Programme

- Feasibility study for additional solar at Borehamwood yard
- 2030 Scope 2 target: 100% renewable energy tariffs across all owned/leased premises

Companion Upgrades

New LED lighting at Oaks Court and Oakmere House | New HVAC systems at Oakmere House | These measures will be in effect when performing contracts

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Completed Measure 4 — Energy Efficiency Upgrades:

Estate-Wide ISO 14001-Aligned Improvements Reducing Scope 2 Emissions

1

Phase 1: HVAC Modernization

- New high-efficiency HVAC systems at Oakmere House
- Improved thermal management
- Reduced heating/cooling demand

2

Phase 2: LED Lighting Retrofit

- New LED with PIR controls at Oakmere House and Oaks Court
- Significant baseline electricity reduction
- Continuous occupancy-based operation

3

Phase 3: Piper Joinery Roof

- New factory roof installed
- Improved insulation & thermal performance
- Integrated solar PV (see Measure 3)

4

Phase 4: New Build Efficiency

- Oakmere House ground floor expansion for Kingscote Construction
- Fitted with energy-efficient systems from construction phase
- Prevention of legacy inefficiency

Ongoing: all new premises and refurbishments assessed for efficiency under ISO 14001. Combined effect provides pathway to below 100 tCO2e Scope 2 by 2030

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Completed Measure 5 — Low-Carbon Concrete Programme:

ConcreteZero Founding Membership Driving Supply Chain Decarbonisation

ConcreteZero Membership & Targets: Our founding membership in ConcreteZero commits us to delivering 30% low-carbon concrete by 2025, 50% by 2030, and achieving 100% net zero by 2050, driving significant decarbonization across our supply chain.

2025 CONCRETE DELIVERY PERFORMANCE – LONDON PROJECTS

PROJECT NAME	VOLUME (M^3)	AVERAGE $KGCO_2E/M^3$
2FA	20,185	209
Edge London Bridge	11,893	282
Minerva House	5,730	225
AZ Cambridge	6,501	199
NHM Reading	7,528	210
NHM Precast	342	396
St Albans	2,877	139 (best performing)
Total	**55,057**	**237**

DELIVERY METHODS

1 Early Contractor Engagement

Collaborative planning with suppliers from project inception to identify low-carbon opportunities and optimise procurement strategies.

2 Lean Structural Design

Reducing concrete volumes through efficient structural systems whilst maintaining performance and safety standards.

3 Low-Carbon Reinforcement

Sourcing reinforcement materials with reduced embodied carbon footprint across the supply chain.

4 Real-Time Mix Optimization via Converge

Advanced technology platform enabling continuous monitoring and optimisation of concrete mix designs for carbon reduction.

Link to Scope 3 Target: Reduce average embodied carbon from 237 to below 200 $kgCO_2e/m^3$ by 2030, aligning with our net-zero ambitions and ConcreteZero commitments.

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Circular Economy & Waste Reduction:

Category 5 Emissions Down 73% from 2023 Baseline

Action Completed

- Structured circular economy implementation
- Waste segregation at source
- Material recovery
- 100% landfill diversion targets

Emissions Impact

- Scope 3 Category 5 reduced from 196 tCO_2e (baseline) to 54 tCO_2e (2025) = 73% reduction
- 142 tCO_2e saved

Minerva House Case Study

- 2,828 tonnes deconstructed
- 100% diverted from landfill
- Achieved 113 $kgCO_2e/m^2$ against project target of 188 $kgCO_2e/m^2$ = 37% better than target
- Demolition phase: 5.24 vs target 6.25
- Structures phase: 112.75 vs target 179.40
- Pictured on left

Methods & Tools

- Controlled deconstruction sequencing
- Structural retention where possible
- On-site segregation
- SmartWaste platform for real-time tracking

Future Initiatives 2026–2028: Three Priority Programmes

Targeting 2,100 tCO2e Additional Reduction in Next Three Years

Priority 1: Accelerate HVO Adoption

2026 target: 300 tCO2e reduction

- Complete Ampthill & Watford Yard fuel infrastructure upgrade
- Increase NRMM HVO from 50% to 75%
- Initiate HGV and tipper fleet HVO trials
- Target full HGV fleet HVO adoption by 2028

Priority 2: Scale Low-Carbon Concrete

Target: below 200 kgCO2e/m3 by 2027

- Achieve 30% low-carbon concrete across all projects
- Expand Converge Datahub to 100% of structural concrete work
- Leverage specialist design capability within KDL to support client journey to low carbon concrete selection

Priority 3: Enhance Scope 3 Data Quality

Target: 90% data coverage by end 2026

- Complete SmartWaste rollout to all subsidiaries
- Implement upstream transport and distribution tracking
- Launch formal supplier engagement and decarbonisation programme
- Establish Category 2, 4 materiality assessments

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Future Initiatives 2028–2035:

Strategic Long-Term Measures Required to Achieve Sub-500 tCO2e Scope 1 & 2 by 2035

HGV & Tipper Fleet Full Decarbonisation (2028–2035)

Complete migration to HVO, electric, or hydrogen. This single measure represents the largest remaining Scope 1 reduction opportunity, targeting ~1,500 tCO2e annual saving.

Renewable Energy Estate Completion (2028–2035)

Solar PV deployed at all feasible premises. 100% renewable energy tariffs procured. Transition to market-based Scope 2 reporting.

Scope 3 Category 1 Embodied Carbon Reduction

Reduce average concrete to below 200 kgCO2e/m^3. Extend LCA reporting to all projects. Engage structural engineers in whole-life carbon design.

