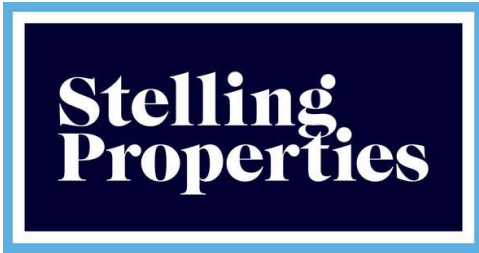




Stelling
Properties

Carbon Reduction Plan

Helping our partners deliver high quality, cost effective modular homes, quickly, safely and sustainably



Commitment to Achieving Net Zero

Stelling Properties is committed to achieving Net Zero emissions by 2035.

Climate change abatement has always been central to the company ethos through the design, manufacture and delivery of energy-efficient modular buildings. The organisation is committed to reducing operational and embodied carbon emissions across its business operations, manufacturing activities, supply chain and development projects.

The organisation has developed a structured sustainability and ESG reporting framework covering energy, embodied carbon, waste, water and transport metrics across company, factory, project and operational activities. Sustainability KPIs are monitored across business operations to support ongoing emissions reduction and environmental performance improvement.

Emissions monitoring currently includes Scope 1 and Scope 2 reporting, with ongoing development of broader Scope 3 data collection and embodied carbon assessment methodologies across the supply chain and project lifecycle.

The organisation has undertaken embodied carbon assessment studies to support carbon reduction benchmarking and low-carbon construction methodologies. This Carbon Reduction Plan has been prepared in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.



Baseline Year: 2022 - 2023

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.

Additional Details relating to the Baseline Emissions calculations

Stelling Properties is an SME undergoing significant business growth and operational development across modular manufacturing, development and delivery activities.

The organisation has implemented a structured sustainability strategy and KPI framework covering:

- energy consumption;
- embodied carbon;
- waste reduction;
- water consumption;
- transport impacts;
- supply chain monitoring;
- and operational environmental performance.

The baseline year has been established using available operational data across business activities and manufacturing operations.

Scope 3 emissions for the baseline year were not fully available due to organisational restructuring, changes to reporting methodology and ongoing development of emissions data collection processes. Scope 3 reporting has since been incorporated into subsequent reporting years and continues to be expanded as part of the organisation's sustainability reporting framework.

The organisation internally manages sustainability reporting and carbon reduction initiatives using structured environmental KPI monitoring and carbon reduction planning processes.

The business continues to enhance data granularity and reporting capability in line with GHG Protocol principles and Net Zero reporting requirements.

Reporting

Baseline Year Emissions: 2022–2023



Emissions	Total (tCO ₂ e)
Scope 1	30.82
Scope 2	0
Scope 3 (Included Sources)	Not fully reported for baseline year
Total Emissions	30.82

Current Emissions Reporting: 2023–2024



Emissions	Total (tCO ₂ e)
Scope 1	0.42
Scope 2	0
Scope 3 (Included Sources)	3.13
Total Emissions	3.55

Emissions Methodology

Scope 1 emissions relate primarily to operational business activities and transport-related emissions. Scope 2 emissions are based on manufacturing energy consumption associated with electricity usage supplied through low or zero carbon energy tariffs. Scope 3 emissions include selected operational and project-related emissions associated with site-based power consumption, factory activities and wider operational impacts.

Emissions data and sustainability performance indicators are monitored using a structured KPI framework covering:

- energy;
- embodied carbon;
- transport;
- water;
- waste;
- supply chain impacts;
- and operational performance metrics.

The organisation continues to improve reporting maturity and Scope 3 coverage through enhanced supply chain engagement, embodied carbon assessment and operational data collection.

Emissions Reductions Targets

In order to continue progress towards achieving Net Zero by 2035, Stelling Properties has adopted the following carbon reduction objectives and targets:

All non-serviced offices supplied via 100% green energy tariffs;
Transition of company vehicle fleet towards electric and hybrid vehicles;
Elimination of corporate flights where operationally feasible;
Increased local sourcing of materials and supply chain optimisation;
Zero waste to landfill objectives for manufacturing operations;
Ongoing reduction of operational and embodied carbon emissions across projects and manufacturing activities.

The organisation projects that carbon emissions will decrease over the next five years through the implementation of operational improvements, enhanced reporting capability, renewable energy integration and supply chain carbon reduction initiatives.

Sustainability KPIs are monitored across:

energy;
embodied carbon;
transport;
waste;
water;
and supply chain emissions.

The organisation continues to develop a structured sustainability roadmap incorporating:

energy reduction targets;
embodied carbon monitoring;
waste reduction;
responsible procurement;
renewable energy use;
supply chain emissions monitoring;
and Net Zero aligned modular product development.



