Carbon Reduction & Climate Transition Plan

1. Introduction

Morson Group is committed to supporting the transition to a low-carbon economy and to managing climate-related risks and opportunities in a way that protects long-term business resilience, our people, and the communities in which we operate.

Following the recent restructure of the Group, this Carbon Reduction & Climate Transition Plan provides a single, coherent framework for managing carbon emissions, setting targets, and delivering measurable reductions across the four Morson Group business units:

Morson Edge
Morson Vital
Morson Praxis
Morson Nexus

The Group has set a ***Net Zero target of 2050****, aligned with UK national commitments and international climate goals. This Plan sets out not only our targets, but how those targets will be achieved, how progress is monitored, and how climate-related risks are identified and managed.*
Where business units have different emissions profiles, data maturity, or target status (including Science Based Targets), this is transparently reflected within dedicated sections of this Plan.

2. Organisational Boundary and Reporting Scope

Head Office: *United Kingdom*
Operational Scope: *UK and international offices*

This Plan is prepared on a Group basis, with supplementary disclosures for individual business units where material differences exist (e.g. validated Science Based Targets, fleet intensity, or data maturity).

3. Reporting Standards and Frameworks

The Plan aligns with:

- *UK PPN 06/21 Carbon Reduction Plan guidance*
- *GHG Protocol (Scopes 1, 2 and relevant Scope 3 categories)*
- *Science Based Targets initiative (SBTi)*
- *UK Climate-Related Financial Disclosure Regulations*

4. Group Governance

Morson Group's approach to carbon management and climate-related risk is overseen by the Group Board, which retains ultimate responsibility for environmental performance and strategic resilience.

Day-to-day oversight is delegated to the Group Director – Health, Safety, Quality and Environmental Compliance (HSQE), supported by the HSQE Committee and the Sustainability Manager.

The HSQE Committee meets regularly and provides structured reporting to the Board on:

Carbon emissions performance
Progress against reduction targets
Climate-related risks and opportunities
Regulatory developments and disclosure requirements
Climate considerations are embedded within existing governance processes, including strategic planning, risk management, and operational decision-making.

5. Accountability

Each specialised business unit (SBU) is responsible for implementing Group carbon policies and delivering locally relevant reduction initiatives. SBU's with validated Science Based Targets operate reduction pathways aligned to those commitments, while newer or developing units are supported through Group-level frameworks and data governance.

6. Group Emissions Boundary

The Morson Group has adopted the Operational Control approach to define its organisational boundary for greenhouse gas (GHG) reporting.
Under this approach, the Group reports 100% of emissions from operations over which it, or its subsidiaries, has operational control meaning it has the authority to implement operating policies, including environmental and safety procedures.
This ensures emissions are reported where the Group has direct influence to manage and reduce them, providing a clear and practical basis for accountability and decision-making.
The Group takes full ownership of all GHG emissions it can directly control and reduce. Where the Group has financial control, it has direct access to GHG emissions data and greater oversight of data collection processes, enabling improved data quality, accuracy, and completeness. This includes shared back-office, enabling functions, and office locations that are already consolidated within the Group's financial reporting structure.

7. Emissions Scopes Included

Scope 1 (Direct emissions):

- *Fuel combustion*
- *Fleet vehicles*

Scope 2 (Indirect energy emissions):

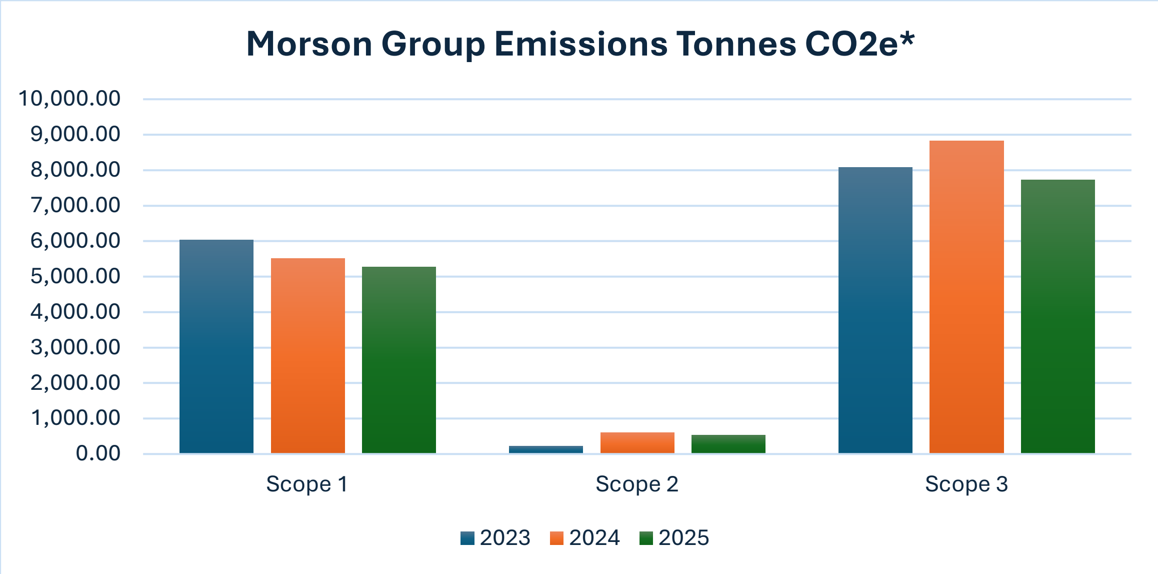
- *Purchased electricity, reported using both location-based and market-based methodologies*

