

Reporting Period: 01 April 2025 – 31 March 2026

Spencer Rail Engineering Ltd

Spencer Rail Engineering Ltd was formerly known as C Spencer Limited until 17 December 2025 and previous Carbon Reduction Plans have been issued under this former name.

Commitment to achieving Net Zero

Spencer Rail Engineering Ltd is committed to achieving Net Zero for carbon emissions by 2050 with an aspiration to achieve this significantly before this date as opportunities to adopt low carbon solutions become available.

An interim carbon reduction target has been set to decrease carbon emissions to 2,000 tCO₂e by 2028.

Baseline Emissions Footprint

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.

2020/21 has been selected as our baseline year from which point forwards our Carbon emissions reporting has included Scope 1, 2 and 3 (mandatory categories), prior to this Carbon emissions had been reported against Scope 1 & 2 only.

Spencer Rail Engineering Ltd's baseline year of 2020/21 was severely impacted by COVID-19 which resulted in a significant reduction in business activity and a corresponding drop in carbon emissions, typically related to fuel usage for business travel, employee commuting, operating construction plant, purchase/hire and delivery of goods and equipment. This affected Scope 1 and Scope 3 emissions that year. The subsequent year saw the business increase its turnover (49%) as construction projects returned to higher levels of activity and employee commuting and business travel increased with a return to office working.

Best endeavours have been used to measure emissions, but in part, may be based upon some limitations in the methods and types of information available at the time. It is our aim to develop improved measurement and reporting mechanisms during subsequent years, particularly with regard to Scope 3 emissions.

2020/21 Emissions (Baseline)

REPORTING YEAR: 01 APRIL 2020 – 31 MARCH 2021

EMISSIONS	TOTAL (tCO ₂ e)
SCOPE 1	1,452
SCOPE 2	132
SCOPE 3 <i>Mandatory categories 4/5/6/7/9</i>	1,089
TOTAL EMISSIONS	2,673

2024/25 Emissions (Previous Year)

REPORTING YEAR: 01 APRIL 2024 – 31 MARCH 2025

EMISSIONS	TOTAL (tCO ₂ e)
SCOPE 1	1,453
SCOPE 2	144
SCOPE 3 <i>Mandatory categories 4/5/6/7/9</i>	730
TOTAL EMISSIONS	2,327

2025/26 Emissions (Latest Year)

