Navantia UK's Net Zero Commitment

Navantia UK has developed a Carbon Reduction Plan with clear targets:

- Achieving Net Zero Scope 1 and Scope 2 emissions by 2040, 10 years ahead of the UK's economy-wide target.
- Achieving Net Zero Scope 3 emissions by 2050.
- Support the UK Government's legally binding target to achieve economy-wide Net Zero by 2050 under the Climate Change Act 2008.

This Carbon Reduction Plan has been developed in accordance with UK Government PPN 006 (previously PPN 06/21). It sets out Scope 1, Scope 2 and relevant Scope 3 emissions, interim reduction targets and the initiatives supporting delivery.

The plan links baseline emissions to interim targets, delivery actions and Board oversight. Progress will be assessed through the governance and monitoring arrangements set out below.

Baseline Emissions Footprint

The plan uses 2025 as its baseline year, following the acquisition of Harland & Wolff.

2025 Baseline Emissions

Emission Source	Annual Emissions (tCO_2e)
Scope 1	500
Scope 2	715
Scope 3	1,351
Total	2,566

Scope 3 Categories

The Scope 3 breakdown below identifies the activities included in the reported baseline and reduction pathway.

Category	Annual Emissions (tCO_2e)
Business Travel	219
Employee Commuting	1,104
Water Purification	13
Waste Water (liquid waste)	11
Waste Solid	4
Upstream Logistics	0
Downstream Logistics	0
Total	1,351

These categories form the Scope 3 reporting coverage presented in this plan and reflect categories reported in government Carbon Reduction Plans.

Carbon Reduction Targets

Scope 1 & 2 Reduction Pathway

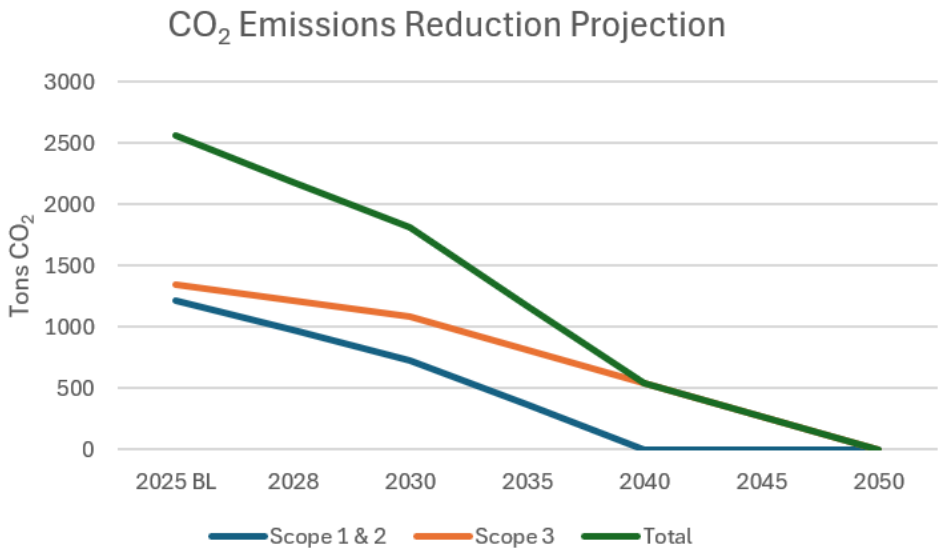
Navantia UK's Scope 1 and Scope 2 pathway targets Net Zero by 2040 against a combined 2025 baseline of 1,215 tCO_2e. The table below give the year, target emissions in tCO_2e and percentage reduction from baseline that allows Navantia UK to achieve its target of Scope 1 & 2 Net Zero by 2040.

Year	Target emissions in tCO_2e	Percentage reduction from baseline.
2028	972	20%
2030	729	40%
2035	364	70%
2040	0	100%

Scope 3 Reduction Pathway

Navantia UK's Scope 3 pathway targets Net Zero by 2050 against a 2025 baseline of 1,351 tCO_2e. The table below give the year, target emissions in tCO_2e and percentage reduction from baseline that allows Navantia UK to achieve its target of Scope 3 Net Zero by 2050.

Year	Target emissions in tCO_2e	Percentage reduction from baseline.
2030	1,081	20%
2035	811	40%
2040	541	60%
2045	270	80%
2050	0	100%



Carbon Reduction Strategy

Scope 1 Emissions Reduction (500 tCO_2e)

Fleet Decarbonisation

Actions:

- Transition the entire diesel and petrol company vehicle fleet to electric vehicles (EVs).
- Install workplace EV charging infrastructure to support fleet electrification.
- Introduce eco-driving programmes to support more efficient vehicle use.

