



BGEN LTD

BUSINESS CARBON ASSESSMENT REPORT 2024/25

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ABOUT BGEN LTD

We are in a Climate Emergency and as a business we need to play our part to reduce carbon emissions and limit the global impacts of climate change.

Our mission is to create a lasting legacy through the consistent, safe and sustainable delivery of our engineering solutions and to help define the next generation of the company. Understanding the sources of carbon emissions produced as part of our business activities is key to identifying where our reduction efforts should be focused and where we can have the most impact. This Business Carbon Assessment provides us with an update on our carbon reduction progress and achievement of net-zero goals. The data in this report tells us that we need to remain focused on our vehicle fleet; reducing miles driven and fuel used. We also need to identify opportunities to use low carbon alternatives to diesel on our construction sites and continue to engage with our supply chain to help us realise Scope 3 emissions savings.

INTRODUCTION

BGEN Ltd is committed to transparency and sustainability in reducing its carbon footprint. This report details their greenhouse gas (GHG) emissions for the 2024/25 financial year, calculated in line with the **ISO 14064-1 standard** and verified by Tunley Environmental. This document updates the previous baseline to provide information on our carbon footprint, track progress toward net zero objectives, and identify areas for potential improvement.

Aligned with the **GHG Protocol** and the **Corporate Value Chain Standard**, their emissions data is reported in **carbon dioxide equivalents** (CO₂e) to ensure consistency and clarity. This data further builds on all of the previous work that had already been initiated by BGEN. The work began in 2019, leading to an official baseline in **2022/23** that enables a **comparison** to this **reporting year 2024/25**.

This report provides a clear snapshot of BGEN Ltd emissions, highlighting opportunities for improvement, and supports their commitment to setting science-based targets that align with global climate goals. By understanding and addressing their full carbon footprint, they are taking meaningful steps toward a sustainable, Net Zero future.