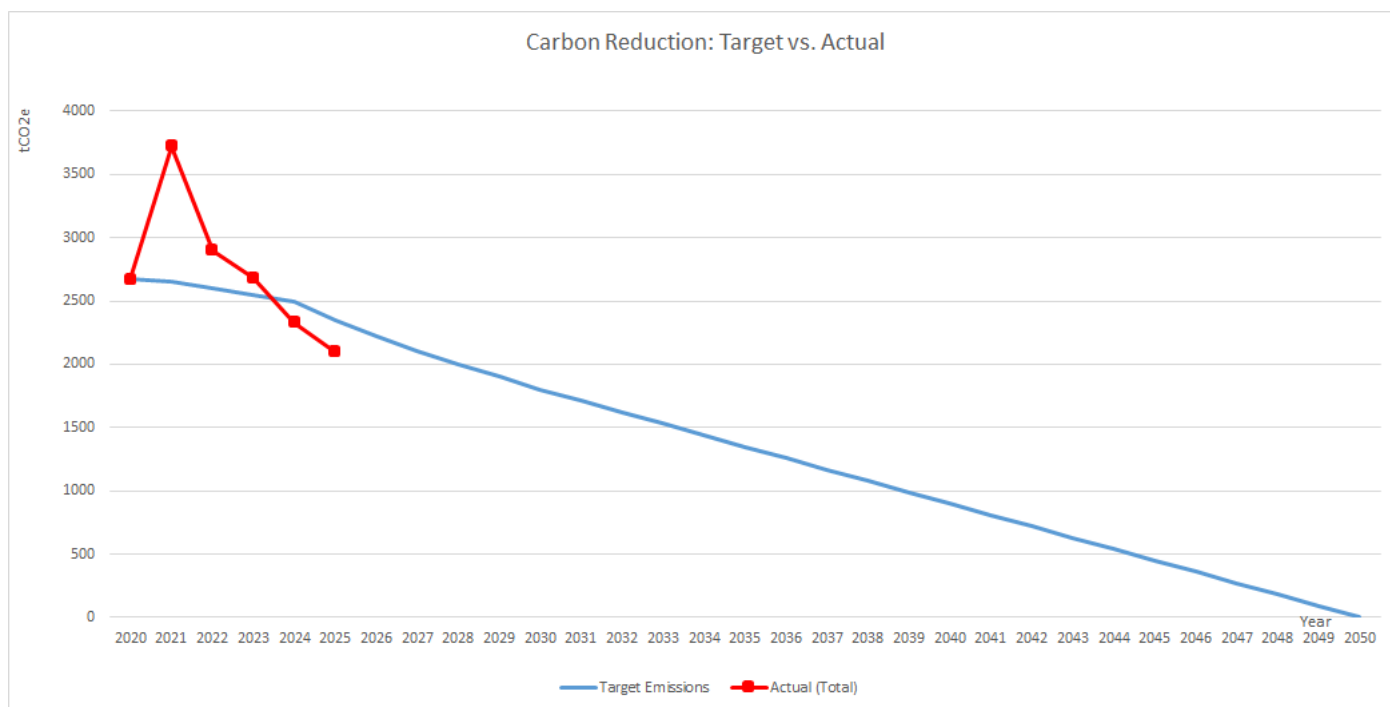
REPORTING YEAR: 01 APRIL 2025 – 31 MARCH 2026

EMISSIONS	TOTAL (tCO ₂ e)	CHANGE FROM PREVIOUS YEAR	CHANGE FROM 2020/21
SCOPE 1	1,156	-297	DECREASED BY 20.4%
SCOPE 2	145	+1	INCREASED BY 8.9%
SCOPE 3 <i>Mandatory categories 4/5/6/7/9</i>	841	+111	DECREASED BY 22.7%
TOTAL EMISSIONS	2,142	-185	DECREASED BY 19.8%

Emissions Reduction Targets

In order to progress towards achieving Net Zero, we have set an interim carbon reduction target to decrease carbon emissions to 2,000 tCO₂e by 2028.

PROGRESS AGAINST THESE TARGETS CAN BE SEEN IN THE GRAPH BELOW:



Progress

Judging our 2025/26 performance against the 2020/21 year it can be seen that:

- Scope 1 emissions from direct fuel sources such as gas/oil heating, operation of diesel/petrol vehicles, machinery and plant, has decreased by 20.4%
- Scope 2 emissions, largely associated with the electricity supply to company premises, has increased by 8.9%
- Scope 3 emissions have decreased by 22.7%.

The increase in Scope 2 emissions is predominantly a result in the switch of company car users from traditional fuels to all electric vehicles. In March 2026, of the 120 employees with company cars, 71% (85) had chosen all electric vehicles. This has reduced petrol/ diesel consumption and increased the use of electric for charging (lowering carbon emissions as a result). April 2026 changes to our Head Office utility supplier will result in the significant majority of this electricity usage being from a zero carbon emission source, further improving our journey to Net Zero.

Carbon Reduction Initiatives

COMPLETED CARBON REDUCTION INITIATIVES

Environmental management measures completed or implemented within the last three years include:

- The company car list includes a large number of fully electric vehicles. The majority of new purchases or leases by the business are now fully electric or plug-in hybrid.
- Electric charging points have been installed at Humber Quays in previous financial years, during 2025/26 this was increased by a further 12 eV chargers. Currently there are over 40 eV chargers in our Head Office car park. These are fully utilised every working day, with a messaging group being used to enable employees to swap cars over when one has been fully charged to meet demand.
- The commercial vehicle fleet continues to be dominated by diesel or petrol models due to the operational requirements of the business, increased range on commercial vans is reaching the point at which trials become viable.
- Humber Quays office fully converted to LED lighting alongside the three-level car park and external Plaza areas. Upgrades and modifications have been made to the BMS to effectively manage gas and electricity use which is reflected in the savings made since installation in 2022/23.
- Humber Quays office has converted to a zero carbon emission electricity tariff from April 2026, these carbon reductions will materialise within next year's report.
- The Barrow office and workshop/ yard have also been converted to LED lighting.
- Our Barrow Office has stopped Burning Oil and only uses electricity now.
- Reduced travel by holding virtual meetings via Team/Zoom.
- Solar and battery charging systems are being trialled across projects to assess the most viable option for construction site set-ups. Direct connection to the national grid (DNO connection) is being pursued at every opportunity.

PLANNED CARBON REDUCTION INITIATIVES

Carbon reduction solutions which we will assess and progress over the coming year:

Office Energy and Heating

Baseline: (2026)	115 tCO ² e (Scope 1), 140 tCO ² e (Scope 2)
Target: (2027)	100 tCO ² e (Scope 1), 100 tCO ² e (Scope 2)
Reduction Measures:	<ul style="list-style-type: none"> • Enhanced energy performance of existing premises through staff training and procedures. • Expand use of on-site renewable energy generation for site establishments.
Responsibilities:	Board Facilities Management Site managers
Monitoring and reporting requirements:	<ul style="list-style-type: none"> • Monitor energy consumption on a monthly basis. • Record no. of staff trained on efficient building use. • Report total carbon for each premises/ site office.

Company Commercial Vehicles/ Mobile Plant/ Construction Site Usage

Baseline: (2026)	911 tCO ₂ e
Target: (2027)	830 tCO ₂ e
Reduction Measures:	<ul style="list-style-type: none"> Assessing the practicality of expanding the use of electric-only and hybrid vehicles into the commercial fleet and on-site plant. Continuing the switching to zero and lower carbon power/ fuel sources for construction site cabins, plant and equipment. Assessing further options for sustainable procurement of materials. Increased awareness amongst employees and the supply chain.
Responsibilities:	Board Plant Department Procurement Department
Monitoring and reporting requirements:	<ul style="list-style-type: none"> Record details of each vehicle and proposed replacement date. Record fuel type and CO₂e for each construction site. Monitor sustainable materials procurement against total spend.

Office Waste Management

Baseline: (2026)	92 tCO ₂ e (Scope 3)
Target: (2027)	80 tCO ₂ e (Scope 3)
Reduction Measures:	<ul style="list-style-type: none"> Review waste segregation within offices and ensure this aligns with local waste collection policy. Set recyclability as a key consideration in procurement. Provide awareness training.
Responsibilities:	Board Facilities Management
Monitoring and reporting requirements:	<ul style="list-style-type: none"> Record quantities of materials for each type across each office.

Business Travel

Baseline: (2026)	130 tCO ₂ e (Scope 1), 16 tCO ₂ e (Scope 3)
Target: (2027)	115 tCO ₂ e (Scope 1), 12 tCO ₂ e (Scope 3)
Reduction Measures:	<ul style="list-style-type: none"> Increased use of electric vehicles as company cars. Provide charging points at site compounds if mains or renewable power is available. Increased train travel as an alternative to petrol/ diesel car travel. Reduced travel by holding virtual meetings via Team/Zoom.
Responsibilities:	Board All staff
Monitoring and reporting requirements:	<ul style="list-style-type: none"> Record fuel type and CO₂e for each trip. Record if chosen mode of transport replaced a higher carbon option (rail over flying etc.). Record number of rail journeys taken. Report total carbon against each mode of transport.

Declaration and Sign Off

The Carbon Reduction Plan has been completed in accordance with PPN 006 (issued 2025) and associated guidance, and the reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans, 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 have 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 Spencer Rail Engineering Ltd



GARY THORNTON, MANAGING DIRECTOR

DATE: 18/05/2026