Target Reduction:

- Reduce Scope 1 emissions by 60% by 2035.
- Replace 100% of the fossil fuel fleet by 2040.

Building Heating Transition

Actions:

- Replace oil-fired heating systems with air-source or ground-source heat pumps.
- Upgrade building insulation and building management systems.

Target Reduction:

- Eliminate fossil fuel heating by 2038.

Scope 2 Emissions Reduction (715 tCO_2e)

Renewable Electricity Procurement

Actions:

- Transition all sites to 100% renewable electricity tariffs backed by Renewable Energy Guarantees of Origin (REGOs).

Target:

- Reduce purchased electricity emissions by 90% by 2030.

Progress to Date

- In 2026, Navantia UK transitioned all operational yard electricity supplies to certified renewable electricity contracts. The plan reports a significant reduction in market-based Scope 2 emissions, supporting delivery of the 2030 electricity emissions target.
- The Bristol office already sources 100% certified renewable electricity.

Energy Efficiency Programme

Actions:

- Upgrade lighting to LED technology.
- Deploy smart metering across all facilities.
- Optimise heating, ventilation and air conditioning (HVAC) systems.
- Apply energy-efficiency standards to equipment procurement.

Target:

- Reduce electricity consumption by 20% by 2030.

Progress to Date

- In 2026, Navantia UK initiated a capital expenditure programme to replace existing filament lighting at the Appledore yard with LED lighting.

Scope 3 Reduction Strategy (1,351 tCO_2e)

Employee Commuting

Actions:

- Expand hybrid working arrangements.
- Provide an electric vehicle salary sacrifice scheme.
- Install workplace EV charging infrastructure to support full fleet electrification and employee uptake of low-emission vehicles.
- Offer incentives for public transport use.
- Provide a car-sharing platform.

Progress to Date

- In 2026, Navantia UK launched a cycle-to-work programme.

Target:

- Reduce employee commuting emissions by 50% by 2040.

Business Travel

Actions:

- Prioritise virtual meetings to reduce business travel demand.
- Prioritise rail travel for UK business journeys.
- Apply an internal carbon tax to flights to fund emissions offsetting.

Target:

- Reduce business travel emissions by 60% by 2035.
- Reduce business travel emissions by 90% by 2050.

Solid Waste

Actions:

- Achieve zero waste to landfill from 2027.
- Strengthen waste segregation and recycling practices.
- Embed circular economy principles in procurement.
- Reduce packaging waste across operations.

Target:

- Reduce waste-related emissions by 70% by 2040.

Wastewater / Liquid Waste

Actions:

- Conduct water efficiency audits.
- Implement a leak detection and repair programme.
- Introduce water reuse and rainwater harvesting where feasible.
- Work with treatment providers using low-carbon processes.

Target:

- 50% reduction in wastewater emissions by 2040

Governance and Management

Accountability

The Navantia UK Executive Committee will retain overall responsibility for delivery of this Carbon Reduction Plan. Oversight will be provided through:

- Annual Board review.
- Quarterly sustainability performance reporting.
- Annual carbon footprint verification.
- Publication of emissions data and progress against targets.
- The Board of Directors will review carbon reduction performance annually, supported by quarterly management reports detailing emissions performance, delivery of reduction initiatives and progress against interim target

Monitoring

Performance will be measured using:

- Annual Scope 1, 2 and 3 GHG inventory.
- Energy consumption (kWh).
- Fleet fuel consumption.
- Business travel mileage.
- Employee commuting surveys.
- Waste and water management data.
- Residual Emissions and Offsetting

Navantia UK will prioritise absolute emissions reduction before offsetting. Any residual emissions remaining after all practical reduction measures have been implemented will be neutralised through independently verified carbon removal projects. Offsetting will be limited to:

- Residual Scope 1 and Scope 2 emissions after 2040.
- Residual Scope 3 emissions after 2050.

Declaration and Sign-Off

- This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standards for Carbon Reduction Plans.
- Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the operational control approach of the Greenhouse Gas Protocol.
- This Carbon Reduction Plan has been reviewed and approved by a member of the Navantia UK Board of Directors.
- This Carbon Reduction Plan has been approved by the Navantia UK Executive Committee. The Board of Directors provides oversight of the Plan and will review progress against it annually
- Signed on behalf of Navantia UK:

Name: Donato

Position: Navantia UK Chief Executive Officer and member of Navantia UK Board of Directors

Digitally Signed

Donato Martinez

Digitally signed by Donato Martinez
Date: 2026.11.18 17:27:03 Z