



CARBON MANAGEMENT PLAN

APPENDIX A

2025 Performance Review and Recovery Pathway



2025 Performance Review and Recovery Pathway

APPENDIX A

A1. Purpose of this Appendix

This appendix provides a formal assessment of **LPL Construction Services 2025 carbon emissions performance** against the short-term objectives set out within the Carbon Management Plan (CMP).

WHAT THE REPORT COVERS:

- \\ COMPARES ACTUAL 2025 EMISSIONS TO THE 2022 BASELINE
- \\ ASSESSES PROGRESS AGAINST 2030 TARGETS
- \\ EXPLAINS VARIANCE IN PERFORMANCE
- \\ ESTABLISHES A QUANTIFIED AND MEASURABLE 2026–2030 RECOVERY PATHWAY

This appendix reflects improvements made to Scope 3 calculation methodology during 2025.
These improvements increase the accuracy and completeness of reported supply chain emissions compared to prior reporting periods.

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A2. Baseline, Targets and 2025 Actual Position

CMP BASELINE (2022)			CMP SHORT-TERM TARGET (2030)		
SCOPE	2022 BASELINE (tCO2e)		SCOPE	2030 TARGET	
Scope 1	490.51		Scope 1	200 tCO2e	
Scope 2	13.18		Scope 2	Net Zero (2027–2035)	
Scope 3	3,173.41		Scope 3	1,000 tCO2e	
TOTAL	3,667.10		Long Term	Net Zero by 2050	

2025 ACTUAL EMISSIONS		
SCOPE	2025 ACTUAL (tCO2e)	VARIANCE VS 2022
Scope 1	601.26	+22.6%
Scope 2	8.31	–37%
Scope 3	3,891.22	+22.6%
TOTAL	4,500.79	+23%

All emissions figures are calculated in accordance with the GHG Protocol and LPL's ISO 14001-aligned Environmental Management System.

Scope 1, 2 and 3 data are subject to internal review and reconciliation prior to publication. Emission factors are derived from recognised national or industry datasets applicable at the time of reporting.

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A3. Overview of 2025 Performance

THE 2025 REPORTING YEAR REFLECTS THREE KEY DEVELOPMENTS:

- 1. INCREASED BUSINESS ACTIVITY AND PROJECT CONCURRENCY
- 2. CIVILS-INTENSIVE CONSTRUCTION PHASES REQUIRING HIGH VOLUMES OF CONCRETE, GRANULAR MATERIALS AND EXCAVATION ARISING
- 3. INTRODUCTION OF MATERIALLY ENHANCED SCOPE 3 ACCOUNTING METHODOLOGY

The increase in total emissions reflects higher material throughput and project intensity during 2025. It does not indicate a reduction in environmental governance or reporting standards. Scope 2 performance remains ahead of trajectory.

Scope 1 and Scope 3 require structured reduction measures to align with 2030 ambitions.



