Policy Name:	Carbon & Energy Management
Reference:	S01
Version Number:	1
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Applicable Legislation/Regulation/Code of Practice:
The Climate Change Act 2008 (UK); Environmental Protection Act 1990; Energy Act 2011; Science-Based Targets Initiative (SBTi) Guidance for SMEs; ISO 50001: Energy Management Standard; UK Government Net Zero Strategy

Purpose and Scope of Policy:
The purpose of this policy is to:
Outline DPL Fabrications' commitment to reducing its carbon footprint, improving energy efficiency, and promoting sustainable practices throughout its operations and supply chain.
It applies to all employees, subcontractors, suppliers, and business partners, ensuring that sustainability goals are integrated into decision-making, operational efficiency, and long-term strategic planning.

Version Control

Date	Version Number	Status
02/01/25	1	Approved

Date	Key Revision	Author
		Alex Le Gros

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This policy and procedure do not form part of any contract of employment, or any other contract to provide services and we may amend at any time.

1.0 The Policy

1.1 DPL Fabrications is committed to:

a) Reducing absolute Scope 1 & 2 emissions by 30% by 2030 (baseline: 2018) and achieving a 67.2% reduction by 2034, in line with our Science-Based Targets initiative (SBTi) near-term targets. We will also engage suppliers to reduce Scope 3 emissions. These targets align with the well below 2°C pathway

b) Measuring and engaging suppliers to reduce Scope 3 emissions through data-driven strategies and collaboration

c) Implementing energy efficiency measures in operations, including fuel reduction, smart manufacturing, and renewable energy sources

d) Sourcing sustainable and recycled materials wherever possible to minimise environmental impact

e) Regularly tracking and reporting carbon and energy data to drive continual improvement and transparency

f) Embedding sustainability into company culture through employee engagement, training, and continuous improvement initiatives

2.0 The Procedure

2.1 To achieve these commitments in line with our science-based targets, DPL will:

a) Scope 1 Emissions Reduction (Vehicles, Machinery, Gas Heating)

- Implement fuel efficiency measures to cut diesel use by 10% by 2025
- Begin transitioning company vehicles to hybrid or electric by 2027
- Reduce fossil fuel use in machinery & heating through low-carbon alternatives by 2030
- Regularly maintain and optimise machinery for energy efficiency

b) Scope 2 Emissions Reduction (Electricity Use)

- Switch to a 100% renewable electricity provider by 2027
- Improve energy efficiency in buildings (e.g., LED lighting, smart controls)
- Explore on-site solar power where feasible by 2030
- Conduct energy audits every two years to identify and implement further reduction opportunities

c) Scope 3 Emissions Management (Supply Chain, Transport, Materials)

- Conduct an initial Scope 3 emissions assessment by 2025
- Engage at least 30% of key suppliers to encourage carbon reduction efforts by 2027 and aim for 50% engagement by 2030.
- Prioritise suppliers with sustainability certifications and commitments to low-carbon practices.
- Develop low-carbon procurement strategies, including preference for recycled and sustainably sourced materials, by 2030.
- Optimise logistics and transportation to reduce emissions, including route planning and bulk shipments.

d) Sustainable Manufacturing & Waste Reduction

- Use recycled steel and sustainable raw materials to reduce embodied carbon
- Optimise material use through lean manufacturing and Building Information Modelling (BIM)
- Implement construction waste management to improve recycling and reuse
- Reduce water and resource consumption in manufacturing processes where possible

e) Employee & Stakeholder Engagement

- Provide training on energy efficiency, sustainability best practices, and carbon reduction strategies for all employees
- Establish an internal sustainability committee to oversee implementation and continuous improvement

- Collaborate with suppliers, clients, and industry partners to promote sustainable solutions
- Encourage employees to contribute to energy-saving initiatives in daily operations through awareness campaigns and incentive programs
- Promote sustainability awareness through annual engagement events and workshops

f) Monitoring & Reporting

- Implement a GHG tracking system to measure energy use and emissions across all operations
- Conduct annual reviews of carbon and energy performance, adjusting strategies as needed to stay on track with targets
- Publish an annual sustainability report detailing progress towards SBTi targets and carbon reduction initiatives
- Participate in third-party audits and certifications to ensure transparency and credibility in sustainability efforts
- Set new targets every five years based on technological advancements and industry best practices

This policy reflects DPL Fabrications' dedication to reducing its carbon footprint and energy consumption while promoting sustainable business practices. By implementing these measures, we aim to drive environmental responsibility, operational efficiency, and long-term resilience in our industry.