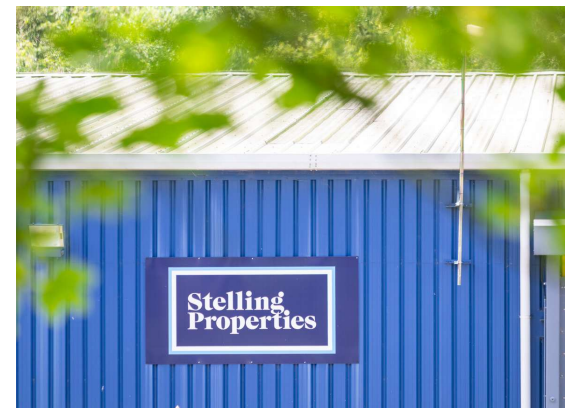
Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the baseline year:

- Full ISO 14001 certification implemented;
- Construct Zero Business Champion appointment;
- Plastic recycling and baling process implemented to support circular economy objectives;
- Increased use of renewable electricity across developments and manufacturing activities;
- Off-site modular manufacturing processes implemented to reduce waste, site traffic movements and construction impacts;
- Low energy building design principles incorporated into modular developments;
- Fabric-first energy reduction strategies integrated into product development;
- LED lighting and low-energy systems implemented across projects;
- Renewable energy generation and low carbon technology integrated into project designs.

The organisation has also undertaken embodied carbon assessment studies comparing modular and traditional construction approaches, identifying approximately 10% lower emissions through modular delivery methodologies.

Net Zero design principles have been incorporated into modular product development, including enhanced building fabric performance, reduced operational energy demand and renewable energy integration. The organisation has implemented sustainability and environmental KPI monitoring covering energy, waste, embodied carbon, transport and operational performance metrics across business operations.



Future Carbon Reduction Initiatives

Future carbon reduction initiatives include:

- Continued transition towards Net Zero operations by 2035;
- Further development of Scope 3 emissions reporting capability;
- Expansion of embodied carbon assessment and lifecycle analysis activities;
- Increased use of renewable energy generation and procurement;
- Enhanced responsible sourcing and supply chain verification;
- Expanded environmental KPI reporting and data management systems;
- Ongoing reduction in operational energy demand through improved product performance;
- Enhanced waste reduction and circular economy initiatives;
- Further electrification of operational transport activities;
- Continued implementation of low carbon modular construction methodologies.

The organisation is continuing to develop a holistic sustainability strategy focused on:

- environmental performance;
- carbon reduction;
- energy efficiency;
- responsible procurement;
- operational resilience;
- and long-term Net Zero delivery.

Procurement and supply chain monitoring processes are being enhanced to support cradle-to-site and cradle-to-grave embodied carbon assessment and responsible sourcing verification.



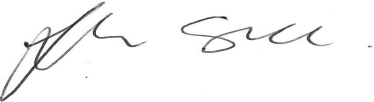
Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

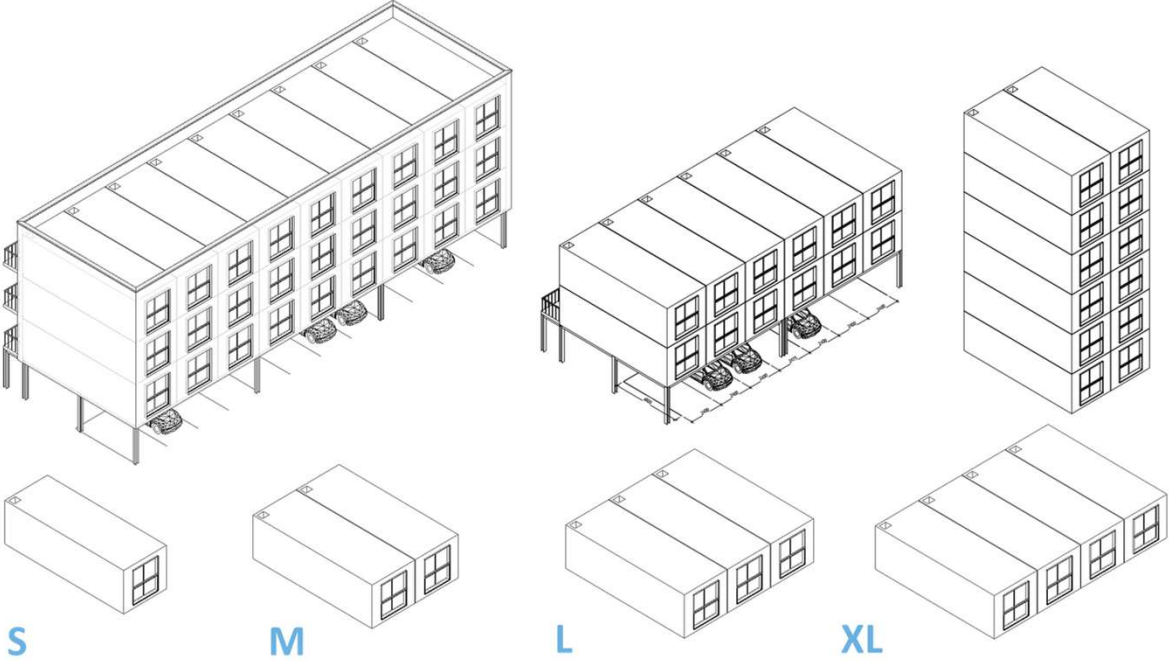
Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and use the appropriate Government emission conversion factors for greenhouse gas company reporting.

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 has been reviewed and signed off by the Board of Directors.



John Bell
Group Managing Director
May 2026



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