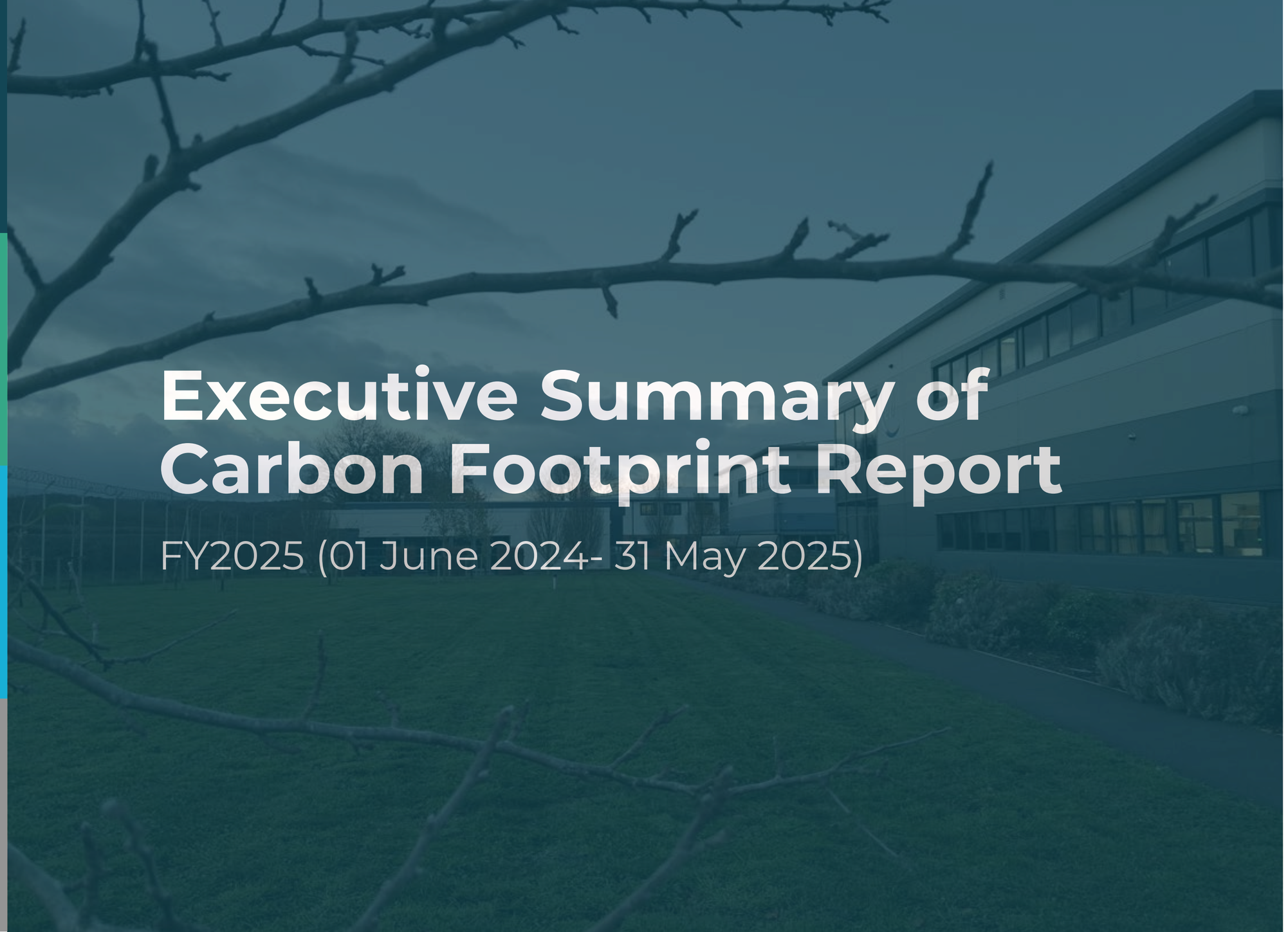


Executive Summary of Carbon Footprint Report

FY2025 (01 June 2024- 31 May 2025)

Report Highlights

Introduction

Carbon Lens Ltd *have been commissioned by ETL to carry out an annual Carbon Footprint Assessment since June 2021.*

This executive summary focuses on the FY2025 report, reviews progress and also expands on ETL's carbon reduction initiatives as set out in our Roadmap.*

**period from 1st June 2024 to 31st May 2025*

Commitment to Net Zero

ETL's Carbon Reduction Roadmap aims to reduce emissions year-on-year in line with NET Zero reduction targets. Our roadmap states a Net Zero target date of 2050 and target of a 70% reduction in CO2e emissions by 2033 (from the baseline position), with incremental targets each year and associated actions. This target has been set using the Science-Based Targets Initiative (SBTi) guidance. Key measures to achieve this include monitoring and reporting on energy use, identifying where savings can be made, increasing the overall efficiency of our operations and use of renewable energy.

