PPN 006 Carbon Reduction Plan

June 2026

Version: 1

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Supplier name: Severfield plc

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Commitment to achieving Net Zero

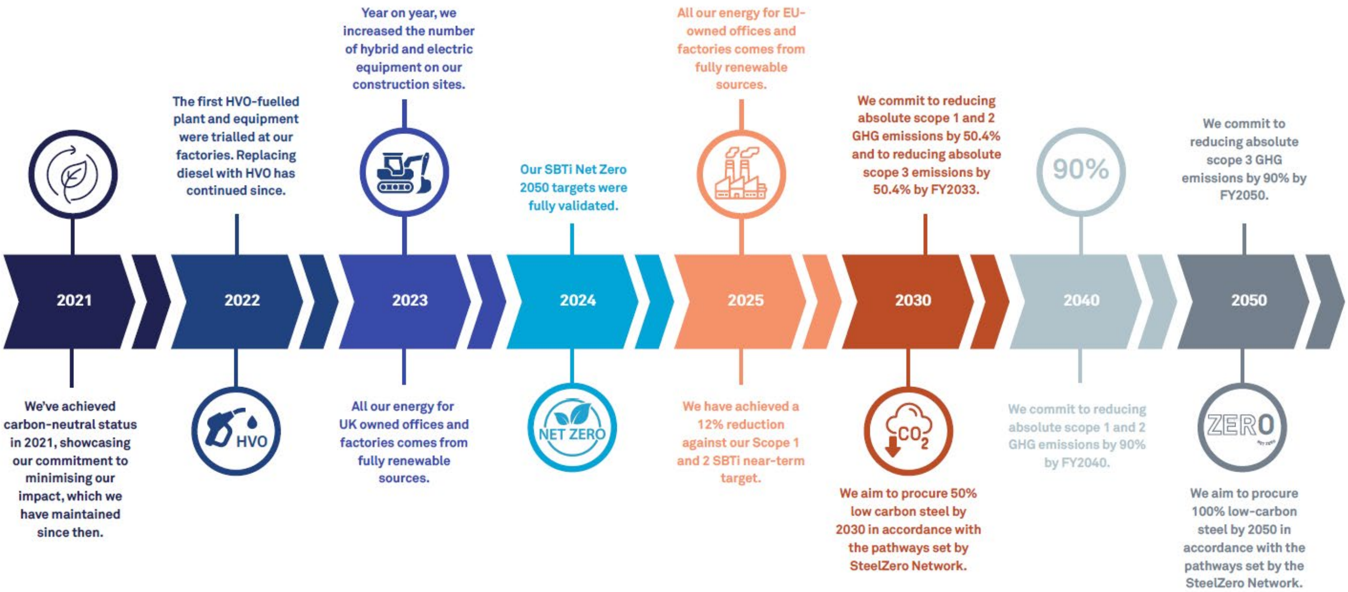
Severfield plc is committed to achieving Net Zero emissions in the UK by 2040 for Scopes 1 and 2, and Net Zero for Scope 3 by 2050 in line with PPN 006 requirements. We have solidified our commitment by having our science-based targets approved in FY24, which are based on the Paris Agreement, which seeks to limit global warming to below 1.5 degrees Celsius, compared to pre-industrial levels.

SBTi has verified the following targets:

- Near-term, we commit to reduce absolute scope 1 and 2 GHG emissions by 50.4% and to reduce absolute scope 3 GHG emissions by 50.4% by FY2033.
- Long-term, we commit to reduce absolute scope 1 and 2 GHG emissions by 90% by FY2040 and to reduce absolute scope 3 GHG emissions by 90% by FY2050.
- Overall, our target is to reach net-zero GHG emissions across the value chain by FY2050.

All targets are set from an FY2023 base year. The target boundary includes land-related emissions and removals from bioenergy feedstocks.

The Group is fully committed to minimising its impact on climate change and mitigating the business risks that climate change presents. We have developed plans to manage them, underpinned by the Group's ISO 14001 certified environmental management system and BES 6001 Responsible Sourcing (maintained 'very good' rating in May 2026).



Organisational boundary and methodology

This Carbon Reduction Plan relates to Severfield plc's UK and European operational emissions, covering entities under the Group's operational control consolidation approach in accordance with the GHG Protocol and ISO 14064-1:2018 standards. This is due to operational integration of reporting systems, and UK presents the majority of emissions and are the focus of our Net Zero commitment in line with PPN 006.