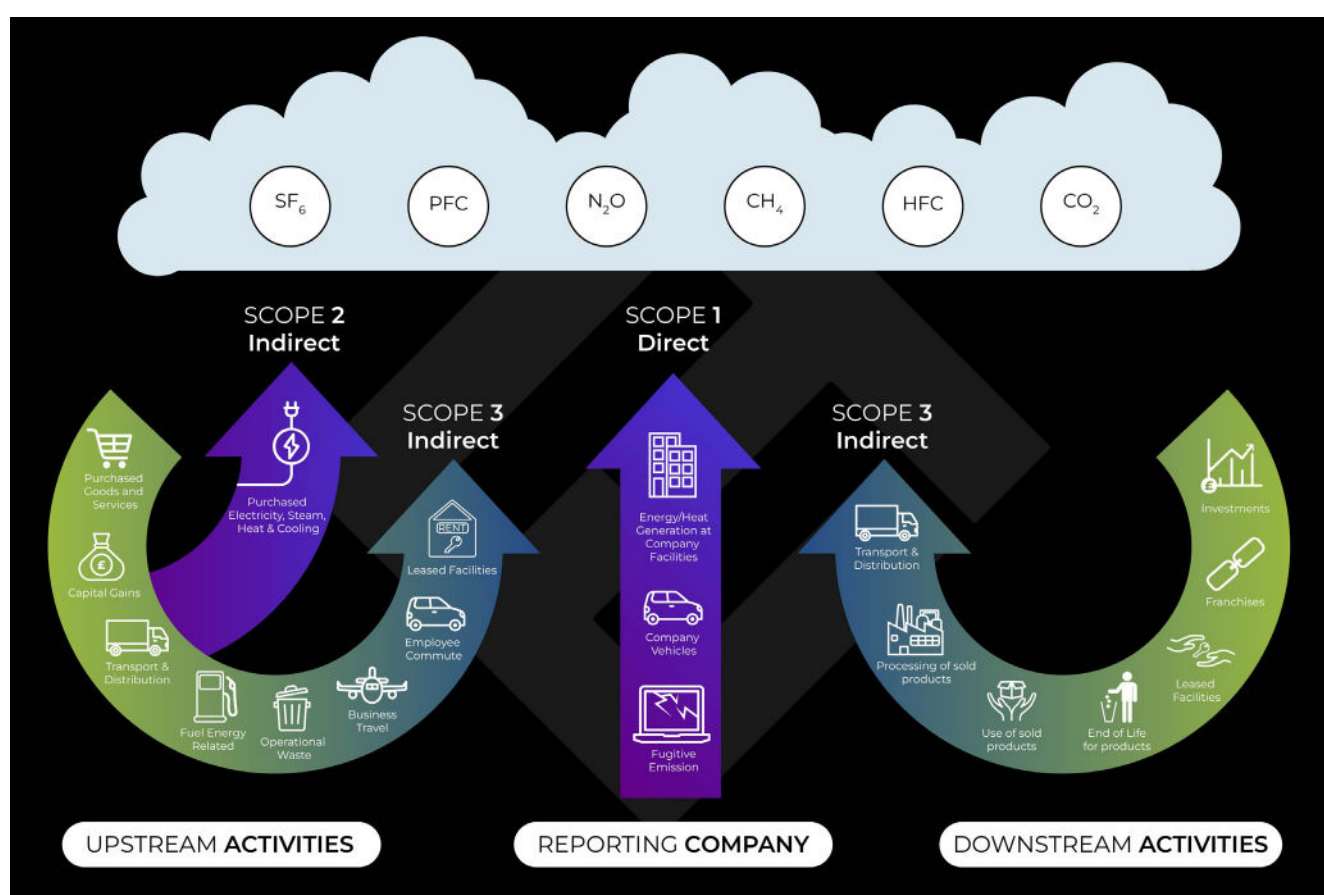


Figure 1: An overview of the GHG Protocol scopes and emissions across an entire value chain.