As part of our Carbon Reduction Roadmap we are committed to:

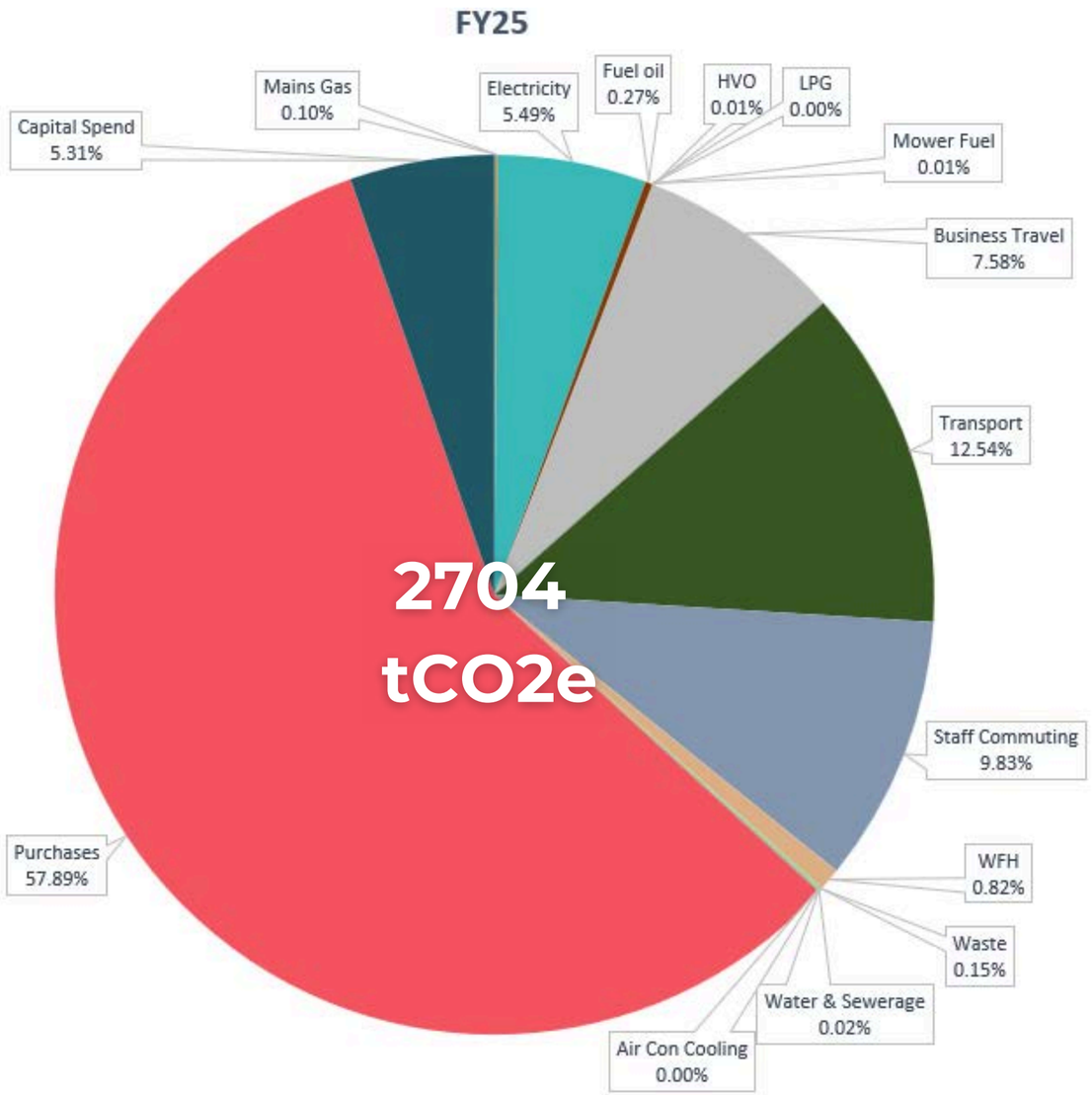
Measuring understanding, and taking steps to reduce our own greenhouse gas emissions, (Carbon Footprint).

Reducing emissions across all aspects of operations, including energy use, transport and travel, supply chain, financial investment, and waste.

Influencing stakeholders including suppliers, customers and staff to take steps to reduce emissions.

Reporting and publicising progress.