Scope 3 (Relevant categories)

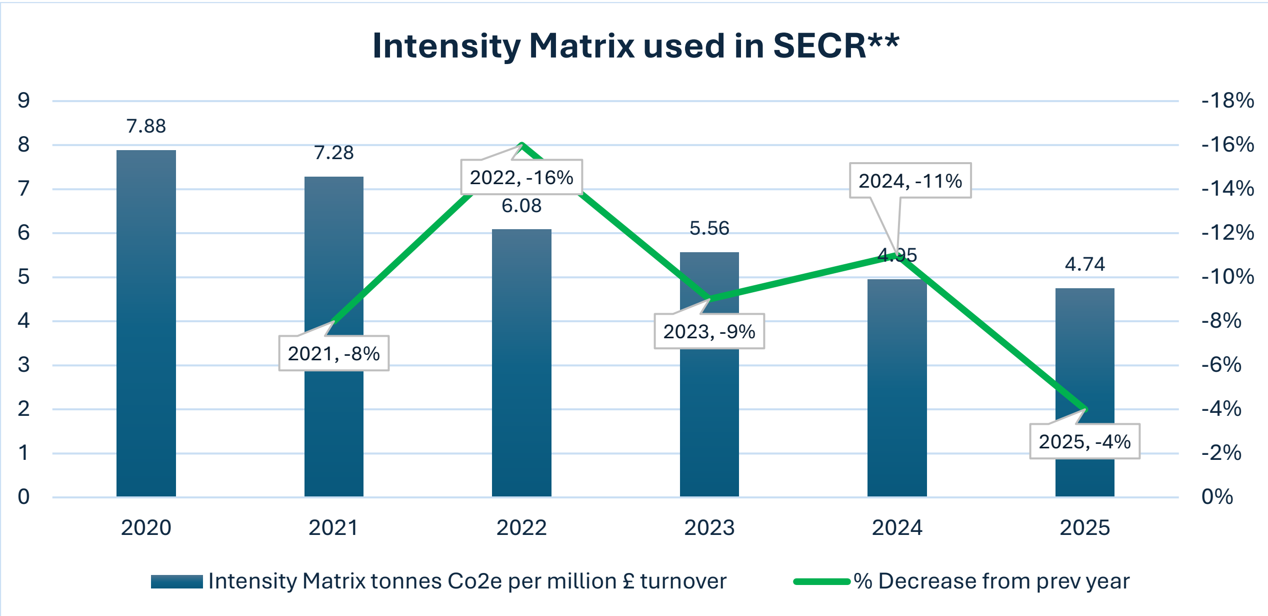
- *Category 1: Purchased goods and services*
- *Category 2: Capital goods*
- *Category 3: Fuel- and energy-related activities*
- *Category 4: Upstream transportation and distribution*
- *Category 5: Waste generated in operations*
- *Category 6: Business travel*
- *Category 7: Employee commuting*

Note: As the Group structure is newly established, data availability varies by business unit. Where data is incomplete estimates or exclusions are transparently stated.

8. Group Emissions Summary



** Please note that the above graph does not include Morson Nexus, and some Scope 3 figures have been estimated for certain categories while data analysis is ongoing.*



***Please note that the above graph only includes the entities legally required to report under SECR*

9. Group Commitment

Morson Group is committed to achieving Net Zero greenhouse gas emissions by 2050. This long-term ambition is aligned with UK national climate targets and international climate goals and is underpinned by a reduction-first approach focused on delivering real-world emissions reductions.

The Group's targets are supported by governance structures, data monitoring, and periodic review to ensure they remain credible, achievable, and aligned with evolving regulatory and market expectations.

10.Business Unit Targets and Alignment

Recognising that the Group's business units have different operational profiles and emissions drivers, targets are applied as follows:

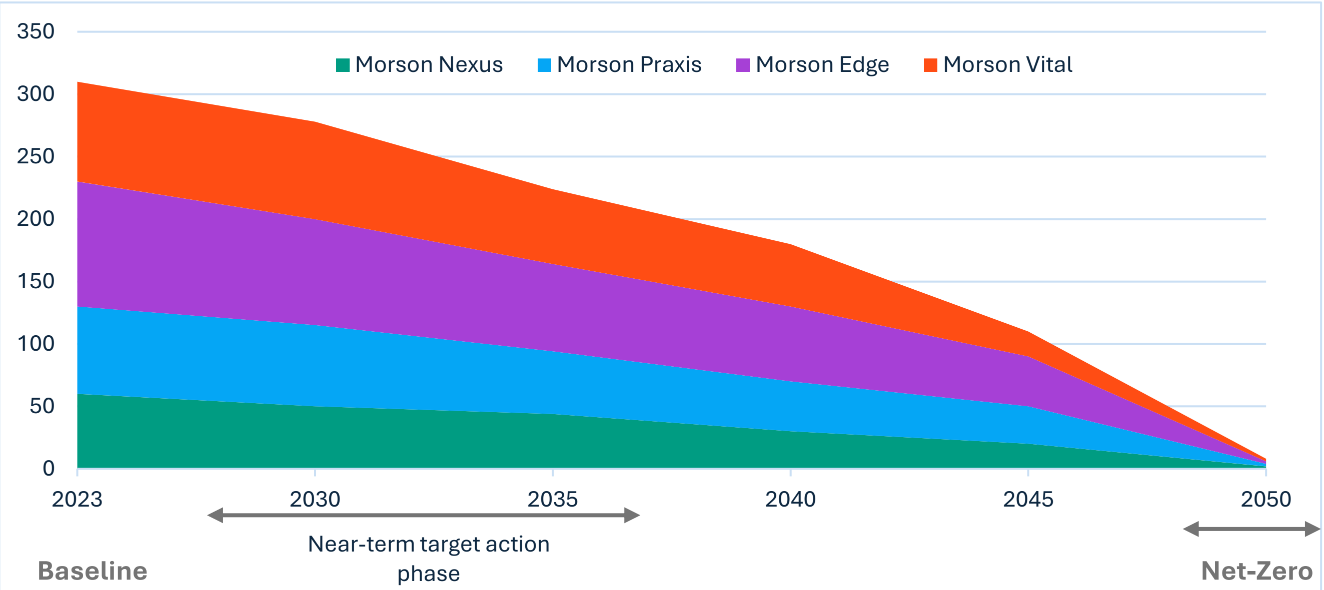
•Morson Edge: Near-term science-based targets validated by the Science Based Targets initiative (SBTi), with a primary focus on Scope 3 emissions and operational efficiency.