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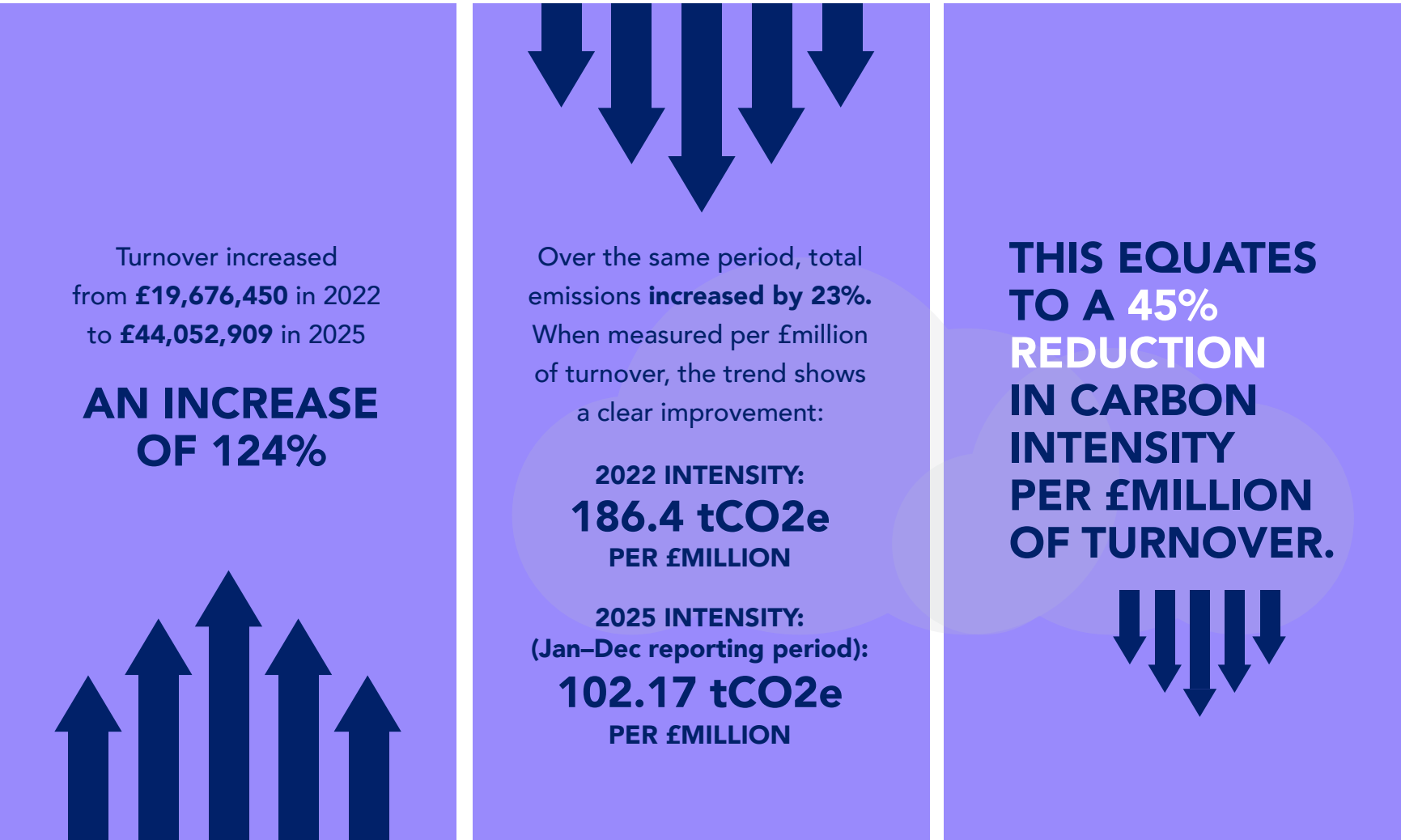
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Turnover and Emissions Intensity Context



In simple terms, LPL has more than doubled turnover while almost halving emissions intensity.
Absolute emissions have risen slightly, but output has grown significantly faster than carbon emissions.
This demonstrates partial decoupling of business growth from carbon emissions.

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A4. Scope 1 – Direct Fuel Emissions

2025 Position

Scope 1 emissions totalled **601.26 tCO2e**, 22.6% above the 2022 baseline.
The CMP requires Scope 1 to reduce to **200 tCO2e by 2030**.

DRIVERS OF 2025 PERFORMANCE

The increase relative to baseline is attributable to:

- \\ INCREASED PLANT UTILISATION ACROSS MULTIPLE CONCURRENT PROJECTS
- \\ EXTENDED PROJECT DURATIONS REQUIRING SUSTAINED FUEL CONSUMPTION
- \\ HEAVY PLANT REQUIREMENTS ASSOCIATED WITH CIVILS CONSTRUCTION ACTIVITIES
- \\ CONTINUED RELIANCE ON DIESEL-POWERED EQUIPMENT WHERE ELECTRIC ALTERNATIVES REMAIN LIMITED

It is important to note that alternative fuel substitution (HVO+) was expanded significantly during 2025.
Alternative fuel use reduced the reported Scope 1 total relative to a fossil diesel-only scenario.