Carbon emissions aspect overview - FY25 (tCO2e)



Purchased goods and services are the highest contributors of emissions (58%), followed by **transport of product** (13%), **staff commuting** (10%)**, business travel** (8%) , **electricity** (5%) and **capital spend** (5%)

Aspect	Tonnes CO2e - Location Based FY2025				
	Total	Scope 1	Scope 2	Scope 3	%
Mains Gas	2.67	2.29	0.00	0.38	0.10%
Electricity	148.39	0.00	109.61	38.77	5.49%
Fuel oil	7.33	6.01	0.00	1.32	0.27%
HVO	0.14	0.01	0.00	0.13	0.01%
Mower Fuel	0.27	0.21	0.00	0.06	0.01%
LPG	0.00	0.00	0.00	0.00	0.00%
Business Travel	204.82	10.80	0.00	194.02	7.58%
Transport	338.95	0.00	0.00	338.95	12.54%
Staff Commuting	265.69	0.00	0.00	265.69	9.83%
WFH	22.08	0.00	0.00	22.08	0.82%
Waste	3.99	0.00	0.00	3.99	0.15%
Water & Sewerage	0.53	0.00	0.00	0.53	0.02%
Air Con Cooling	0.00	0.00	0.00	0.00	0.00%
Purchases	1,565.16	0.00	0.00	1,565.16	57.89%
Capital Spend	143.53	0.00	0.00	143.53	5.31%
Total	2,703.55	19.32	109.61	2,574.61	100%

Emissions intensity (tCO2e/£M revenue) by scope for last 4 financial years

Total emissions intensity has reduced by 19% since FY22 indicating overall improved carbon efficiency.

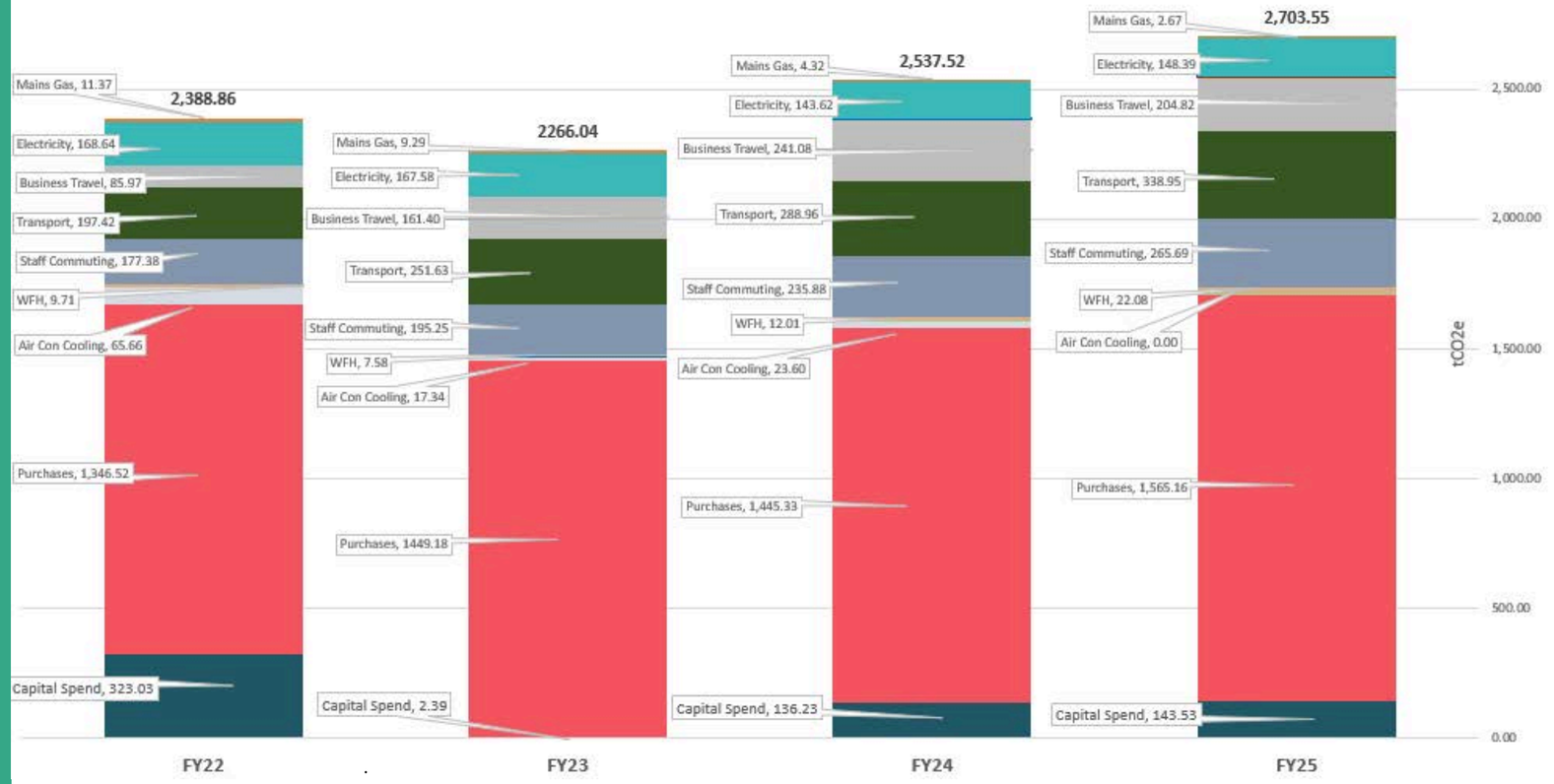
- **Scope 1 and 2** emissions intensity has reduced year-on-year; primarily as a result of significant energy emissions reduction. Electricity emissions **intensity** (across all scopes) has reduced consistently each year, dropping by 21% intensity (14% absolute) in FY24 and a further 5% intensity drop in FY25.
- **Scope 3** emissions intensity has decreased by 1% in FY25. These are indirect emissions up and down the supply chain. Purchased goods and services and capital spend account for 66% of scope 3 emissions, followed by transport of product (13%) staff commuting (10%) and business travel (8%).
- A break down of the carbon emissions from each scope is shown on the next page.

