



Carbon Reduction Plan

Reporting period: 01 April 2025 – 31 March 2026

Introduction

ATC Control Systems Ltd is committed to achieving Net Zero for all its UK operations by 2050, aligning with the UK guidelines for net zero by 2050. This Carbon Reduction Plan (CRP) provides a comprehensive overview of our greenhouse gas (GHG) emissions and outlines our strategy, mechanisms, and initiatives for ensuring sustainable processes designed to reduce environmental, economic, and social impact. This report is developed in accordance with the NHS Net Zero Supplier Roadmap requirements and timescales, and with the carbon reporting requirements of Procurement Policy Note PPN 006 (October 2025).

This year's plan represents a full re-baseline of our carbon footprint: for the first time it measures and reports all upstream Scope 3 categories 1 to 8, as required by PPN 006. The 2025/26 figures therefore establish a new baseline and are not directly comparable with those reported in previous years: the reasons for this are explained in full in the Re-baseline section below.

This Carbon Reduction Plan document will be publicly available on the ATC Systems Ltd website at www.atc-systems-ltd.com to ensure transparency and accountability to our stakeholders.

Organisational and Geographical Boundaries

This Carbon Reduction Plan (CRP) covers all operations of ATC Systems Ltd within the United Kingdom. This encompasses our head office and manufacturing plant in Belfast, Northern Ireland, and all company-owned vehicles used for business operations, including engineer travel. It also includes business travel undertaken by staff using personal vehicles where mileage allowance is reimbursed.

From the 2025/26 reporting period, the boundary has been widened to capture the full upstream value chain — purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste, business travel, employee commuting and upstream leased assets — corresponding to Scope 3 categories 1 to 8.

Environmental Reporting Methodology

ATC has employed the “tonnes of carbon dioxide equivalent per year” (tCO₂e/year) measure to estimate our greenhouse gas emissions, following the UK Government's DEFRA/BEIS GHG Conversion Factors for Company Reporting. Each activity has a specific conversion factor representing the CO₂e produced per unit, derived from scientific data standardised by bodies such as the Intergovernmental Panel on Climate Change (IPCC). Emissions are calculated as: CO₂e Emissions = Activity Data × Conversion Factor.

Illustrative conversion factors used (DEFRA/BEIS):

- Diesel (company vehicles & staff mileage): 0.251 kg CO₂e per mile.



Carbon Reduction Plan

- Onsite fuel combustion (natural gas): 0.184 kg CO₂e per kWh.
- Purchased electricity (UK grid average): 0.193 kg CO₂e per kWh.
- Purchased heating and cooling (assumed natural gas source): 0.184 kg CO₂e per kWh.

The expanded Scope 3 categories (1 to 8) have been quantified using the bidpiston carbon calculator, applying DEFRA GHG conversion factors together with recognised activity- and spend-based methods consistent with the GHG Protocol Corporate Value Chain (Scope 3) Standard.

Emissions Data

The current reporting period is 1st April 2025 – 31st March 2026, which is adopted as our new, re-baselined baseline year. The footprint is based on responses from 69 of ATC's employees, an average of 7.38 tCO₂e per employee.

Rebaselined baseline year — 2025/26

Emissions	Total (tCO ₂ e)
Scope 1 — direct emissions	13.21
Scope 2 — purchased energy	11.95
Scope 3 — indirect (value chain)	513.90
Total emissions	539.07

Re-baseline — why the figures have changed

The 2025/26 reporting period represents a full re-baseline of ATC Control Systems Ltd's carbon footprint. For the first time, this Carbon Reduction Plan measures and reports all upstream Scope 3 categories 1 to 8, in line with the requirements of Procurement Policy Note PPN 006 (October 2025). In previous years only a limited subset of Scope 3 was captured, and certain mobile-combustion emissions (business mileage and engineer travel) were reported within Scope 1.

As a result, the 2025/26 figures are not directly comparable with those reported in prior years. The increase in the reported total — from 161.74 tCO₂e in 2024/25 to 539.07 tCO₂e in 2025/26 — reflects this wider and more accurate measurement boundary, not an increase in the organisation's activity or emissions. In particular:

- Employee commuting, business/work travel and upstream leased assets are now quantified in full and, together, account for the majority of the footprint.



Carbon Reduction Plan

- Business mileage and engineer travel, previously reported under Scope 1, are now correctly classified under Scope 3 (categories 6 and 7) in line with the GHG Protocol. This is the principal reason Scope 1 has fallen from 127.36 tCO₂e to 13.21 tCO₂e.

