

**MBDA UK LIMITED  
CARBON REDUCTION  
PLAN  
JULY 2024**



# MBDA UK LIMITED CARBON REDUCTION PLAN

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## COMMITMENT TO ACHIEVING NET ZERO

**MBDA UK Limited ('MBDA UK') is committed to achieving Net Zero Emissions by 2050.**

### 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.

Our baseline includes emissions from the seven Greenhouse Gases (GHGs) named by the Kyoto Protocol: Carbon Dioxide (CO<sub>2</sub>), Hydrofluorocarbons (HFCs), Methane (CH<sub>4</sub>), Nitrous Oxide (N<sub>2</sub>O), Nitrogen Trifluoride (NF<sub>3</sub>), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF<sub>6</sub>).

Emissions are calculated in tonnes of carbon dioxide equivalent (CO<sub>2</sub>e) using the appropriate conversion factors published by BEIS (Department for Business, Energy and Industrial Strategy) and a supplier specific carbon emission factor for electricity.

MBDA UK's emissions are accounted and reported in accordance with the Greenhouse Gas Protocol standard using the 'Operational Control' approach. Reporting is aligned to our Financial Year reporting period (1 January to 31 December).

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### BASELINE YEAR: 2021

#### Additional details relating to the baseline emissions calculations

In 2021, MBDA Group ('Group') developed its 'Net Carbon Neutrality 2050' roadmap. In support of this roadmap, MBDA UK undertook a rebaselining activity that included an assessment of the Scope 1, Scope 2 and five of the Scope 3 emission categories listed below.

As 2021 was the first time that MBDA UK had completed an assessment of these Scope 3 categories, 2021 forms MBDA UK's baseline year.

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### BASELINE YEAR EMISSIONS:

EMISSIONS	TOTAL (tCO <sub>2</sub> e)
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Scope 1	2,076
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Scope 2	5,212
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Scope 3	9,094
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(Included sources)

The following categories have been included within our Scope 3 reporting:

- Category 4 – Upstream transportation and distribution
- Category 5 – Waste generated in operations
- Category 6 – Business travel
- Category 7 – Employee commuting
- Category 9 – Downstream transportation and distribution

**Total emissions 16,382**

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## CURRENT EMISSIONS REPORTING

Reporting year: 2023

EMISSIONS	TOTAL (tCO <sub>2</sub> e)
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Scope 1	2,760
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Scope 2	1,395
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Scope 3	23,633
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(Included sources)

The following categories have been included within our Scope 3 reporting:

- Category 4 – Upstream transportation and distribution
- Category 5 – Waste generated in operations
- Category 6 – Business travel
- Category 7 – Employee commuting
- Category 9 – Downstream transportation and distribution

**Total emissions 27,788**

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MBDA UK's emissions have increased between 2021 and 2023.

Our Scope 1 emissions increased due to improved data accuracy on fuels use, increased company car use, and an increase in refrigerant emissions. An action plan is in place to mitigate further increases.

Scope 2 emissions have decreased against the baseline year, but increased slightly between 2022 and 2023. This is largely because of changes in both market-based and location-based emission factors.

Scope 3 emissions have increased significantly between 2021 and 2023, primarily due to increased emissions from business travel and employee commuting. Air travel is the most significant contributor to business travel emissions, and journeys have increased significantly since the global lifting of Covid-19 travel restrictions in late 2022. The increase in employee commuting is due to headcount growth that's resulted from geopolitical developments in Europe. We are working to address these emissions and examples are provided in 'Carbon Reduction Projects'.

## EMISSIONS REDUCTION TARGETS

The following carbon reduction measures have been completed since 2021.

MBDA UK is committed to achieving Net Zero greenhouse gas emissions by 2050 in our UK operations. MBDA Group has established a Net Carbon Neutrality 2050 roadmap, to which MBDA UK aligns.