•Morson Vital: Near-term science-based targets validated by SBTi, reflecting a fleet-intensive operating model and a material Scope 1 emissions profile.

•Morson Praxis: Aligned to the Group's Net Zero ambition, with carbon reduction pathways implemented through Group-wide policies and controls.

•Morson Nexus: A newly established business unit, currently developing data maturity and reduction pathways in line with the Group framework.

Where science-based targets are in place, progress is tracked against validated trajectories. For other business units, performance is monitored through Group metrics and continuous improvement processes.



11.Carbon Reduction Pathway – How We Will Deliver

Morson Group's carbon reduction pathway focuses on practical, deliverable actions within the Group's operational control, supported by strong governance and ongoing performance monitoring. The pathway is structured around key decarbonisation levers that reflect the Group's emissions profile.

Energy and Buildings

The Group continues to transition offices under its control to renewable electricity as contracts come up for renewal. Energy efficiency measures identified through ESOS assessments and internal audits are implemented on a rolling basis, prioritising actions that reduce consumption while maintaining operational resilience.

Fleet and Transport

Fleet emissions represent a material proportion of Group Scope 1 emissions, particularly within Morson Vital. The Group has therefore prioritised fleet transition as a core decarbonisation lever.
Actions include: - Transitioning company cars to low-emission, hybrid or electric vehicles - Trialling low-emission commercial vehicles where operationally feasible - Reviewing fleet composition and usage to reduce fuel consumption
Timelines for fleet transition are reviewed regularly and remain subject to vehicle availability, technological development, and operational requirements.

Travel and ways of working

Hybrid and flexible working practices across the Group have reduced the need for routine business travel while maintaining service quality. Digital collaboration tools continue to be used to minimise unnecessary travel, supported by travel policies that promote efficient and lower-carbon options where practical.

Supply Chain and Scope 3 engagement

For Scope 3 emissions, the Group's approach focuses on improving data quality, engaging priority suppliers, and embedding sustainability considerations into procurement processes over time. Initial engagement is targeted at suppliers with the greatest potential emissions impact, supporting gradual improvement rather than imposing blanket requirements.

Technology, Data and Continuous Improvement

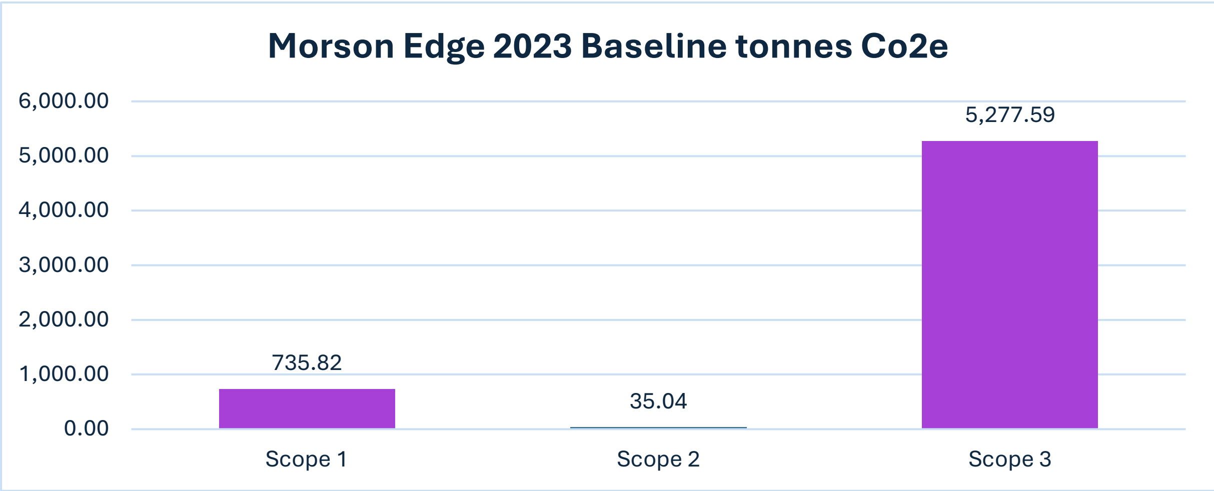
The Group continues to improve carbon data quality, systems and controls to support informed decision-making. Emerging technologies and processes are monitored where they have the potential to deliver measurable emissions reductions without introducing undue operational risk.