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Scope 1 Recovery Pathway (2026–2030)

Scope 1 performance will be reviewed annually against this reduction curve, and corrective action will be triggered if variance exceeds ±5% of the annual target

LPL WILL IMPLEMENT STRUCTURED, MEASURABLE CONTROLS TO RETURN SCOPE 1 TO THE CMP TRAJECTORY:

1. ALTERNATIVE FUEL EXPANSION

- \\ HVO+ adoption to become standard across suitable plant categories, meaning that where plant can technically operate on alternative fuel, fossil diesel will no longer be the default choice.
- \\ Quarterly reporting of fuel mix at Director level, ensuring leadership oversight of how much fossil diesel versus alternative fuel is being used.
- \\ Reduction in fossil diesel dependency year-on-year, with the objective of steadily decreasing the proportion of total fuel derived from fossil sources.

2. PLANT EFFICIENCY CONTROLS

- \\ Monitoring of idle-time where telematics are available, to identify and reduce unnecessary engine running when plant is not actively in use.
- \\ Consolidation of plant assets across projects to avoid duplication, reducing situations where multiple machines are deployed when fewer could meet operational needs.
- \\ Planned plant allocation to reduce unnecessary running hours, aligning equipment deployment closely with programmed works.

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3. FLEET TRANSITION PROGRAMME

- Continued replacement of light commercial vehicles with hybrid or electric alternatives as part of scheduled fleet renewal.
- Charging infrastructure expansion at headquarters to support increased adoption of electric vehicles.
- Reduction in fossil fuel fleet proportion annually, measured as the percentage of total vehicles powered solely by petrol or diesel.



4. STRUCTURED TRAVEL MANAGEMENT

- Planned site attendance scheduling to reduce avoidable travel between projects.
- Reduced duplication of supervisory/ management visits by coordinating inspections and meetings where possible.
- Increased use of remote coordination where operationally appropriate, particularly for design and commercial meetings that do not require physical presence (video conferencing/ meetings)

QUANTIFIED SCOPE 1 RECOVERY CURVE

YEAR	TARGET (tCO2e)
2025 Actual	601.26
2026	480
2027	440
2028	380
2029	300
2030	200



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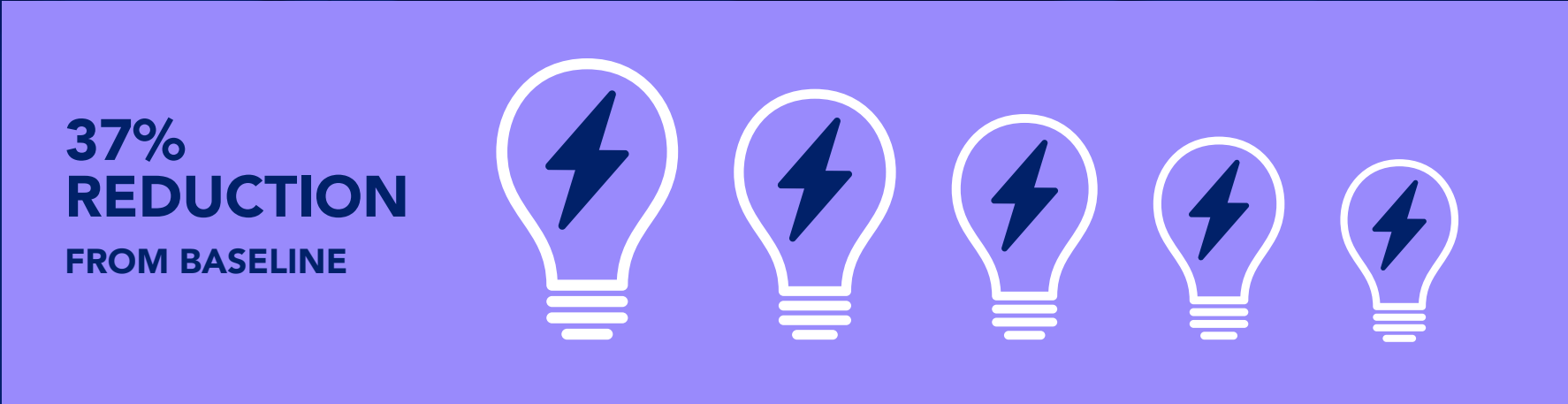
A5. Scope 2 – Purchased Electricity

Scope 2 emissions reduced to 8.31 tCO2e in 2025, a **37% reduction** from baseline.