The Group Net Carbon Neutrality 2050 roadmap is based around four pillars:

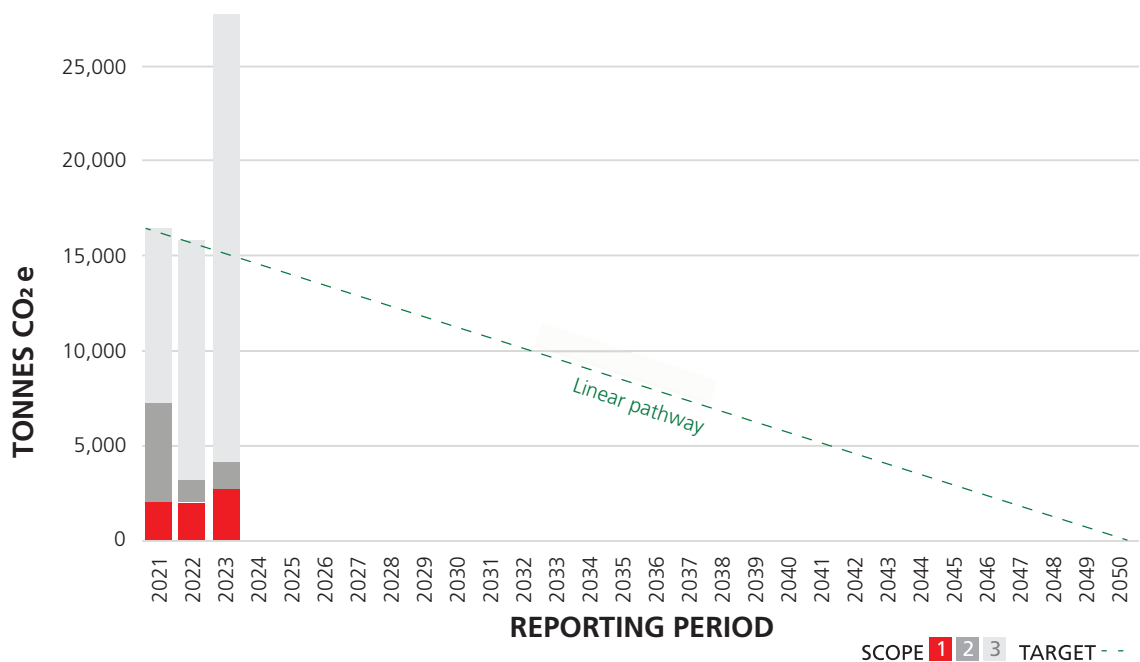
- Pillar 1 – Developing low-carbon energies by promoting renewable energies
- Pillar 2 – Monitoring and optimising energy efficiency
- Pillar 3 – Monitoring and optimising carbon emissions as part of our environmental impact
- Pillar 4 – Developing carbon sinks and biodiversity

MBDA Group has set the target of sourcing 80% of our energy supply from low carbon and renewable energy sources by 2030. Since 2020, MBDA UK has been purchasing renewable energy, with 62% of MBDA UK's 2023 energy consumption coming from renewable energy sources.

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## MBDA UK SCOPE 1 AND 2 CARBON EMISSIONS (TONNES CO<sub>2</sub>e)



Carbon reduction targets are being developed across these four pillars and will include intermediate targets for 2030 as well as 2050 Net Zero targets. New UK targets will take the scale of our 2023 emissions into account. This is likely to result in a replotting of the linear pathway to Net Zero, shown in the graph on the following page.

## CARBON REDUCTION PROJECTS

### Completed carbon reduction initiatives

The carbon emission reduction achieved by these schemes equate to 294.73 tCO<sub>2</sub>e, the equivalent of 1.8% of our 2021 emission baseline, not only across our sites, but also within our processes.