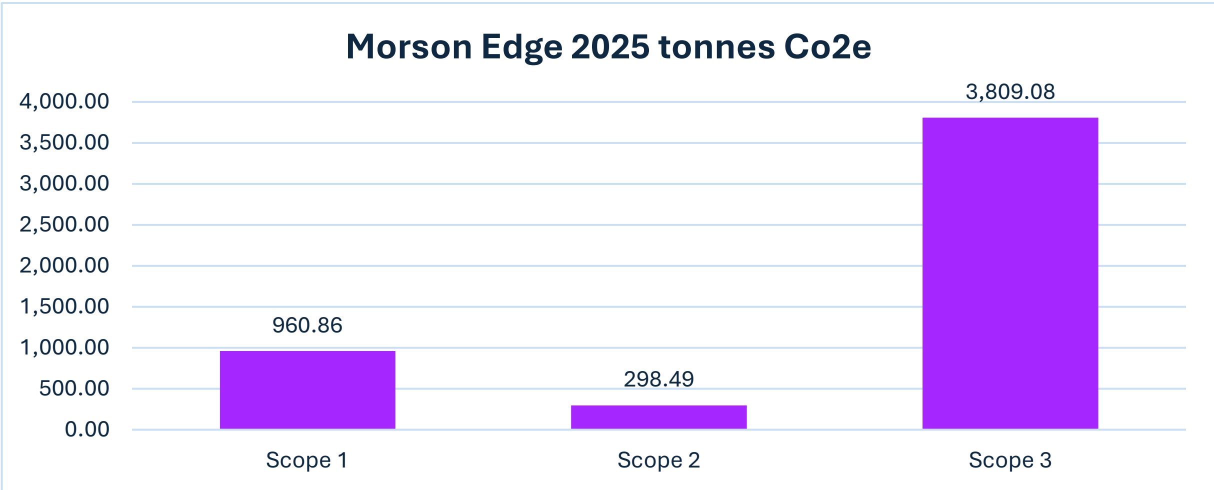
12.Business Unit Deep-Dive Sections

Morson Edge

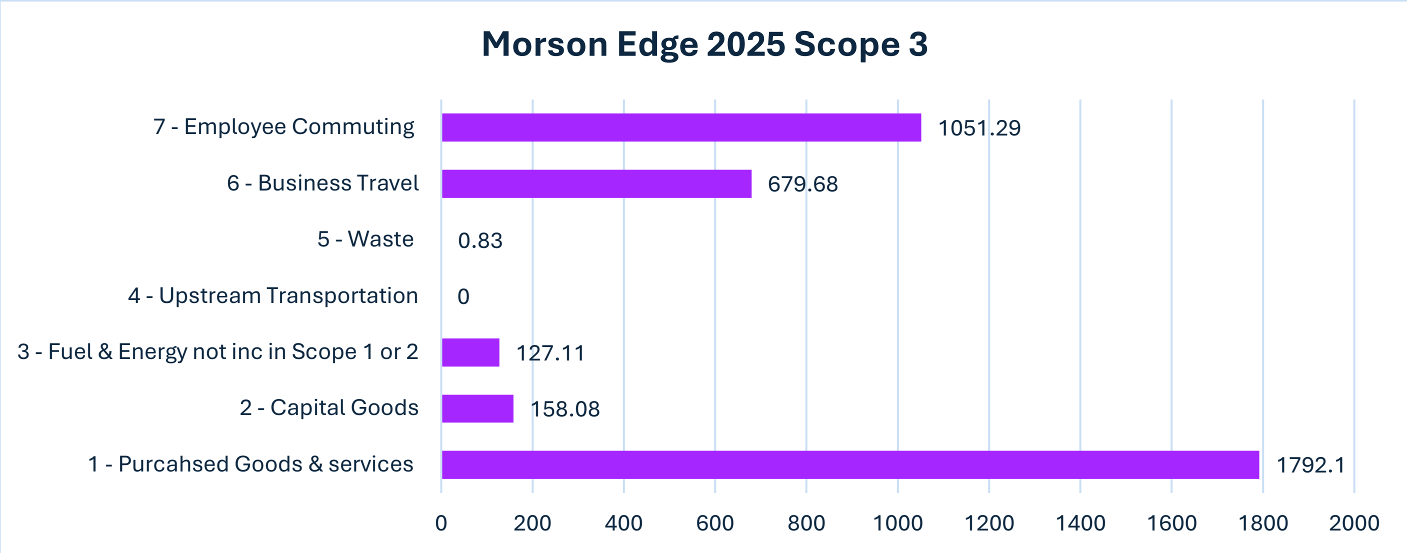
Validated near-term Science Based targets (Approved 11 September 2025)

- *Committed to reduce absolute scope 1 and 2 GHG emission 60% by 2034, from 2023 base.*
- *Committed to increasing renewable electricity to 100% by 2030.*
- *Committed to reduce absolute Scope 3 GHG emissions from relevant categories by 40% by 2034, from a 2023 base.*


Morson Edge 2023 Baseline tonnes Co2e
6,000.00
5,000.00
4,000.00
3,000.00
2,000.00
1,000.00
0.00
735.82
35.04
5,277.59
Scope 1
Scope 2
Scope 3


Morson Edge 2025 tonnes Co2e
4,000.00
3,500.00
3,000.00
2,500.00
2,000.00
1,500.00
1,000.00
500.00
0.00
960.86
298.49
3,809.08
Scope 1
Scope 2
Scope 3