Scope 2 remains a minor contributor to total emissions.

LPL will transition to a certified renewable electricity provider at the earliest contractual opportunity (2027), aligning with the CMP commitment to **Net Zero Scope 2 emissions no later than 2035**.

Electricity consumption will continue to be monitored annually to ensure absolute usage does not materially increase in line with business growth.



Scope 2 is considered on track.



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A6. Scope 3 –
Supply Chain & Embodied Carbon

2025 Position

Scope 3 emissions totalled **3,891.22 tCO2e in 2025**, representing a **22.6% increase** compared to the 2022 baseline of 3,173.41 tCO2e.

SCOPE 3 REMAINS THE LARGEST CONTRIBUTOR TO LPL'S CARBON FOOTPRINT AND IS PRIMARILY DRIVEN BY:

- \\ CONCRETE AND CEMENT-BASED MATERIALS
- \\ REINFORCEMENT STEEL
- \\ AGGREGATES AND SUB-BASE MATERIALS
- \\ WASTE GENERATED DURING EXCAVATION AND DEMOLITION



**THE CARBON
MANAGEMENT
PLAN SETS A
SHORT-TERM
OBJECTIVE TO
REDUCE SCOPE 3
EMISSIONS TO
1,000 tCO2e
BY 2030.**



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WHY SCOPE 3 INCREASED IN 2025

The increase in **Scope 3** emissions during 2025 is attributable to three principal factors.

1. Increased Material Intensity

Several major projects progressed through early civils heavy, construction phases during 2025.

These stages inherently require:

- \\ **High concrete volumes**
- \\ **Substantial granular materials**
- \\ **Significant reinforcement steel**
- \\ **Large-scale excavation**

As construction activity increases, embodied carbon from materials rises proportionately. The 2025 increase reflects operational scale and project mix rather than changes in environmental governance.

2. Waste Disposal to Landfill

During Quarter 4 alone, approximately 13,799 tonnes of material were sent to landfill. Landfill disposal carries higher carbon impacts than reuse or recovery routes.

Excavation-heavy infrastructure projects often generate materials that are not immediately reusable within constrained site environments. This structural reality contributed materially to the 2025 Scope 3 profile.

3. Improved Measurement and Transparency

During 2025, and particularly in Quarter 4, LPL strengthened its Scope 3 reporting approach to improve accuracy and transparency.

Improvements included:

- \\ **Using more specific and up-to-date carbon data for key materials**
- \\ **Including waste disposal emissions in greater detail**
- \\ **Separating materials into clearer categories rather than grouping them together**
- \\ **Tracking material quantities more precisely across projects**

As a result of these improvements, the 2025 Scope 3 figure reflects emissions that may not have been fully captured in earlier reporting years. Year-on-year comparisons should therefore be considered in the context of improved data completeness.

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POSITION AGAINST 2030 TARGET

While 2025 emissions are above baseline, the **improved accuracy** of the dataset provides a stronger foundation for forward reduction planning.

While **Scope 3** emissions arise primarily from supplier activities and material production processes, LPL can influence outcomes through design decisions, material specification and procurement strategy.

Meaningful reduction therefore requires changes in material specification, procurement and waste management practices. **Scope 3** performance will be reviewed annually at Director level, with embodied carbon and waste performance included within project review processes.

The recovery strategy set out in Section A7 focuses on measurable reductions in embodied carbon intensity between 2026 and 2030, aligned with the CMP objective and broader industry decarbonisation pathways.



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A7. Scope 3 Recovery Strategy (Aligned to 2030)

Given current business growth and project mix, large immediate reductions are not realistic. LPL will instead implement a phased and measurable reduction pathway aligned to 2030.

1. Concrete Decarbonisation Strategy

Concrete represents the largest single reduction lever.