REPORTING BOUNDARY

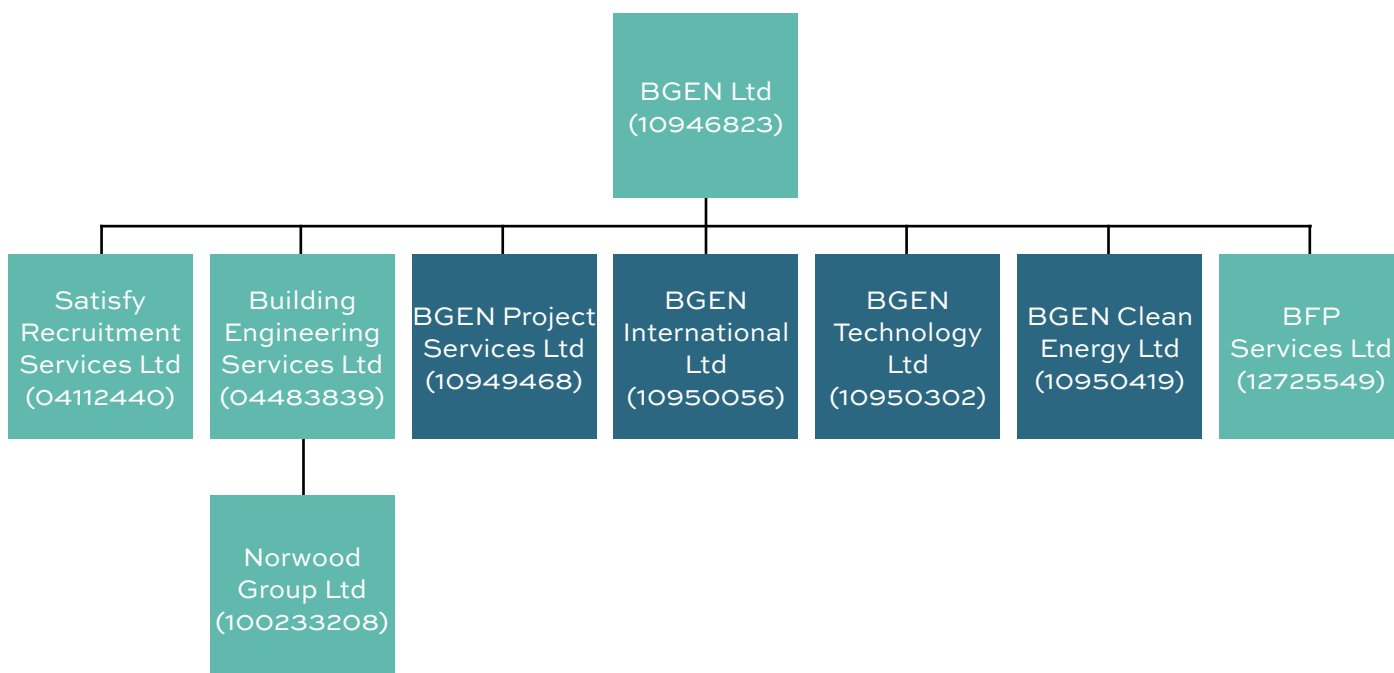


Figure 2: The BGEN Ltd Group comprises a diverse range of companies, each contributing to the overall emissions footprint. Understanding the relationship between these entities is key to accurately assessing and managing greenhouse gas (GHG) emissions across the entire organisation. It is, therefore, important to set an emissions scope boundary for BGEN Ltd in accordance with the operational control.