Morson Edge 2023 Scope 3 Baseline tonnes cO2e
7 - Employee Commuting
366
6 - Business Travel
770.89
5 - Waste
2.2
4 - Upstream Transportation
5.34
3 - Fuel & Energy not inc in Scope 1 or 2
261.93
2 - Capital Goods
100.81
1 - Purcahsed Goods & services
3770.42
0
500
1000
1500
2000
2500
3000
3500
4000

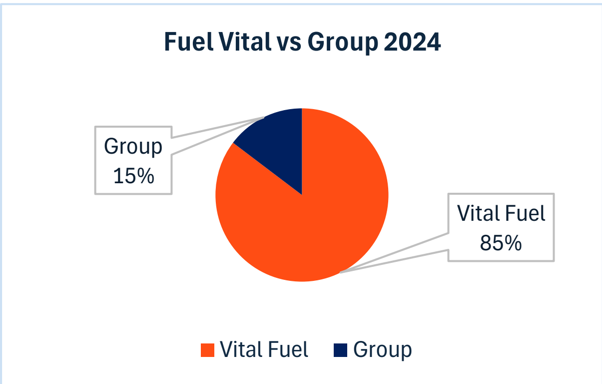


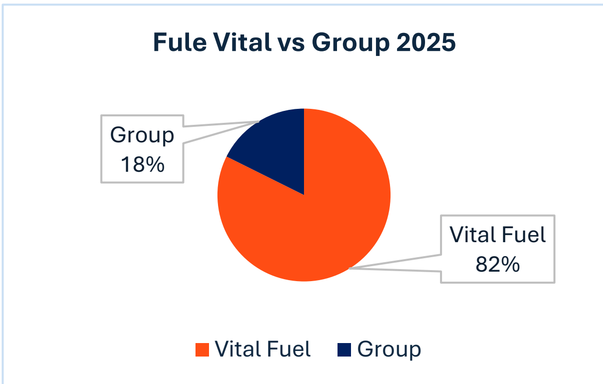
Morson Vital

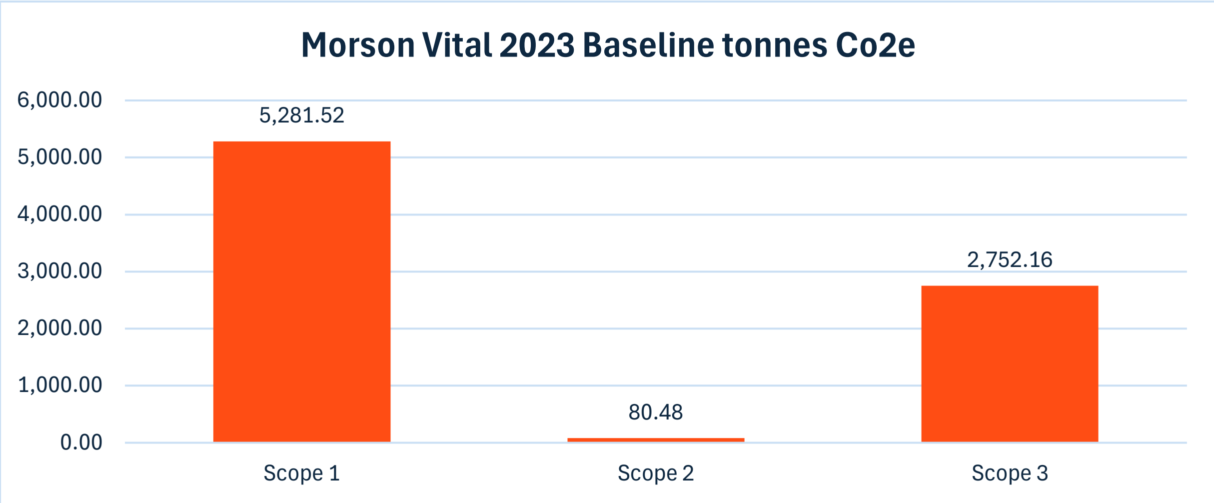
Validated near-term Science Based targets (Approved 8 May 2025)

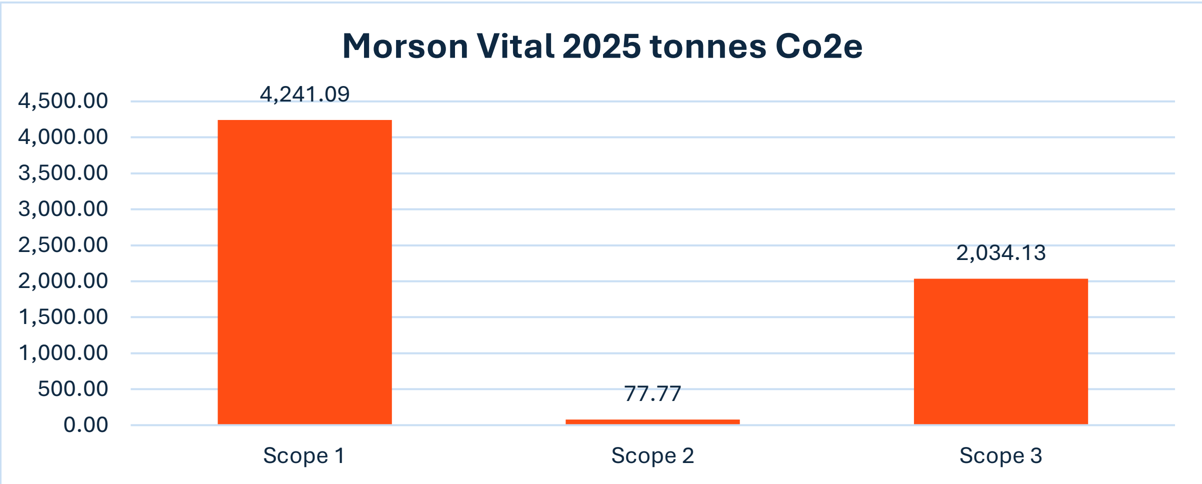
- *Committed to reduce absolute scope 1 GHG emissions by 58.8% by 2034*
- *Committed to increasing renewable electricity to 100% by 2030.*
- *Committed to reduce absolute Scope 3 GHG emissions from relevant categories by 35% by 2034, from a 2023 base.*