Emissions have been calculated using the GHG Protocol Corporate Standard and DESNZ greenhouse gas conversion factors.

Data sources include:

- Metered energy consumption for electricity and fuels
- Fuel usage records for fleet and plant
- Supplier and contractor data where available
- Estimation techniques where primary data is not available, applied consistently

The same methodology, organisational boundary, and calculation approach have been applied consistently between the baseline year and the current reporting year.

Use of offsets and carbon neutrality

Severfield prioritises absolute emissions reductions in line with SBTi guidance. Where residual emissions remain, these may be addressed using high-quality, independently verified carbon credits in accordance with recognised standards. Any use of offsets relates only to residual emissions and does not replace our commitment to reduce emissions in line with our targets.

Baseline emissions footprint

Baseline Year: 2022 (FY23)	
Additional Details relating to the Baseline Emissions calculations.	
Severfield, in line with Streamlined Energy and Carbon Reporting (SECR) requirements, captures and analyses data using the GHG protocol and DESNZ emission factors. All of Severfield's Scope 1 and 2 emissions and four* operational Scope 3 categories were verified externally by third parties (Achilles 'Carbon Reduce', ISO 14604-1) in the baseline. FY23 is also our SBTi baseline year.	
Baseline year emissions:	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**6,649**
Scope 2 (market-based)	**261**
Scope 3 This figure includes: Category 1 - Purchased goods and service Category 3 - Fuel and energy related Category 4 - Transport and Distribution* Category 5 – Waste* Category 6 - Business Travel* Category 7 - Employee Commuting* Category 12 - End of life treatment Category 15 - Investments * Verified categories We calculate Category 2 - Capital goods but it's size is negligible and therefore is not reported on, Category 8-11, and Category 13-14 are not applicable to Severfield.	**318,044****
Total Emissions	**324,032**

*** Total summary of Scope 3 emissions may differ from our published annual accounts (ARA), as for reporting purposes ARA only includes the amount of purchased steel.*

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Current emissions reporting

Reporting Year: 2025 (FY26)	
All of Severfield's Scope 1 and 2 emissions and five* operational Scope 3 categories were verified externally by third parties (Achilles 'Carbon Reduce', ISO 14604-1) in the current reporting period. The emissions from these categories are reported below. As part of our GHG emission reporting we report annually on a total of 9 of the 15 relevant categories of scope 3 emissions relevant to our business.	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**6,116**
Scope 2 (market-based)	**20**
Scope 3 This figure includes: Category 1 - Purchased goods and service Category 3 - Fuel and energy related Category 4 - Transport and Distribution* Category 5 – Waste* Category 6 - Business Travel* Category 7 - Employee Commuting* Category 9 – Downstream Transport and Distribution* Category 12 - End of life treatment Category 15 - Investments * Verified categories A Scope 3 screening was conducted in line with the GHG Protocol. We calculate Category 2 - Capital goods but it's size is negligible (less than 5% of total footprint) and therefore is not reported on, Category 8, 10 and 11, and Category 13-14 are not applicable to Severfield.	**209,444****
Total emissions	**215,580**

*** Total summary of Scope 3 emissions may differ from our published annual accounts (ARA), as for reporting purposes ARA only includes the amount of purchased steel.*