For transparency, the figures reported in prior years — on the former, narrower boundary — are shown below. They should be read as historical context only and not compared line-for-line with the re-baselined 2025/26 figures.

Previously reported (limited Scope 3 boundary)	Scope 1	Scope 2	Scope 3	Total
2023/24 (former baseline)	128.65	10.38	24.35	163.38
2024/25	127.36	10.27	24.11	161.74

Scope 3 by category (1 to 8)

Scope 3 emissions for 2025/26 total 513.90 tCO₂e. Categories 1 to 8 (the upstream value chain now required by PPN 006) account for 496.92 tCO₂e — 96.7% of Scope 3. A small downstream element (category 9) has also been captured and is shown for completeness.

GHG Protocol Scope 3 category	tCO ₂ e	% of Scope 3
1. Purchased goods & services	1.25	0.24%
2. Capital goods	0.00	0.00%
3. Fuel- & energy-related activities	1.62	0.32%
4. Upstream transportation & distribution	0.79	0.15%
5. Waste generated in operations	87.84	17.09%
6. Business travel	178.64	34.76%
7. Employee commuting	169.14	32.91%
8. Upstream leased assets	57.64	11.22%



Carbon Reduction Plan

GHG Protocol Scope 3 category	tCO ₂ e	% of Scope 3
Subtotal — categories 1 to 8	496.92	96.70%
9. Downstream transportation & distribution	16.97	3.30%
Total Scope 3	513.90	100%

Scope 3 — detailed breakdown

The full line-item breakdown underlying the category totals above is set out below.

Scope 3 line item	tCO ₂ e
3.1 Purchased Goods & Services	1.25
3.2.1 Capital Goods – equipment	0.00
3.2.2 Capital Goods – construction	0.00
3.3 Fuel & Energy-Related Activities	1.62
3.4 Upstream Transportation & Distribution	0.79
3.5.1 Waste Generated in Operations – Landfill	0.00
3.5.2 Waste Generated in Operations – Recycled	87.84
3.6.1 Business Travel – Air (Short Haul)	5.57
3.6.2 Business Travel – Air (Long Haul)	0.66
3.7.1 Employee Commuting – Own Vehicles	167.47
3.7.1 Employee Commuting – Public Transport	1.51
3.7.2 Employee Work Travel – Own Vehicles	170.90



Carbon Reduction Plan

Scope 3 line item	tCO ₂ e
3.7.2 Employee Work Travel – Public Transport	0.66
3.7.3 Hotel Nights	0.85
3.7.4 Home Working	0.16
3.8 Upstream Leased Assets	57.64
3.9 Downstream Transportation & Distribution	16.97
Total Scope 3	513.90

Emissions Reduction Targets

With 2025/26 now established as our re-baselined baseline year, all future reduction targets and progress will be measured against a total of 539.07 tCO₂e. In order to continue our progress towards net zero, we project that emissions will decrease over the next five years to approximately 512.11 tCO₂e by 2031 — a reduction of 5% against the re-baselined total.

Because the re-baseline shows that employee commuting and business/work travel represent the majority of our footprint, our reduction effort is concentrated there: transitioning company vehicles to electric and hybrid models, reducing avoidable travel, and moving to renewable energy at our sites. These initiatives target the categories that matter most and are expected to deliver reductions well beyond the headline five-year figure over the life of this plan.

Assessing Our Current Carbon Footprint

To effectively navigate our journey towards net zero by 2050, it is imperative to have a comprehensive understanding of our current carbon footprint. This section outlines our approach to assessing the greenhouse gas emissions (GHG) associated with our operations, including energy usage at our office and manufacturing plant, transportation emissions from our engineers, shipping activities and waste streams from both our office and production areas. By systematically tracking and analysing these key areas, we can identify opportunities for improvement, set realistic reduction targets and implement strategies that align with our sustainability goals. This assessment serves as the foundation for our carbon reduction plan, ensuring that our efforts are data driven and impactful.



Carbon Reduction Plan

Energy usage tracking

- Analyse existing smart meters to examine real-time electricity usage.
- Track monthly electricity bills and record consumption in kWh.
- Identify high-consumption equipment and implement energy-saving measures.
- Monitor usage of heating and cooling systems and record monthly consumption separately.
- Record monthly fuel consumption and calculate associated emissions.