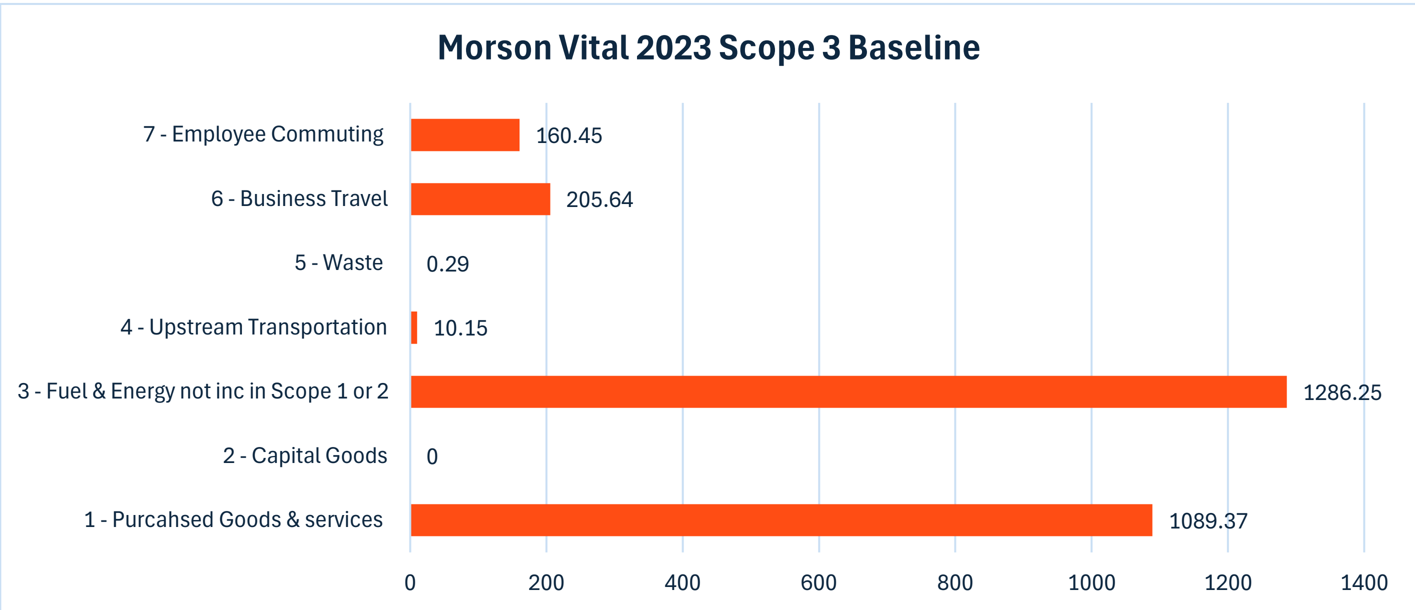
Vital is the largest contributor in the group for Scope 1 emissions, this is due to their high fleet emissions profile, and whilst the car fleet has been predominately successfully transitioned to hybrid or electric vehicles due to the nature of work on the rail, the commercial fleet faces significant challenges in transitioning to hybrid / electric vehicles resulting in the roadmap for this being extended to 2030 the team is constantly reviewing what is available on the market to accelerate this process.