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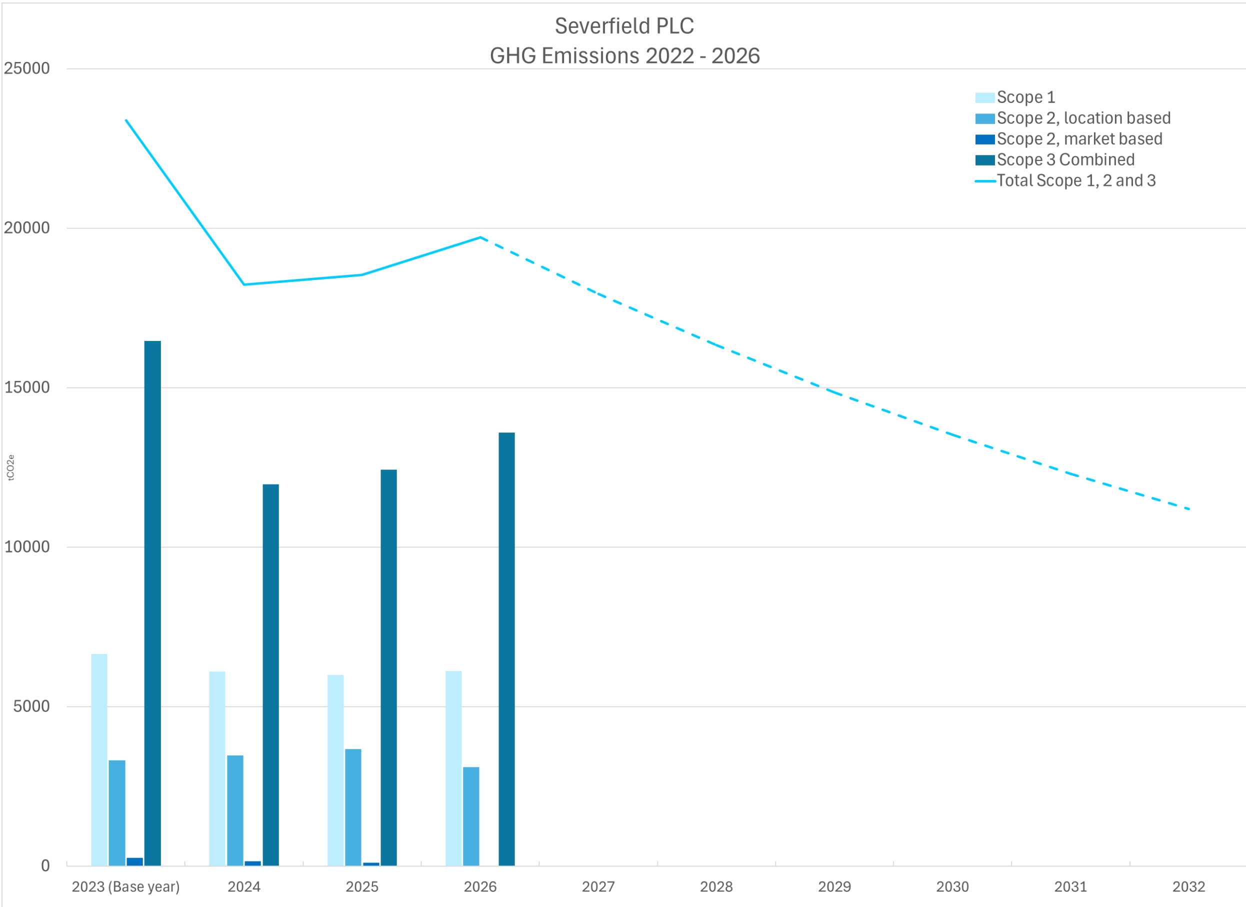
Emissions reduction targets

In the reporting year, we have achieved an 11% reduction in Scope 1 and Scope 2 emissions compared to our FY23 baseline (6,910 tCO_2e → 6,136 tCO_2e), in line with our SBTi-approved near-term targets. This target is in line with science and the 1.5ºC warming scenario. Progress against this target can be seen in the chart below:



Carbon reduction projects

Good progress has been made during FY26 in further reducing energy and fuel consumption and carbon emissions. Key measures implemented include:

- continued to implement lean ways of working in our offices, factories and on construction sites
- continued transition to using hydrotreated vegetable oil ('HVO') across our facilities and construction sites
- Integration of energy efficiency and carbon considerations into design, procurement, investment and contracting decisions, supported by an internal carbon calculator

- ongoing supplier engagement to improve value chain emissions transparency and performance
- maintenance of 100% green electricity procurement for all UK and European owned facilities.

These measures are expected to continue delivering reductions in operational emissions and will be applied across UK operations, including the delivery of public sector contracts.

Forward-looking initiatives

Severfield will continue to:

- Further electrify fleet and plant where feasible
- Increase on-site renewable generation
- Improve Scope 3 data quality and coverage
- Develop low-carbon steel solutions and construction practices

Additional performance indicators

In 2026, Severfield:

- Achieved CDP ‘A’ score for climate change for the third consecutive year
- Retained MSCI AAA ESG rating for the fourth consecutive year
- Was recognised in the Financial Times Europe’s Climate Leaders list for the sixth consecutive year

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 and the associated guidance and reporting standard 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 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 applies to UK operations and will be reviewed and updated annually.

This Carbon Reduction Plan has been reviewed and signed off by the Chief Executive Officer.

Signed on behalf of the Supplier

Paul McNerney (Chief Executive Officer)

Date: 30th June 2026