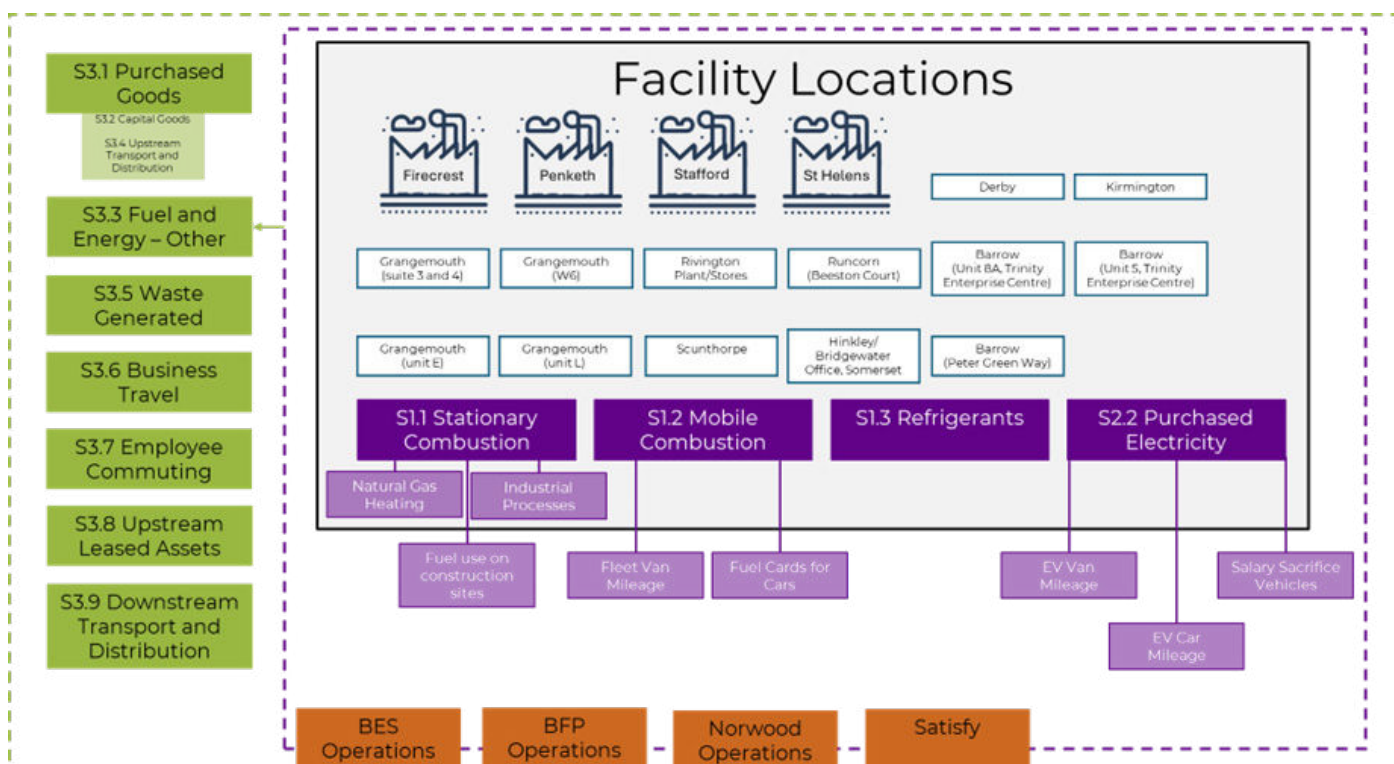


Figure 3: The reporting boundary for BGEN Ltd's Carbon Assessment

It is important to note that BGEN was acquired by M Group on the 30th October 2024, and this report was finalised after the acquisition date. The reporting boundaries remain unchanged, but the period now runs from 1st May to 31st March to align with M Group's financial year. Future reports will cover the period from 1st April to 31st March each year.

GHG RESULTS

For the reporting year 2024/2025, the total carbon footprint was **39,317 metric t CO₂e**. This is equivalent to driving over **141 million miles** in an average car, or 1.5 times the distance from Earth to the Sun.

The company's emissions are categorised according to the GHG Protocol, which distinguishes between three types of emissions:

- **Scope 1:** Direct emissions from owned or controlled sources (e.g., fuel combustion in vehicles or boilers).
 - o **1,482 t CO₂e** (3.8% of total emissions)
- **Scope 2:** Indirect emissions from the generation of purchased electricity, heat, or steam consumed by the company.
 - o **40 t CO₂e** (0.1% of total emissions)
- **Scope 3:** All other indirect emissions that occur in the company's value chain, such as business travel, waste disposal, and purchased goods and services.
 - o **37,794 t CO₂e** (96.1% of total emissions)

BGEN Ltd's primary carbon footprint is associated with Scope 3 emissions, underscoring the importance of addressing emissions across the entire value chain as part of the company's ongoing sustainability efforts.