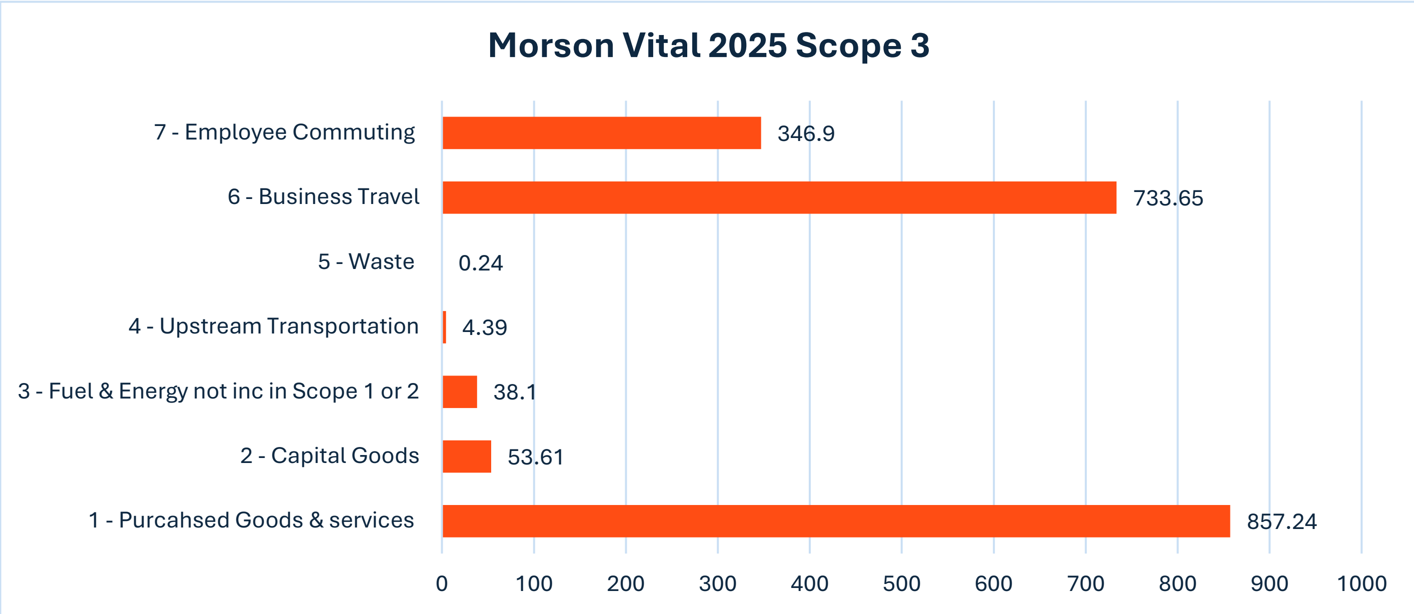





Morson Vital 2023 Baseline tonnes Co2e
6,000.00
5,000.00
4,000.00
3,000.00
2,000.00
1,000.00
0.00
5,281.52
80.48
2,752.16
Scope 1
Scope 2
Scope 3


Morson Vital 2025 tonnes Co2e
4,500.00
4,000.00
3,500.00
3,000.00
2,500.00
2,000.00
1,500.00
1,000.00
500.00
0.00
4,241.09
77.77
2,034.13
Scope 1
Scope 2
Scope 3


Morson Vital 2023 Scope 3 Baseline
7 - Employee Commuting
6 - Business Travel
5 - Waste
4 - Upstream Transportation
3 - Fuel & Energy not inc in Scope 1 or 2
2 - Capital Goods
1 - Purcahsed Goods & services
160.45
205.64
0.29
10.15
1286.25
0
1089.37
0
200
400
600
800
1000
1200
1400



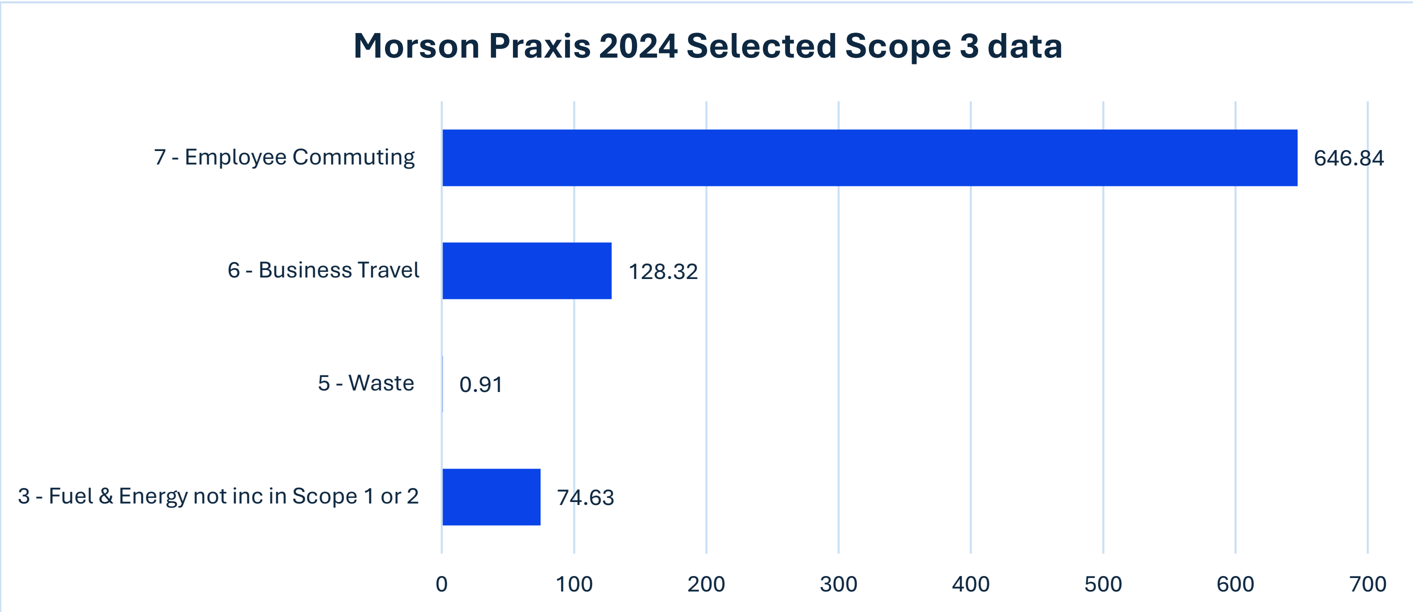
Morson Praxis

- *Alignment with Group Net Zero commitment*
- *Reduction actions embedded in operational control*

The emissions data presented currently includes Scope 1, Scope 2 and selected Scope 3 categories (3, 5, 6 and 7), based on the data available at the time of reporting.

We are continuing to develop our Scope 3 data collection and methodology and intend to expand coverage in the next reporting year to provide a more complete view of value chain emissions.