Scope 1
Direct emissions made by ETL
- *Company Facilities*
- *Company Vehicles*
- *Fugitive (e.g. fuel, oil, gas)*

Scope 2
Indirect emissions made by ETL
- *Purchased electricity*

Scope 3
Indirect emissions up and down the supply chain
- *Purchased goods and services*
- *Capital goods*
- *Fuel & energy related activities not included in Scope 1 or2*
- *Upstream transportation and distribution*
- *Waste generated in operations and water*
- *Business travel*
- *Employee commuting and working from home*
- *Upstream leased assets*
- *Dowstream transportation and distribution*

Emissions (tCO2e) by aspect for last four financial years



Most significant emissions increases in FY25

- As the business has grown over FY25, emissions have increased from the following main contributors of emissions:
  - **Purchased goods and services** and **capital spend** (63% of total emissions) - risen by 8%
    (These emissions fall into Scope 3 category)
  - **Transport of product** (13% of total emissions) - risen by 17%
    (These emissions fall into Scope 3 category)
  - **Staff commuting** (10% of total emissions) - risen by 13%
    - affected by increase in headcount as business grows
    (These emissions fall into Scope 3 category)

The most significant emissions' increases are within Scope 3 which are emissions that we are indirectly responsible for and are more difficult to control.

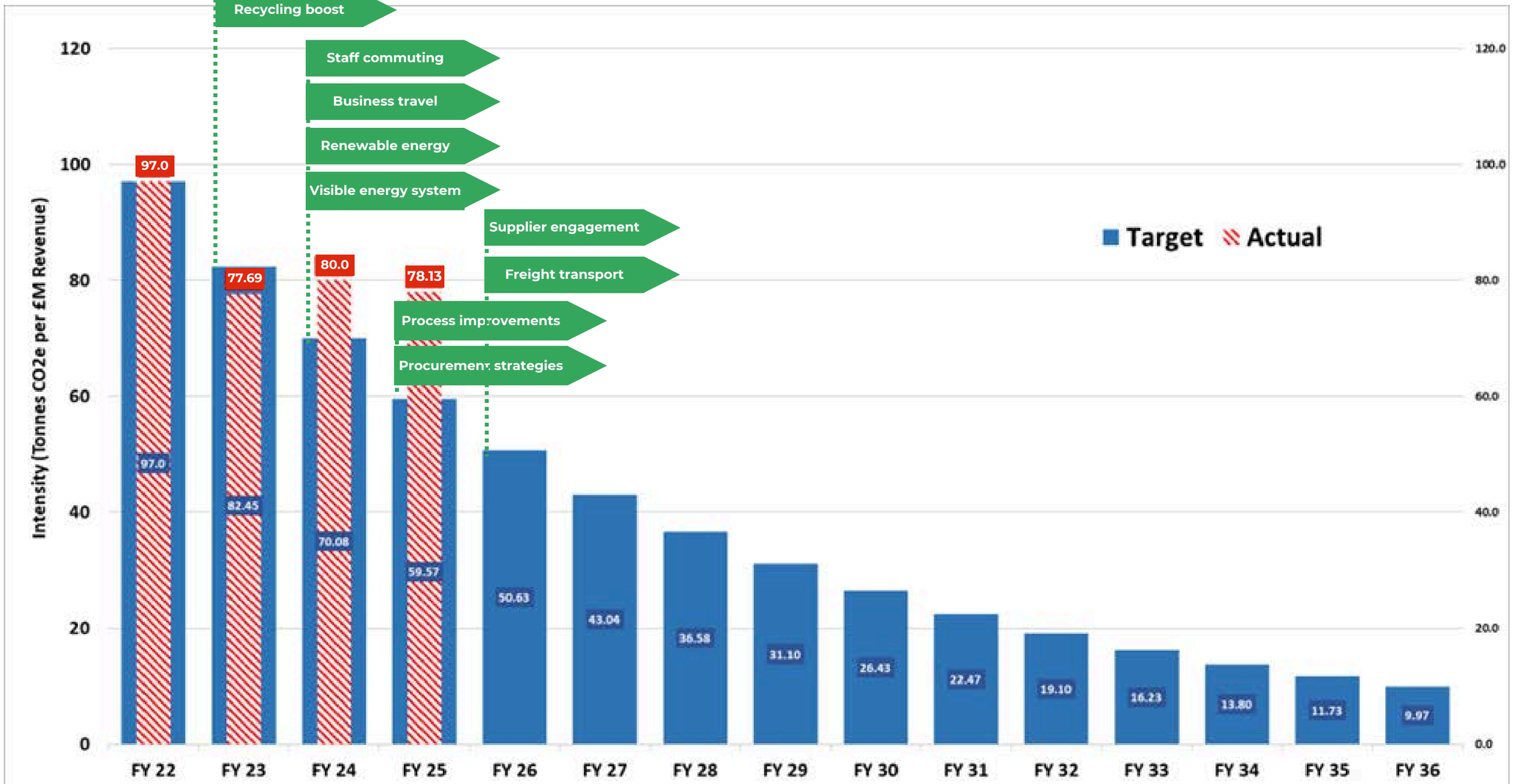
It is important to highlight that improved and more detailed data collection in FY24 and FY25 has also contributed to the rise in Scope 3 emissions.

