

Carbon Reduction Plan

Supplier name: **MGL Group**

Publication date: 20/04/2026

Commitment to achieving Net Zero

MGL Group is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Baseline emissions are a record of greenhouse gases produced in the past, prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019-20	
Additional Details relating to the Baseline Emissions calculations.	
<p>In March 2022, MGL asked SmartCarbon to provide an outline proposal to review MGL Group's current carbon emissions reports and develop a broader reporting initiative to recognise the carbon emissions across all MGL business activities.</p> <p>We required specialist carbon emissions consultancy support to review existing reporting, establish a new comprehensive baseline report for the group, and develop processes and procedures to allow us to calculate and report group carbon emissions continuously.</p> <p>We adopted the SmartCarbon 3-Step climate change programme to enable the business to move from the point of commitment to learning more about how we create emissions, calculating and reporting our current emissions, and ultimately implementing plans to reduce our impact.</p> <p>The reporting was done in accordance with the Greenhouse Gas Protocol corporate accounting and reporting standard, using UK conversion factors and the ONS dataset.</p>	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	11,667
Scope 2	648
Scope 3 (Included Sources)	13,493 Purchased Goods & Services – 6,672 Capital Goods – 1,376 Fuel & Energy related activities – 2,695

	Upstream Transportation & Distribution - 964 Waste generated in operations – 1,370 Business Travel - 52 Employee Commute - 122 Downstream Transportation - 242
Total Emissions	25,808

Current Emissions Reporting

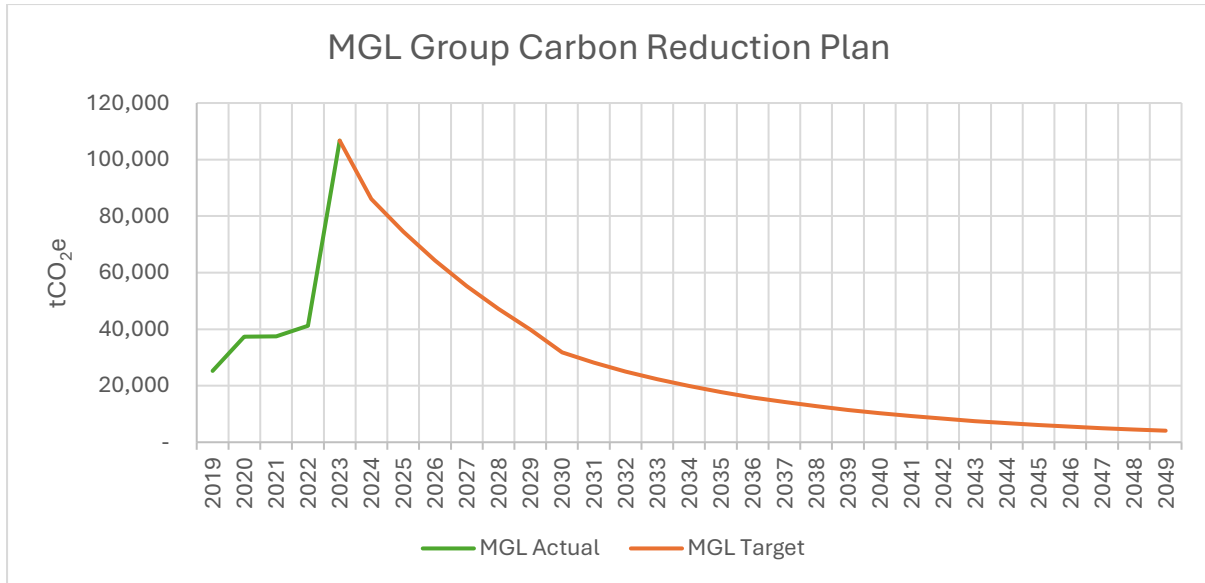
Reporting Year: 2024-2025	
EMISSIONS	TOTAL (tCO_{2e})
Scope 1	15,483
Scope 2	558
Scope 3 (Included Sources)	90,652 Purchased Goods & Services – 70,264.29 Capital Goods – 6,538.60 Fuel & Energy related activities – 3,670.46 Upstream Transportation & Distribution – 494.36 Waste generated in operations – 8,998.44 Business Travel – 77.12 Employee Commute – 70.86 Downstream Transportation – 177.42
Total Emissions	106,692

Emissions reduction targets

We have adopted the following carbon reduction targets to continue our progress toward achieving Net Zero.

We project that carbon emissions will decrease over the next five years to 59,535 tCO_{2e} by 2029. This is a 55.8% reduction.

Progress against these targets can be seen in the graph below:



MGL Group aims to reduce emissions by 90% and offset the remaining 10% to achieve Net Zero by 2050.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019-20 baseline. Resulting in 48% reduction in Scope 1&2 emissions intensity per million pounds of turnover. This means that despite business growth, MGL Group has become more efficient across the activities it controls, i.e., Scope 1 & 2.