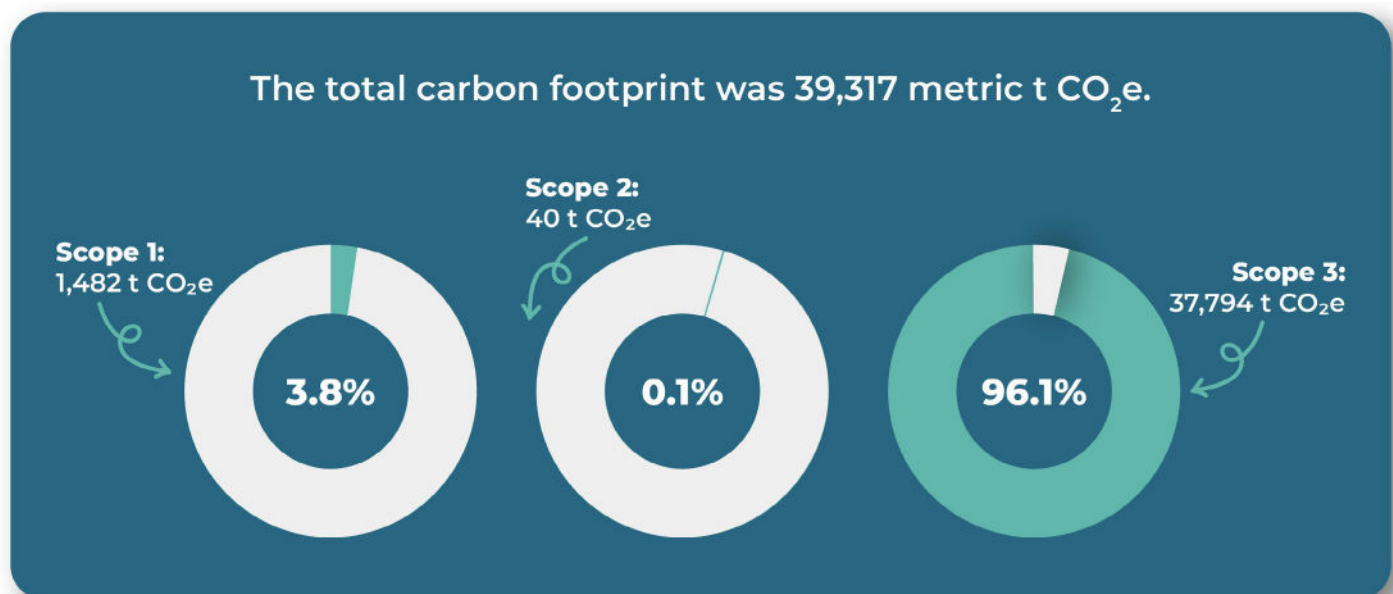


Figure 4: Percentage contributions of three scopes.

Scope	Category	2022/23 t CO ₂ e	2023/24 t CO ₂ e	2024/25 t CO ₂ e
S1.1	Stationary combustion	271	278	599
S1.2	Mobile combustion	782	1,046	876
S2.2	Purchased electricity	206	182	40
S3.1	Purchased goods and services	19,296	20,019	34,817
S3.2	Capital goods (e.g., assets, machinery, etc)	-	-	-
S3.3	Fuel and energy related activities not included in S1 or S2	296	388	540
S3.4	Upstream transportation and distribution	240	-	251
S3.5	Waste generated in operations	51	13	8
S3.6	Business travel	568	383	588
S3.7	Employee commuting	1,490	1,484	1,536
S3.8	Upstream leased assets	37	37	-
S3.9	Downstream transportation and distribution	48	96	53
S3.10	Processing of sold products	-	-	-
S3.11	Use of sold products	-	-	-
S3.12	End of life treatment of sold products	-	-	-
S3.13	Downstream leased assets	-	-	-
S3.14	Franchises	-	-	-
S3.15	Investments	-	-	-
Total		23,297	23,927	39,317

Table 1: Emission data for BGEN Ltd business operations each year from the baseline in 2022/23 to the current reporting year in 2024/25.