Net zero reduction target - carbon intensity (tCO2e/£M revenue)

Scope 3 reduction actions continue to be the focus of our carbon reduction roadmap and it is anticipated that FY26 will continue the downward trend as revenue and business efficiency increase.

Key actions

- Energy Monitoring
- Solar PV expansion
- Energy Champions
- LED outside lighting
- Recycling boost
- Staff commuting
- Business travel
- Renewable energy
- Visible energy system
- Supplier engagement
- Freight transport
- Process improvements
- Procurement strategies



Carbon reduction focus actions

2023/24 actions

- Visible energy monitoring and reporting
- Renewable energy
- Recycling of soft plastic
- Green Travel Scheme
- Supplier Code of Conduct & Sustainable Procurement Policy
- New supplier on boarding and performance monitoring process launched with Risk Register

2025/26 actions

- More energy reduction measures
- maximising use of renewables with monitoring
- Increased recycling on site with support from recycling company
- Electric vehicle scheme
- Circular economy policy and implementation
- Supplier Risk Assessments
- Supplier Monitoring Process development

Analysis 1

Review of grid consumption

Location: Hereford site
Action: *Solar PV investment and visible energy monitoring system use*

- **Analysis:** Grid consumptions across four calendar years: 2022 to 2025 at our Hereford site, to see the effect of our energy saving initiatives:
  - solar PV installation (May 2023)
  - visible energy monitoring (installed January 2024).

