

**MBDA UK LIMITED
CARBON REDUCTION
PLAN
JUNE 2025**



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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 (CO₂), Hydrofluorocarbons (HFCs), Methane (CH₄), Nitrous Oxide (N₂O), Nitrogen Trifluoride (NF₃), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF₆).

Emissions are calculated in tonnes of carbon dioxide equivalent (CO₂e) using the appropriate conversion factors published by UK Government's Department for Energy Security and Net Zero¹, and a supplier-specific carbon emission factor for electricity.

Reporting is aligned to our Financial Year reporting period (1 January to 31 December).

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.

BASELINE YEAR EMISSIONS:

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

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

¹ <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>

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CURRENT EMISSIONS REPORTING

Reporting year: 2024

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	2,126
Scope 2	1,664
Scope 3	21,688

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 25,478

MBDA UK's emissions have increased between 2021 and 2024. Emissions in 2024 were, however, slightly lower than in 2023, even alongside significant business growth.

Scope 1 emissions have increased by 2.4% against the baseline year. Scope 1 emissions were, however, 23% lower in 2024 than in 2023 primarily as a result of actions taken around fluorinated gas emissions.

Scope 2 emissions have decreased by 68% against the baseline year. This is largely because of changes in both market-based and location-based emission factors.

Scope 3 emissions have increased significantly between 2021 and 2024, primarily due to increased emissions from business travel. Air travel is the most significant contributor to business travel emissions. Journeys have increased significantly since the global lifting of Covid-19 travel restrictions in late 2022, and as our business helps customers respond to changing global geo-politics.

EMISSIONS REDUCTION TARGETS

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:

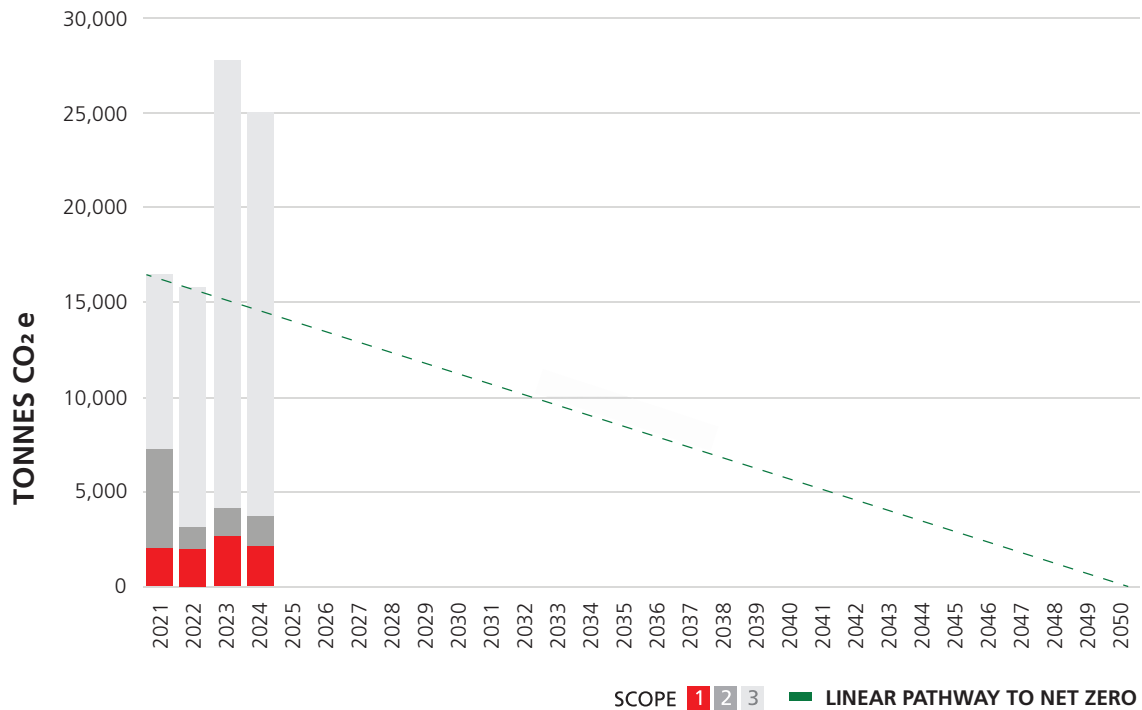
- Pillar 1 – Developing low-carbon energies by promoting renewable energies
- Pillar 2 – Monitoring and optimising energy efficiency
- Pillar 3 – Monitoring and optimising carbon emissions as part of our environmental impact
- Pillar 4 – Developing carbon sinks and biodiversity

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 64% of MBDA UK's 2024 energy consumption coming from renewable energy sources.