Carbon emissions increased in absolute terms due to business growth since the baseline. However, the most recent increase is due to a change in the spending base.

Many initiatives we have implemented were started/piloted in previous years and have since been scaled up and integrated into our core operations. This reflects that MGL Group takes innovation seriously as a core part of our business strategy and is always looking for new opportunities to help us decarbonise our activities. These efforts are part of our strategy to achieve a net-zero position across organisational activity.

Alongside the net-zero objectives, we have seen a significant reduction in CO₂e emissions across various activities. These were achieved through various solutions backed up by robust data*, including the following:

1. Net Zero Asphalt Projects

- **Partnerships:** Collaborated with Durham County Council (DCC) and Low Carbon Materials (LCM).
- **Scale of Delivery:** Delivered 8,181 tonnes of asphalt across 72 schemes in 2025.
- **Carbon Savings:** Achieved a 37.7% reduction in embodied carbon (169.7 tCO₂e saved) through warm-mix technology and Plastipave®, with the remaining 280.2 tCO₂e permanently sequestered by ACLA® pellets. To date, Net Zero asphalt schemes have removed 349,524 kgCO₂e.

2. Heavy Goods Vehicles (HGVs) Fleet Initiatives

- **SulNOxEco™ Diesel Conditioner:** Transitioned from a trial to fleet-wide rollout, delivering verified 5.74% efficiency gains. This saved 65,570 litres of diesel, reduced PM2.5 emissions by 60%, saved over £60,339 in 2025, and cut annual emissions by 208.5 tCO₂e.
- **Fleet Upgrades:** Invested in over 60 new assets, including Stage V engines and hybrid excavators.
- **Fleet Management System:** Telematics system monitors vehicle speed, idling, and acceleration to improve routing efficiency and reduce emissions.

3. Electric Vehicles (EVs)

- **EV Charging Points:** Installed at Durham Head Office and Newburn business premises to support rapid electric LCV and staff vehicle expansion.
- **Fleet Expansion:** 10 fully electric vehicles are currently in the company car and van fleet.

4. Waste Management and Circular Economy

- **Soil Wash Plant:** Commissioned an advanced, all-electric 160 t/h plant following a £17.8m capital investment. It diverts complex C&D waste from landfill, recovering 90% of process water and producing BS EN-certified recycled materials. It has an annual capacity of 1.152 million tonnes (a potential CO₂e reduction of 193,536 tonnes per year).
- **Landfill Diversion:** Diverted over 1,000,000 tonnes of waste from landfill since 2017, achieving a >95% diversion rate for C&D waste.
- **Recycled Asphalt Planings (RAP) & Additives:** Utilised RAP and LowTherm additives in asphalt production to reduce virgin aggregate reliance and lower energy consumption.

5. Energy Performance Enhancements

- **Net Zero Asphalt Projects:** Significant contributions to climate change mitigation.
- **Low-Carbon Materials:** Use of ACLA to produce net-zero binder course asphalt.

6. Carbon Measurement and Reporting

- **SmartCarbon & ISO 14001:** Utilised for accurate weekly calculation and reporting of Scope 1, 2, and 3 emissions.
- **Life Cycle Assessment (LCA):** Conducted site-specific LCAs to evaluate environmental impacts rather than relying on generic ICE benchmarks, guiding strategic material selection.

7. Material Selection and Embodied Carbon

- **Circular Economy Principles:** Used waste plastic and tyre granules as fillers, developing the Plastipave® innovation which delivers 10-32% carbon savings per scheme compared to ICE benchmarks
- Used Reclaimed Asphalt Pavement (RAP).

8. Likely/proposed future carbon reduction projects

- Likely/proposed future carbon reduction projects are currently being investigated to understand the feasibility of the proposed schemes; however, this may include the following:
 - On-site renewable energy – wind/solar.
 - Plans to expand Net Zero Asphalt projects across a more significant proportion of the Council's Highways programme.
 - Expanding the current fleet of EV vehicles for Business travel and employee commute.
 - Installation of a concrete block facility to enable manufacturing using recycled materials.
 - Supply chain decarbonisation and changes in supply chain reporting methodology.
 - **2026 End-of-Waste Programme:** Reclassifying filter cake (fine residues from the wash plant) as an engineering material to unlock further reductions in waste volumes and eliminate the need for carbon-intensive virgin clay

These initiatives demonstrate MGL Group's commitment to sustainability and reducing carbon emissions through innovative practices and strategic partnerships.

*Research data provided by MGL Group's Carbon Consultant (SmartCarbon).

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 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.¹ and use the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions has been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.³

¹<https://ghgprotocol.org/corporate-standard>

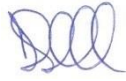
²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³<https://ghgprotocol.org/standards/scope-3-standard>

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

David Elliott – Chief Executive

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Mark Davison - Chief Executive

A handwritten signature in blue ink, appearing to be 'M Davison', written in a cursive style.

Date: 20/04/2026