Result

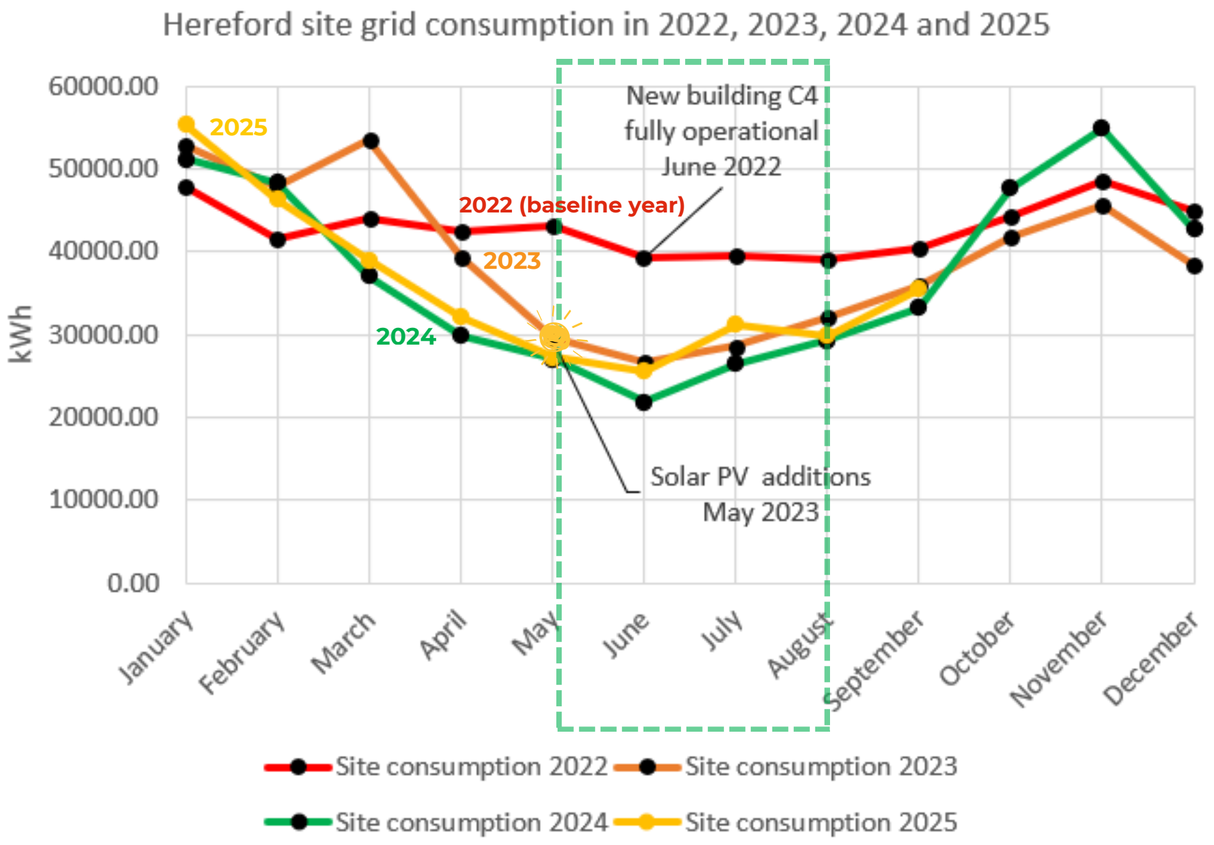
Reduction in grid electricity consumed from May to August in Hereford compared with 2022 baseline year.:

-27% 2023 vs 2022

-35% 2024 vs 2022

-29% 2025 vs 2022

up to c. **40%** self-sufficiency from solar energy generated on-site for head office operational buildings (FY24 & FY25)



Analysis 2

Review of grid consumption relative to headcount at Head office

Location: Hereford site
Action: *Solar PV investment and visible energy monitoring system use*

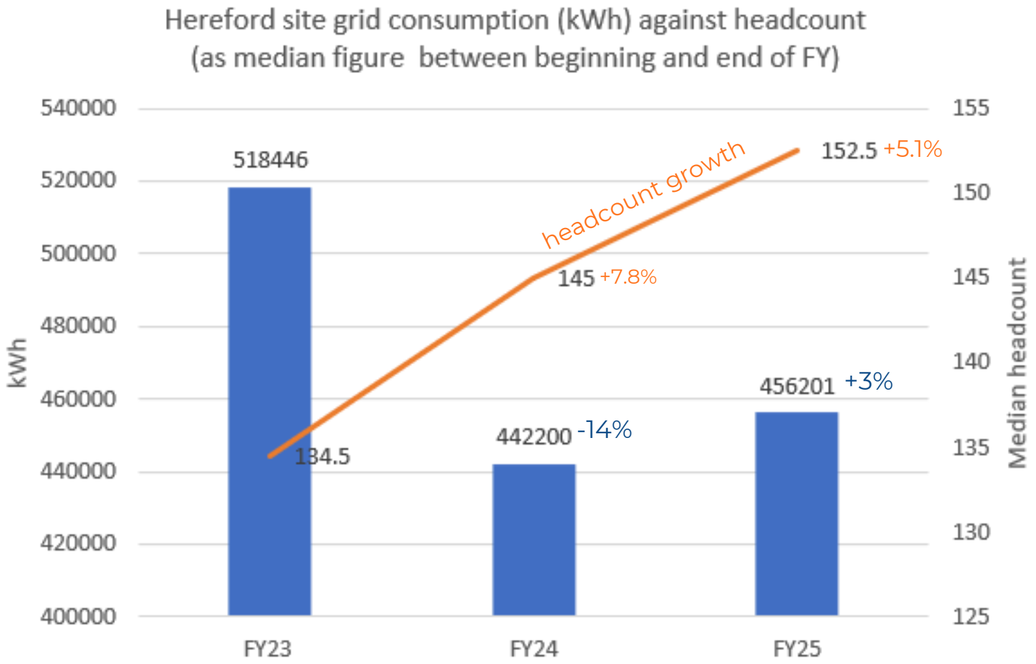
- **Analysis:** Grid consumptions across three financial years: FY23 to FY25 at our Hereford site, relative to headcount* as a way of evaluating energy efficiency.