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MBDA UK SCOPE 1, 2 AND 3 CARBON EMISSIONS (TONNES CO₂e)



CARBON REDUCTION PROJECTS

Completed carbon reduction initiatives

Multiple environmental management initiatives have been completed or implemented to address Scope 1 and 2 emissions since the 2021 baseline. The carbon emission reduction achieved by these schemes equate to 426.92 tCO₂e, the equivalent of 2.61% from our 2021 emission baseline, not only across our sites, but also within our processes.

Over the course of 2024, MBDA UK completed the following key initiatives to reduce emissions:

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

- We procured 86% of our electricity from renewable energy sources.
- With 364kWp of solar photovoltaic cells already installed across our sites, we completed a solar photovoltaic feasibility study to enable future installations.

Pillar 2 – Monitoring and optimising energy efficiency

- Our maintenance service provider achieved 3.6GWh in cumulative energy savings in the second year of a five-year energy optimisation programme.

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

- We undertook external verification of our 2023 greenhouse gas emission data and worked towards Scope 1, 2 and 3 emission targets aligned with the Science Based Targets initiative (SBTi).
- We delivered 'Travel Smart' awareness communications to colleagues to promote sustainable business travel, including the ask to 'please fly responsibly'.
- We significantly improved the quantity and quality of employee commuting and homeworking data so as to improve reporting. We promoted active travel to sites by, for example, providing free on-site bike servicing and making a local e-bike scheme available to Stevenage colleagues.

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Pillar 4 – Developing carbon sinks and biodiversity

- We conducted Biodiversity Net Gain and carbon sequestration capability assessments across all sites. This established a baseline and will enable us to achieve 10% Biodiversity Net Gain for planning permissions if required.

Crosscutting

- In preparing a quantitative Climate-related Financial Disclosure, we used localised climate projection data to support physical climate resilience for our sites.
- We delivered multiple colleague engagement campaigns, for example: ESG weeks in March and October, online forums, newsletters, and direct emails. We supported external initiatives such as No Mow May, World Environment Day, and dissemination of learning materials from the Supply Chain Sustainability School.
- Our approach to environmental sustainability is rooted by compliance with key regulations: Streamlined Energy and Carbon Reporting (SECR), the Energy Savings Opportunity Scheme (ESOS) and Climate-related Financial Disclosure (CFD). Our UK sites hold certification for the internationally recognised management systems ISO 50001:2018 Energy Management and ISO 14001:2015 Environmental Management. Our Health, Safety and Environment (HSE) team provides support for regulatory and voluntary progress for environmental protection.

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

- Due to business growth, extensive building and site redevelopment works continue and these will include energy efficiency improvements and the installation of new solar photovoltaic cells and electric vehicle charging points.
- The completion of infrastructure works, which will enable all sites to be powered by renewable electricity.

Pillar 2 – Monitoring and optimising energy efficiency

- We will continue to implement our Energy Savings Opportunity Scheme (ESOS) Action Plan, and report progress. This is aiming for 8GWh of cumulative energy savings.

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

- We'll use colleague suggestions collected through travel surveys and a new Sustainable Travel Champions network to develop initiatives to address employee commuting emissions.
- Promotion of our 'Travel Smarter' messaging will continue, and opportunities to address specific areas of business travel emissions investigated.
- We will ramp up engagement with our top suppliers around sustainability and emission management, including our key provider of transportation and distribution services.

Pillar 4 – Developing carbon sinks and biodiversity

- We are exploring activities that enhance biodiversity net gain and carbon sequestration capability, within landscaping management practices and longer-term redevelopment plans.



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DECLARATION AND SIGN OFF

This Carbon Reduction Plan has been completed in accordance with PPN 006² and PPN 06/21³ and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard⁴ for Carbon Reduction Plans and 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) Standard⁵.

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: 30/06/2025

² <https://www.gov.uk/government/publications/ppn-006-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts>

³ <https://www.gov.uk/government/publications/procurement-policy-note-0621-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts>

⁴ <https://ghgprotocol.org/corporate-standard>

⁵ <https://ghgprotocol.org/standards/scope-3-standard>