Appendix 1 - Science Based Targets

To meet the requirements of the **Science-Based Targets initiative (SBTi) for SMEs**, DPL Fabrications commits to:

📌 **Reducing absolute Scope 1 & 2 greenhouse gas (GHG) emissions by 30% by 2030 (baseline: 2018) and by 67.2% by 2034**

📌 **Measuring and working to reduce Scope 3 emissions**

This target aligns with the well below **2°C global climate pathway** while remaining achievable for a business of DPL's size.

Scope 1: Direct Emissions (Vehicles, Machinery, Gas Heating) 🚚

📌 **Target:** *Reduce Scope 1 emissions by 30% by 2030*

🔹 **By 2025:** Implement fuel efficiency measures to cut diesel use by **10%** (e.g., driver training, telematics).

🔹 **By 2027:** Begin transitioning company vehicles to **hybrid or electric** (at least 20% of fleet).

🔹 **By 2030:** Reduce fossil fuel use in **machinery & heating** through **low-carbon alternatives** (e.g., HVO biofuels).

💡 *Impact:* A **gradual transition** to cleaner energy while maintaining **operational efficiency**.

Scope 2: Indirect Emissions (Electricity Use) ⚡

📌 **Target:** *Reduce Scope 2 emissions by 100% by 2030 (Switch to 100% renewable electricity)*

🔹 **By 2027:** Switch to a **100% renewable electricity provider**.

🔹 **By 2027:** Improve energy efficiency in buildings (LED lighting, smart controls).

🔹 **By 2030:** Explore **on-site solar power** where feasible.

💡 *Impact:* Eliminates Scope 2 emissions with **cost efficiency**.

Scope 3: Indirect Value Chain Emissions (Suppliers, Transport, Materials) 🔄

📌 **Target:** *Measure and track Scope 3 emissions and engage key suppliers*

🔹 **By 2025:** Conduct an **initial Scope 3 assessment** to identify the biggest sources of emissions (e.g., steel sourcing, subcontractors).

🔹 **By 2027:** Engage at least **30% of key suppliers** to encourage their own carbon reduction efforts.

🔹 **By 2030:** Work towards **low-carbon procurement strategies** where feasible.

💡 *Impact:* Aligns with **SBTi's requirement** to **measure and engage.**

🌱 **Summary of Minimum SBTi-Aligned Targets**

Scope	Target	Deadline
Scope 1	30% emissions reduction	2030
Scope 2	100% renewable electricity	2030
Scope 3	Measure & engage suppliers	2030
Near-Term SBTi Targets	67.2% reduction in Scope 1 & 2 emissions	2034

✅ **Meets SBTi SME commitment**

✅ **Simple, achievable, and industry-aligned**

Appendix 2 – Implementation Plan

Key Area	Actions	Timeframe	Responsibility	Key Metrics
Energy Efficiency	Conduct an energy audit to identify efficiency improvements.	Q2 2025	Sustainability Lead, Facilities Manager	kWh reduction per year
	Upgrade lighting to LED & install motion sensors.	Q3 2026	Facilities Manager	% of LED coverage
Renewable Energy	Switch to 100% renewable electricity by 2030.	By 2027	Procurement Team	% renewable electricity used
Fleet & Equipment	Replace 30% of diesel vehicles with electric or hybrid.	2026	Fleet Manager	% of fleet electrified
Supply Chain Engagement	Work with suppliers to assess steel & material emissions.	Ongoing	Procurement Team	% of suppliers with emissions data
Employee Commuting	Offer incentives for car-sharing & public transport.	2026-2027	HR	% of employees using low-carbon transport
Business Travel	Reduce flights & promote virtual meetings.	Ongoing	Management	Travel emissions reduction (%)
Waste & Circular Economy	Reduce landfill waste by improving recycling rates.	2026	Site Managers	Waste diversion rate (%)
Reporting & Transparency	Publish annual sustainability progress report.	2026+	Sustainability Team	% emissions reduction vs. baseline