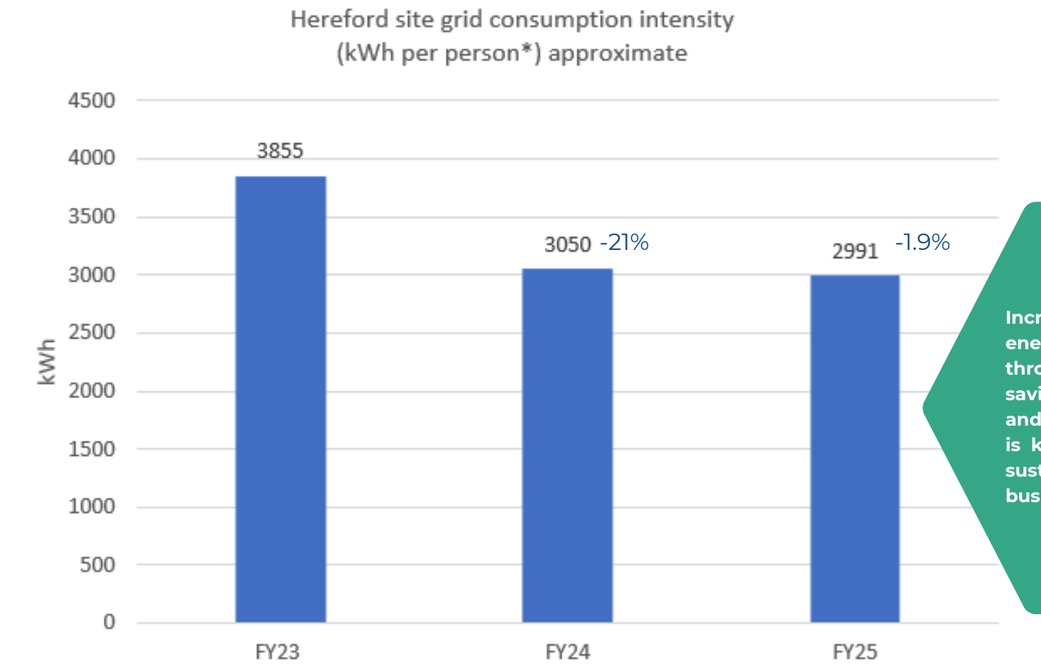
Result

After the solar PV installation in May 2023, we saw a 14% reduction in energy consumed from the grid in Hereford in FY24 compared with FY23; demonstrating the effect of the investment alongside our energy monitoring system. The slight rise of 3% in FY25 is a reflection of ETL's continued growth.

Taking into account the increase in headcount, we can see that the energy intensity (kWh per person*) has continued to reduce.

**using median of headcount between beginning and end of financial year*





Increasing our energy efficiency through energy saving measures and lean processes is key to our sustainable business growth

Analysis 3

Energy reduction monitoring on key equipment

Location: *Manufacturing site in Hereford*

Action: *Powering off the compressor (a significant energy consumer) when not needed to be in operation and monitoring the effects over a long term period.*

*Since **April 2024**, our Production Team started powering off the compressor when not needed to be in operation. This is a key item of equipment at our main production facility in Hereford.*