Actions:

-  **Increase cement substitution ratios (e.g.GGBS) where engineering specification allows, reducing the amount of clinker used in concrete mixes and therefore lowering embodied carbon per cubic metre.**
-  **Require embodied carbon comparison at tender stage so that lower-carbon mix options are considered before procurement decisions are finalised.**
-  **Prioritise suppliers with verified Environmental Product Declarations (EPDs), providing transparent third-party data on material carbon intensity.**
-  **Integrate embodied carbon assessment into procurement decision-making alongside cost, quality and programme considerations.**

Concrete optimisation is expected to provide a significant proportion of Scope 3 reductions between 2026 and 2030.

2. Waste & Landfill Reduction Strategy

CURRENT POSITION (2025)

Diversion rate: approximately 25%

Due to the civils-intensive nature of our projects, a rapid increase to 50% diversion within one year is not realistic. LPL will therefore adopt a phased improvement trajectory aligned to 2030.

WASTE DIVERSION TRAJECTORY

YEAR	TARGET DIVERSION RATE
2025	25%
2026	30%
2027	35%
2028	40%
2029	45%
2030	50%

This represents steady improvement of approximately 5% every one to two years.

Diversion performance will be measured quarterly and reported annually. Variance exceeding 5% below the annual target will require corrective action planning.



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DELIVERY MEASURES

- Waste forecasting at tender stage to identify expected arisings and plan reuse or recovery routes in advance.
- Excavation reuse agreements identified pre-construction, enabling suitable materials to be diverted from landfill where feasible.
- Increased crushing and reuse of demolition arisings (e.g. 6F2/ clean concrete crush) to retain value within the project or wider supply chain.
- Segregation planning embedded in Construction Phase Plans to improve material recovery rates on site.
- Landfill-last-resort internal governance trigger, requiring review before high-volume disposal to landfill is approved.
- KPI monitoring to track performance against annual targets.

IMPROVING DIVERSION RATES
WILL REDUCE LANDFILL-RELATED
EMISSIONS OVER TIME COMPARED
TO 2025 LEVELS

3. Steel & Procurement Controls

- Maintain high recycled-content reinforcement to limit primary steel demand where technically feasible.
- Preference for Electric Arc Furnace production routes, which typically have lower carbon intensity than traditional blast furnace methods.
- Consideration of transport distances during procurement decisions, balanced against cost, availability and programme constraints.
- Continued supplier decarbonisation engagement to encourage alignment with science-based reduction pathways.



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A8. Quantified Scope 3 Recovery Curve

The recovery curve below reflects a realistic interim pathway based on current growth assumptions. The 2030 target of 1,000 tCO2e remains our ambition, and additional reduction measures will be pursued where commercially and technically feasible.

YEAR	TARGET (tCO2e)
2025 Actual	3,891
2026	3,300
2027	2,900
2028	2,400
2029	1,800
2030	1,200 – 1,400

This pathway reflects:

- \\ Structural material change
- \\ Supply chain decarbonisation
- \\ Waste reduction maturity
- \\ Embodied carbon management



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A9. Strategic Position and Commitment

The 2025 performance reflects significant business growth combined with improved reporting transparency.

IT REFLECTS:

- \\ GROWTH IN MATERIALLY INTENSIVE PROJECTS
- \\ IMPROVED TRANSPARENCY IN SCOPE 3 ACCOUNTING
- \\ STRUCTURAL DEPENDENCE ON EMBODIED CARBON WITHIN THE CONSTRUCTION SECTOR



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THE STRATEGIC FOCUS FOR 2026 – 2030

To reduce carbon intensity per project through material substitution, procurement discipline and landfill reduction, while integrating carbon reduction into growth and project delivery decisions.

LPL remains committed to:

\\ **Science-based reduction principles**

\\ **Minimising reliance on offsets**

\\ **Achieving Net Zero by 2050 or earlier**

The recovery pathway in this appendix sets out a clear and measurable route toward the 2030 target.

FOR AND ON BEHALF OF LPL CONSTRUCTION SERVICES

Approved By: **Grant Rayne Compliance Director**

DATE: 19 FEBRUARY 2026



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