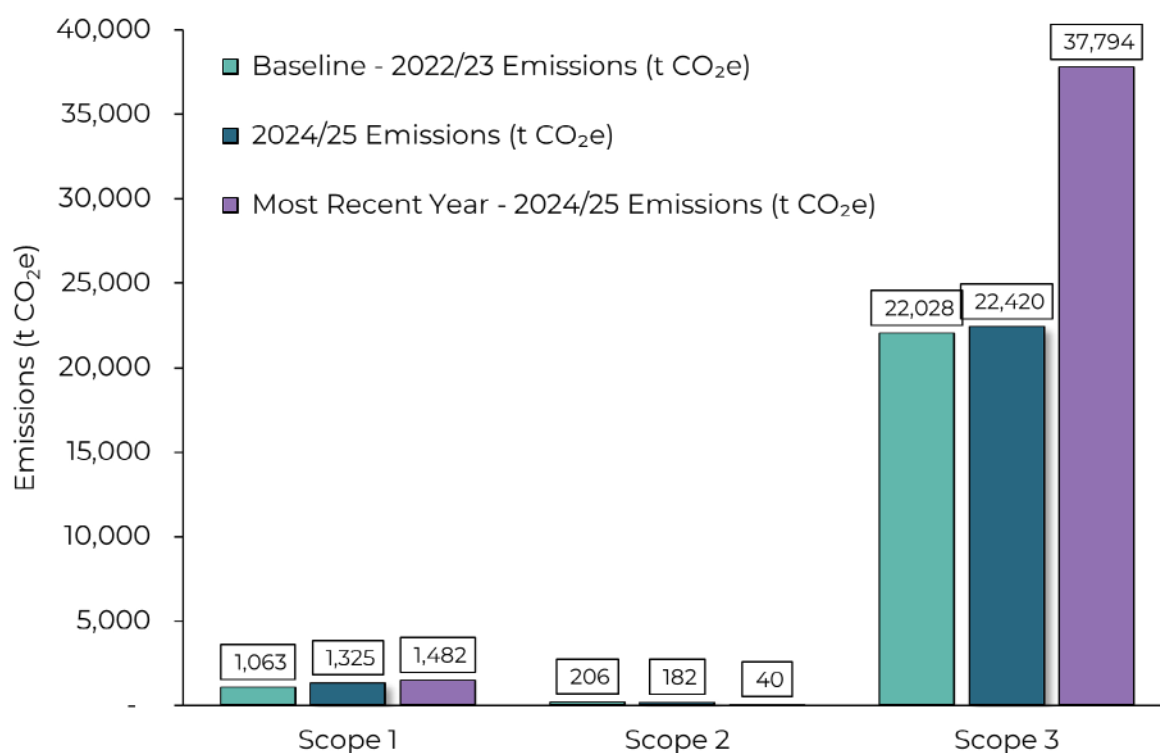


Figure 5: The GHG emissions in the baseline year (2022/23) in comparison to the reporting year (2024/25) per Scope of emissions. Please note the Y-Axis log scale.

Scope 1 – Direct Emissions

In this reporting year of 2024/25, BGEN Ltd emitted **1,482 t of CO₂e** from direct activities, from:

- **Fuel combustion** in boilers and generators for heating.
- **Industrial processes** using bulk fuels and welding gases.
- **Mobile combustion** in company-owned vans and vehicles.
- **Refrigerant leakage** from air conditioning units.

BGEN Ltd's direct emissions (Scope 1) increased in 2024/25 compared to previous years, largely due to higher fuel used on sites and natural gas use at its facilities, especially at our St Helens fabrication facility. The majority of Scope 1 emissions are still the company fleet of vans. These trends highlight the importance of streamlining operations and exploring cleaner energy solutions to meet the company's carbon reduction goals.

Scope 2 – Indirect Emissions from Energy

The total emissions released from generating the electricity used by BGEN Ltd was **40 t CO₂e**. This is from purchasing 822,283 kWh of electricity and driving electric vehicles. This is a reduction of 166 t CO₂e in comparison to the baseline year emissions.

Scope 3 – Indirect Emissions

The GHG emissions produced indirectly from BGEN Ltd (excluding Scope 2) are their Scope 3 emissions. This includes all business activities from both upstream and downstream business activities as per the fifteen subcategories given by the GHG protocol.

Scope 3 emissions represent the largest portion of BGEN Ltd's carbon footprint, accounting for **96.1% (37,794 t CO₂e per year) in 2024/25**. Within Scope 3, **purchased goods and services contributed 34,817 t CO₂e**, an increase that is in direct correlation with the increase in spend.

Tracking Emissions Efficiency: Intensity Ratio

To better understand their environmental performance in relation to business growth, BGEN Ltd have chosen to compare GHG emissions annually based on business performance using per million pound of turnover as an intensity ratio. This ratio allows to assess the company's progress in reducing emissions while continuing to scale their business.

Calculation Method	Financial Year 2022/2023	Financial Year 2023/2024	Financial Year 2024/2025
Carbon Footprint (t CO ₂ e)	23,297	23,927	39,317
Total Annual Turnover (£M)	187	225	254
Carbon Intensity (t CO ₂ e/£M)	125	106	155

Table 2: BGEN Ltd's carbon intensity ratio.