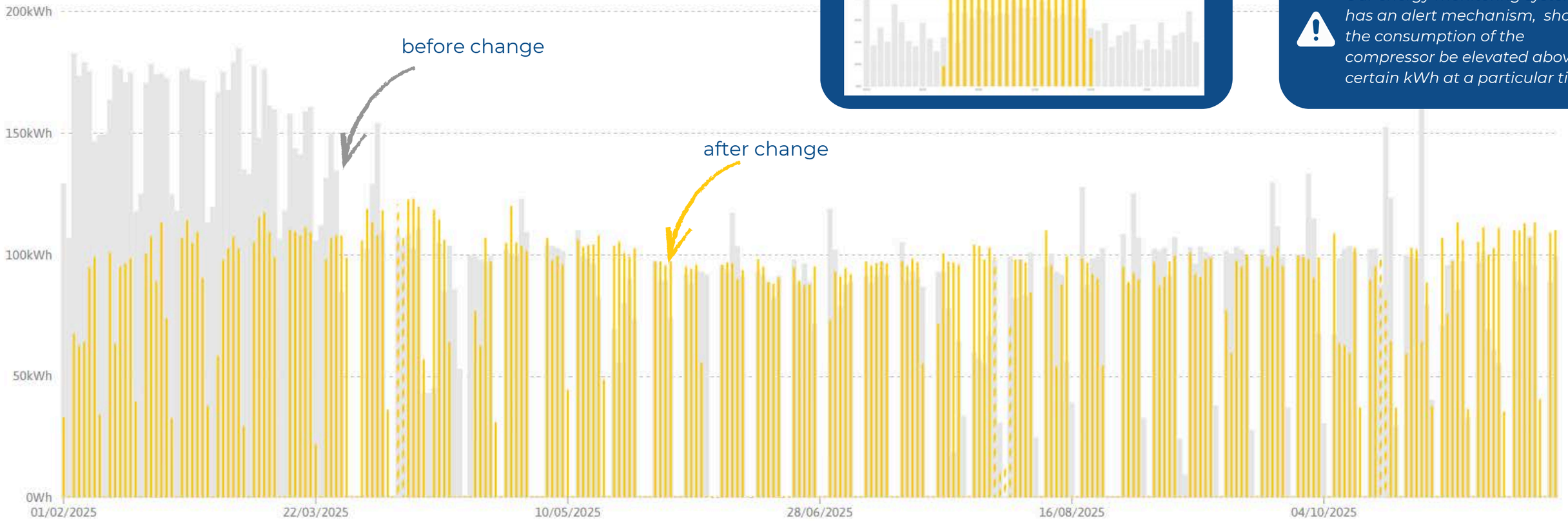
*The change was simple and the savings were significant; we identified a **54% reduction in energy consumed by the compressor across 61 days before and after the change.***

The main chart below shows how our energy monitoring system can be used to ensure that this action is continued, as energy consumption drops to almost zero over the weekend. This pattern is also shown at night on the smaller day comparison chart.

Day comparison for every half hour

Energy monitoring alerts
Our energy monitoring system has an alert mechanism, should the consumption of the compressor be elevated above a certain kWh at a particular time.

C4 compressor consumption between 1st Feb and 18 Nov 2025 Vs 2024 period



Conclusion

- **Total emissions intensity in FY25 has reduced by 19% since FY22 and by 2.3% in the last year, indicating improved overall carbon efficiency.**

- **Scope 1 and 2** emissions intensity has reduced year on year *(dropping by 36% in FY23, 15% in FY24 and 16% in FY25, for scope 1 and 2 combined). This partly the outcome of ETL's* energy reduction measures; *(at ETL's Hereford headquarters, even with a 5% headcount growth, electricity consumption (kWh) was 11.9% less in FY25 than in FY22, as a result of solar PV and the visible energy monitoring system).*

- **Scope 3** emissions intensity has decreased by 1% in FY25 after increasing by 4.3% in FY24. These are indirect emissions up and down the supply chain. Purchased goods and services and capital spend account for 66% of scope 3 emissions and 63% of total emissions. They rose by 8% in FY25, along with transport of product and staff commuting which have all increased as the business has grown.

- Scope 3 reduction actions continue to be the focus of our carbon reduction roadmap and it is anticipated that as we develop new products (such as Digital IF Technology), and as we make the business more scalable for future growth; carbon intensity emissions will reduce.

References:

*This Executive Summary has been prepared by ETL Systems Ltd and is based on the following reports issued by ***Carbon Lens Ltd**:*

- *Carbon Footprint Report for ETL Systems FY2025 Version 5 (02 March 2026)*
- *Carbon Footprint Report for ETL Systems FY2024 Version 5 (30 Jan 2025)*
- *Carbon Footprint Report for ETL Systems FY2023 Version 14 (19 Feb 2024)*
- *Carbon Footprint Report for ETL Systems FY22 Rebaseline Feb 24 V2*

**__Carbon Lens Ltd__ are a consultancy company specialising in carbon reporting and reduction: https://www.carbonlens.co.uk*

Data extent:

Data in the FY25 Carbon Footprint Report for ETL Systems is related to the following office locations:

- *Hereford headquarters, UK*
- *Hook, UK*
- *Rickmansworth, UK*
- *Herndon, USA*

Downstream Scope 3 emissions Cat 10 -14 (covering downstream use and end-of-life of products) are excluded as they were not considered to be in the scope of the carbon footprint analysis