Morson Praxis 2025 tonnes Co2e
1,000.00
900.00
800.00
700.00
600.00
500.00
400.00
300.00
200.00
100.00
0.00
75.79
158.92
863.67
Scope 1
Scope 2
Scope 3


Morson Praxis 2024 Selected Scope 3 data
7 - Employee Commuting
646.84
6 - Business Travel
128.32
5 - Waste
0.91
3 - Fuel & Energy not inc in Scope 1 or 2
74.63
0
100
200
300
400
500
600
700


Morson Praxis 2025 Selected Scope 3 data
7 - Employee Commuting
689.14
6 - Business Travel
106.13
5 - Waste
0.44
3 - Fuel & Energy not inc in Scope 1 or 2
67.95
0
100
200
300
400
500
600
700
800

Morson Nexus

- *Newly established business unit*
- *Data capture process under development*
- *Full integration into Group reporting cycle by the next reporting year*

13.Climate and ESG Risk Management

Morson Group recognises that climate change presents interconnected strategic, operational, regulatory, reputational and financial risks, as well as opportunities for long-term value creation. These risks are managed through the Group's existing risk management framework and aligned with the principles of the UK Climate-Related Financial Disclosure regulations and the Task Force on Climate-related Financial Disclosures (TCFD).

14.Risk Identification and Governance

Climate-related risks and opportunities are identified through, Group and business-unit risk registers, Regular HSQE Committee reviews, Stakeholder and client engagement, External regulatory and market monitoring
Risks are assessed across short-, medium- and long-term horizons and reviewed by senior management and the Board as part of the Group's overall risk governance processes.

15.Key Climate-Related Risks

Physical Risks

Acute and chronic physical risks, including extreme weather events, have the potential to disrupt offices, supply chains and service delivery. These risks are mitigated through business continuity planning, flexible working arrangements, and resilient IT infrastructure.

Transition Risks

Transition risks arise from changes in policy, regulation, technology and market expectations as the economy decarbonises. Key transition risks for the Group include increased reporting requirements, fleet transition costs, and evolving client sustainability expectations.

Reputational and Financial Risks

Failure to meet stakeholder expectations on sustainability performance could impact client relationships, tender outcomes, and access to capital. These risks are mitigated through transparent reporting, credible target-setting, and continuous performance improvement.

16.Opportunities

The transition to a low-carbon economy also presents opportunities for Morson Group, including:

- *Improved resource efficiency and cost control*
- *Enhanced alignment with client net-zero ambitions*
- *Growth in climate-related and low-carbon markets*
- *Strengthened employer brand and talent attraction*

17.Monitoring, Performance and Review

Progress against carbon reduction targets is monitored through a structured performance management framework.

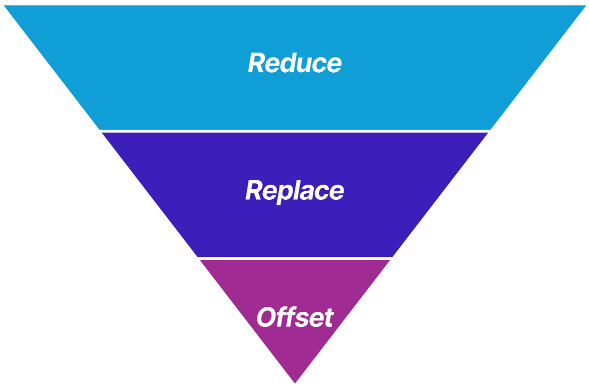
Key elements include

- *Annual measurement of Scope 1, 2 and relevant Scope 3*
- *Tracking of emissions intensity matrix*
- *Regular review of fleet composition and energy procurement*

Performance is reviewed by senior management and the Board, with actions adjusted as required to respond to operational changes, data improvements, or emerging risks.

18.Offsetting and residual emissions

Morson Group's primary focus is on reducing emissions at source. SBU's will individually evaluate if offsetting will be considered only for residual emissions where further reduction is not currently feasible and does not replace the delivery of reduction actions.
Any offsetting activity is subject to internal review to ensure credibility and alignment with recognised standards. The Group continues to explore the potential for UK-based, nature-related initiatives while maintaining a cautious and evidence-led approach.



19.Future Development and Continuous Improvement

- *Expansion of Scope 3 coverage*
- *Improved international data capture*
- *Ongoing review of targets and pathways*

20.PPN06/21 Compliance Statement

This Carbon Reduction & Climate Transition Plan has been prepared in accordance with the requirements of Procurement Policy Note (PPN) 06/21 and associated guidance.

Greenhouse gas emissions have been calculated in line with the GHG Protocol Corporate Accounting and Reporting Standard, using appropriate UK Government greenhouse gas conversion factors. Scope 1 and Scope 2 emissions are reported in accordance with Streamlined Energy and Carbon Reporting (SECR) requirements, with relevant Scope 3 categories disclosed where material to the Group's activities.

21. Amendment Record

Issue	Amendments	Date	Issued By
1	Complete re-write and expansion of doc and conversion to group	February 2026	Josh Stodel
2	Update to 2025 figures and inclusion of some Scope 3 Praxis data	March 2026	Josh Stodel
3	Rebrand – Review March 27	June 2026	Anita Bromley

22. Document Control

	Name	Signature	Date
Author	Joshua Stodel		18/06/2026
Checked By	Katie Hancock		18/06/2026
QA Approval	Gareth Morris		18/06/2026
MG Approval	Gareth Morris		18/06/2026