Digital Tool Integration & ESOS Compliance

SmartWaste full Group standardization by Q3 2026. Implement all ESOS Phase 3 identified efficiency measures. Complete supplier engagement programme.

Barriers & Mitigation Strategies: Four Identified Risk Categories

with Practical, Resourced Solutions Already in Place

Technology Availability

Barrier: Limited HGV electrification for heavy haulage | HVO supply chain scalability constraints | Net zero concrete not at commercial scale

Mitigation: Early supplier partnerships | Dual-fuel capability | ConcreteZero collaboration

Cost & Investment

Barrier: HVO 20–30% premium | Fleet replacement capital | Low-carbon concrete premium

Mitigation: Business case development | Green finance exploration | Phased investment | Client collaboration

Supply Chain Dependency

Barrier: Scope 3 Cat 1 Decarbonisation requires supplier action | Third-party logistics emissions outside direct control

Mitigation: Preferred supplier frameworks | Converge Datahub data-driven procurement | Early contractor engagement

Skills & Knowledge

Barrier: HVO handling certification | EV fleet management | LCA expertise needed

Mitigation: Structured training programmes | External specialists (Amber Energy, Converge) | Cross-Group champion's network

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Governance & Board Accountability:

Carbon Reduction Plan Approved at Board Level with Clear Organisational Accountability Structure

Board-Level Accountability

- Carbon targets formally integrated into Board KPIs
- Quarterly sustainability reports to Directors
- Executive accountability for all Scope 1, 2, 3 emissions
- Major capital investment decisions evaluated for carbon impact
- Senior Responsible Person: Dan Bannister, Group HSSQ Director (reports directly to Group Board)

Subsidiary-Level Structure

- Designated carbon champions in each of six subsidiaries
- On-site environmental project managers across major projects
- Supply chain engagement team coordinates embodied carbon reporting

Leadership & Sector Engagement

- Morrisroe chairs CONSTRUCT Sustainability Forum from 2025
- Demonstrating sector leadership commitment
- Carbon Reduction Plan approved by Board
- Published annually on morrisroe.co.uk with clear signposting (PPN 006 requirement)

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Governance Systems & Assurance:

ISO-Certified Management Systems and Third-Party Verification Underpin Reporting Integrity

Certified Management Systems

- ISO 14001 Environmental Management System certified across Morrisroe Group
- ISO 9001 quality management integrated with environmental performance
- Monthly emissions performance reviews against agreed KPIs

Digital Monitoring

- SmartWaste platform real-time waste and emissions tracking
- Converge Datahub project-level concrete carbon tracking
- Sustain-IQ and Converge for cross-subsidiary data consolidation

External Assurance

- Third Party independent specialist support for ESOS Phase 3 and SECR verification
- Carbon Neutral Britain provides offset programme guidance
- Annual external audit of CRP commences 2026

Third-Party Verification

- GHG Protocol methodology compliance confirmed
- Scope 1 & 2 third-party data assurance
- ConcreteZero commitment independently tracked
- Client carbon reports for all major projects

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Methodology & Reporting Standards:

Full Alignment with GHG Protocol, DESNZ 2025 Factors, and PPN 006 Requirements

Reporting Methodology

Aligns with 2025 Government GHG Conversion Factors for Company Reporting (DESNZ 2025 Revision 01). Net calorific values used throughout all calculations.

GHG Protocol Alignment

Corporate Accounting and Reporting Standard (revised edition). Corporate Value Chain (Scope 3) Standard. GHG Protocol guidance throughout.

SECR Compliance

Meets all disclosure requirements under Companies Act 2006 regulations. Annual emissions, energy use, Scope 1 & 2, intensity ratio, energy efficiency actions disclosed.

Scope 2 Approach

Location-based method currently used. Market-based method to be adopted within 2 years. Reflects current supply across estate.

Scope 3 Categories

Selected per DESNZ guidance. Focus on material impact categories. Construction materials, waste, business travel, leased assets.

External Verification

Third party verification of ESOS Phase 3 and SECR verification. Data verification standards confirmed annually. Third-party audit from 2026.

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Scope 3 Category Inclusions, Exclusions & Forward Data Plan

Full Transparency on Reporting Boundaries for PPN 006 Compliance

CATEGORY	STATUS	JUSTIFICATION
Cat 1 Purchased Goods (RMC)	INCLUDED from 2025	Now captured via Converge Datahub | Not captured in 2023 baseline
Cat 3 Fuel & Energy	INCLUDED from 2025	Newly captured | Not reported in 2023
Cat 5 Waste	INCLUDED from 2023	Tracked via SmartWaste | Improving year-on-year
Cat 6 & 7 Travel	INCLUDED from 2023	Consistent capture | Business travel and commuting
Cat 8 Leased Assets	INCLUDED from 2023	Leased equipment tracking | Minor reduction trend
Cat 2, 4, 9–15	NOT REPORTED	Not material or not applicable | Construction specialist model

Upstream transport (Cat 4, A4 LCA): Development in progress | Transport tracking to be implemented 2026 | All exclusions reviewed annually per GHG Protocol guidance

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Formal Declaration & Board Sign-Off:

This Carbon Reduction Plan Is Compliant with PPN 006 and Approved by the Board of Directors

This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standards 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, using appropriate Government emission conversion factors for greenhouse gas company reporting. Scope 1 and Scope 2 emissions reported in accordance with SECR requirements. Required subset of Scope 3 emissions reported in accordance with 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 of Morrisroe Group Ltd.

This plan published and clearly signposted at morrisroe.co.uk

SIGNED ON BEHALF OF MORRISROE GROUP LTD:

DAN BANNISTER, GROUP HSSQ DIRECTOR

Publication date: Spring 2026

Next annual review and update due: 2027