### Pillar 1 – Developing low-carbon energies by promoting renewable energies

- MBDA UK has five solar photovoltaic arrays located across three of our sites. Currently these arrays generate 1% of our total energy requirements. We also use solar thermal on one of our sites to supply hot water.
- As part of our renewable energy strategy, we continue to maintain and replace building service assets as necessary in order to maximise energy performance and to achieve decarbonisation. This includes degassing activities, such as the replacement of two large gas boilers with air sourced heat pumps on our Bristol site.

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### Pillar 2 – Monitoring and optimising energy efficiency

- Throughout 2023 our maintenance service provider delivered an energy optimisation programme that resulted in over 1,400MWh of energy savings. Examples of the measures implemented include building management system optimisation, HVAC schedule adjustments and bank holiday shutdowns.
- We are continuing to deliver energy metering improvements on both our fiscal and sub meters. Our new energy bureau tool ('Skyspark') went live in Q1 2023 and has enabled us to monitor and identify areas where we can improve energy performance.
- We completed an assessment on our Bristol site to inform future action planning on topics like low emission building design. We have also brought subject matter experts into the business to support with these actions.

### Pillar 3 – Monitoring and optimising carbon emissions as part of our environmental impact

- Following the installation of 34x electric vehicle charge points on three of our sites we have seen successful utilisation of these chargers, supporting our employees with lower carbon transport options at competitive rates.

### Pillar 4 – Developing carbon sinks and biodiversity

- In 2023 we completed biodiversity surveys and carbon sequestration assessments. These surveys have helped us to understand the current biodiversity impacts of our sites and how these can be improved.

### Crosscutting

- MBDA UK's sites are certified to both the ISO 50001 Energy Management System and the ISO 14001 Environmental Management System. These management systems enable MBDA UK to effectively monitor, plan and improve our performance and contribution towards energy efficiency and carbon reduction.
- Staff campaigns have been delivered, to raise the awareness of our ESG, Sustainability and Social Value strategy and targets and how colleagues can contribute to them.

## New carbon reduction projects initiated

The following further activities are being undertaken in order to reduce carbon emissions and to improve our carbon footprint reporting:

### Pillar 1 – Developing low-carbon energies by promoting renewable energies

- We've undertaken solar PV feasibility studies. We're planning new arrays through 2024, and installing them from 2025.
- The design of new buildings incorporates solar PV.
- In 2024 we aim to complete electrical infrastructure works at the MBDA Bristol site. This work will increase our renewable energy use and will be further supported by onsite degassing activities.

### Pillar 2 – Monitoring and optimising energy efficiency

- Our Maintenance Service Provider will continue to deliver an Energy optimisation Programme on our estate up until 2028. Over the course of this programme we expect to achieve substantial energy savings and Scope 1 and 2 GHG emissions savings.
- Internal processes have been established to inform future site development projects, ensuring that energy efficiency and carbon reduction measures are considered and implemented within new building design.

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### Pillar 3 – Monitoring and optimising carbon emissions as part of our environmental impact

- The ESG standards we expect of suppliers are being set out and requirements implemented within contracts.
- We're improving facilities for cyclists on sites and encouraging car-sharing and lower carbon forms of employee commuting.
- A travel smarter campaign is being delivered across the business. Better data analysis is enabling us to target this at the individuals and teams contributing most to our business travel emissions.

### Pillar 4 – Developing carbon sinks and biodiversity

- We're investigating opportunities associated with infrastructure developments and landscaping to enhance biodiversity and undertake carbon sequestration. We're aiming to baseline the biodiversity of each of our sites and then work to achieve quantified biodiversity net gain.

### Crosscutting

- We are working to build the knowledge and competence of our employees and supply chains through our partnership in the Supply Chain Sustainability School, and sharing of bespoke learning and development materials.
- An increasing number of colleague awareness campaigns are being delivered, for example through MBDA Group ESG Week in March 2024, online forums, newsletters and direct emails.

## DECLARATION AND SIGN OFF

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard<sup>1</sup> for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard 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:



**Louise Holmes**  
MBDA UK Deputy Managing Director

Date: 01/07/2024

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

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

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