Waste streams tracking

- Conduct waste audits to identify the types and quantities of waste produced in the office and during assembly.
- Implement a waste-management system to track disposal and recycling rates.
- Establish designated recycling bins for paper, plastic and other recyclable materials, and track waste diverted from landfill.

Setting Clear Objectives

To ensure our carbon reduction efforts are both realistic and impactful, we have established a set of modest yet meaningful short-term and long-term goals. These align with the UK guidelines for net zero by 2050 and with the broader principles of the UN Sustainable Development Goals (SDGs), particularly SDG 13 (Climate Action), SDG 7 (Affordable and Clean Energy) and SDG 12 (Responsible Consumption and Production). Our plan is developed in accordance with the NHS Net Zero Supplier Roadmap requirements and timescales.

In the short term, we aim to reduce energy consumption by 5% within the next year through energy-efficient practices such as upgrading to LED lighting, optimising equipment usage and improving insulation. We also plan to decrease waste sent to landfill by 10% and increase recycling rates by 15%, supported by comprehensive waste-management systems and employee engagement.

For the long term, our goals include transitioning to 50% renewable energy sources within the next five years and achieving a 25% reduction in transportation emissions — the category the re-baseline confirms is our largest — by investing in renewable energy solutions such as solar panels and progressively replacing company vehicles with electric or hybrid models. We further aim to implement a zero-waste policy within the next decade, ensuring that all waste is either recycled or repurposed.

Engage Employees and Stakeholders

Engaging employees and stakeholders is crucial for the successful implementation of our carbon reduction plan. By fostering a culture of sustainability within our organisation, we can drive meaningful change and ensure that everyone is aligned with our goals. We will conduct regular training sessions and workshops on energy-saving techniques and provide online resources, so employees stay updated on best practice.



Carbon Reduction Plan

Offering incentives is an effective way to motivate employees to contribute we will recognise those who consistently demonstrate sustainable behaviours, such as reducing waste or using public transport. Clear, transparent communication is essential, and we will keep stakeholders informed through newsletters, reports and an annual sustainability report, alongside a dedicated section on our website where stakeholders can track our progress.

Integrated Management System & Compliance Champions

As we advance our commitment to sustainability and social responsibility, we are integrating robust environmental management practices into our existing frameworks. By incorporating ISO 14001 into our current management systems (ISO 9001 for Quality Management and ISO 45001 for Occupational Health and Safety), we create a comprehensive Integrated Management System (IMS) that streamlines operations, enhances compliance and drives continuous improvement. ISO 14001 provides a systematic approach to managing our environmental impact, ensuring that we minimise our carbon footprint and promote resource efficiency.

Future-proofing our business through an Integrated Management System ensures we remain agile and resilient in the face of evolving market demands and environmental challenges. By harmonising our management systems we reduce duplication, improve operational efficiency and foster a culture of sustainability across the organisation.

Commitment to Annual Review and Reporting

This Carbon Reduction Plan will be formally reviewed and updated annually to reflect our ongoing progress and evolving best practice. We will report our progress through published progress reports and continuous carbon emissions reporting.

Net Zero Corporate Champion

ATC Systems Ltd has appointed Craig Blair, Managing Director, as the “Supplier Net Zero Corporate Champion”. This champion is responsible for overseeing compliance with the CRP clauses and any net zero requirements in contracts. In the event of a failure to comply with clauses 8.1 and 8.2, the Approved Organisation may escalate this to the Supplier Net Zero Corporate Champion. Within ten business days of escalation, the champion will confirm in writing the steps and timescales to remedy the failure, and ATC Systems Ltd will then remedy the failure as soon as reasonably possible.

Net Zero and Social Value Champion

ATC Systems Ltd has appointed Leigh McNeill, SHEQ Executive, as the “Supplier Net Zero and Social Value Champion”. This champion is responsible for overseeing compliance with clauses 8.4 and 8.5 of Schedule 1 of the Call-off Terms and Conditions. In the event of a failure to comply with clauses 8.4 and 8.5, the Approved Organisation may escalate this to the Supplier Net Zero and Social Value Champion, who will confirm in writing within ten business days the steps and timescales to remedy the failure.



Carbon Reduction Plan

Approval

This Carbon Reduction Plan has been reviewed and approved on behalf of ATC Control Systems Ltd.

Approved by:

Name: Craig Blair

Title: Managing Director

Signature:

Date: 23/09/2026