A ROADMAP TO NET ZERO

	Baseline - Total emissions measured at 23,297 t CO₂e for the 2022 reporting year, based on comprehensive Scope 1, 2, and 3 data. - Establishes the reference point for all reduction calculations, aligned with GHG Protocol standards.	Actioned
	Procure Renewable Electricity - Ofgem certified eco-tariff to reduce market-based emissions. - Reduced emissions by 166 t CO₂e per year as per the 2024 footprint.	Actioned
	Cumulative Reduction vs Baseline 0.7%	% Reduction vs Baseline (Single Action) 0.7% 166 t CO ₂ e
	Reduce Emissions from Waste Disposal - Implemented waste segregation and recycling programmes to minimise landfill use, reducing emissions by 43 t CO₂e from 2022 to 2024. - Ongoing employee training on waste reduction strategies to sustain and further decrease emissions beyond 2024.	Actioned
	Cumulative Reduction vs Baseline 0.2%	% Reduction vs Baseline (Single Action) 0.9% 209 t CO ₂ e
	Replace Natural Gas - Exploring low-carbon alternatives to natural gas to achieve a projected emissions reduction of 214 t CO₂e annually. - Engaging with industry experts to assess viable energy solutions that align with operational needs and sustainability goals.	Future
	Cumulative Reduction vs Baseline 0.9%	% Reduction vs Baseline (Single Action) 1.8% 422 t CO ₂ e
	Replace Fossil Fuel Usage on Sites - Investigating alternative energy sources for client site operations to achieve a projected emissions reduction of 378 t CO₂e annually. - Collaborating with clients and energy consultants to identify sustainable solutions tailored to site-specific requirements.	Future
	Cumulative Reduction vs Baseline 1.6%	% Reduction vs Baseline (Single Action) 3.4% 795 t CO ₂ e
	Continue Transition from ICE Company Vans - Expanding the shift to low-emission vehicle alternatives to achieve a projected emissions reduction of 621 t CO₂e annually. - Assessing fleet requirements with suppliers to ensure practical, sustainable replacements for remaining ICE vans.	Future
	Cumulative Reduction vs Baseline 2.7%	% Reduction vs Baseline (Single Action) 6.1% 1,416 t CO ₂ e
	Reduce Employee Commuting Emissions - Promoting sustainable commuting options to achieve a projected 50% reduction in employee commuting emissions, equivalent to 768 t CO₂e annually. - Implementing incentives such as cycle-to-work schemes and remote working policies to encourage low-carbon travel choices.	Future
	Cumulative Reduction vs Baseline 3.3%	% Reduction vs Baseline (Single Action) 9.4% 2,184 t CO ₂ e
	Reduce Business Travel Emissions - Encouraging sustainable travel options to achieve a projected 50% reduction in business travel emissions, equivalent to 294 t CO₂e annually. - Introducing more virtual meeting tools and travel policies to minimise unnecessary trips and lower carbon footprints.	Future
	Cumulative Reduction vs Baseline 1.3%	% Reduction vs Baseline (Single Action) 10.6% 2,479 t CO ₂ e
	Supplier Engagement - Developing a supplier engagement plan based on the transition away from EEIO Spend-Based Model to analyse and reduce supply chain emissions. - Targeting 85% of suppliers by spend, with an estimated 45% reduction in Scope 3 emissions, projected at 4,458 t CO₂e annually.	Future
	Cumulative Reduction vs Baseline 82.2%	% Reduction vs Baseline (Single Action) 92.8% 21,628t CO ₂ e

Figure 6: The roadmap to implement reduction initiatives on Scope 1 and Scope 2 emissions to achieve the near term target before 2030.

2024/25

CONCLUSION

From May 1, 2024, to March 31, 2025, BGEN Ltd's total greenhouse gas emissions amounted to **39,317 t CO₂e**. This carbon footprint analysis, conducted by **Tunley Environmental**, is based on comprehensive data provided by BGEN Ltd.

This report includes a detailed breakdown of emissions and **actionable recommendations** to help BGEN Ltd reduce its carbon footprint. By implementing these strategies, BGEN Ltd can take meaningful steps toward **achieving its sustainability goals and enhancing its environmental performance**.

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