

Carbon Reduction Plan

PPN 06/21

Supplier name: Raytheon Systems Limited

Publication date: October 2024

Commitment to achieving Net Zero

Raytheon Systems Limited (RSL) is committed to achieving net zero emissions by 2050. As part of our environmental social governance, RSL is committed to identifying and calculating our carbon footprint, combined with providing innovative solutions for carbon reduction measures - we will do this by incorporating stakeholders from across the business, as well as supply chain. Decarbonisation is a priority for RSL and as part of our environmental strategy, we have commenced a journey to reach net zero. Efforts are underway to coordinate this transformation towards promoting sustainable measures, which will enhance and improve the carbon lifecycle that adds value to the economy.

Baseline Emissions Footprint

Baseline of the greenhouse gases (GHG) emissions are a record of emissions in a representative comparison year, against which a company can track and measure the success of its emissions abatement activities. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019

Additional Details relating to the Baseline Emissions calculations.

Emissions reported in this plan refer to RSL's UK based operations. The Baseline year includes calculation of the emissions categories defined by the GHG Reporting Protocol Corporate Standard¹. The GHG emissions conversion factors applied to the emissions calculations refer to the UK GHG Conversion Factors² and the Association of Issuing Bodies³.

RSL has reviewed and considered the following relevant activity data when calculating GHG emissions.

Scope 1 emissions reported include:

- Natural gas consumption in both owned and leased buildings.
- Fuel consumption from on-site and road vehicles.
- Refrigerant top up quantities of air conditioning units on site.

¹ <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

² <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors>

³ <https://www.aib-net.org/facts/european-residual-mix>

Scope 2 emissions reported include:

- Electricity usage in both owned and leased buildings.

Scope 3 emissions reported include:

- Upstream transportation & distribution.
- Waste generated in operations.
- Business travel.
- Employee commuting.
- Downstream transportation & distribution.

Baseline year emissions: 2019

EMISSIONS	TOTAL (tCO₂e)
Scope 1	2,884
Scope 2 (Market-based)	3,770
Scope 2 (Location-based)	3,423
Scope 3 (Included sources)	5,191
Category 4: Upstream transportation & distribution	645
Category 5: Waste generated in operations	9
Category 6: Business travel	2,995
Category 7: Employee commuting	1,543
Category 9: Downstream transportation & distribution	Incl. in Cat 4
Total Emissions (Market-based)	11,845
Total Emissions (Location-based)	11,498

Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	2,687
Scope 2 (Market-based)	749
Scope 2 (Location-based)	2,321
Scope 3 (Included sources)	4,453
Category 4: Upstream transportation & distribution	141
Category 5: Waste generated in operations	5
Category 6: Business travel	2,782
Category 7: Employee commuting	1,525
Category 9: Downstream transportation & distribution	Incl. in Cat 4
Total Emissions (Market-based)	7,889
Total Emissions (Location-based)	9,461

Emissions Reduction Targets

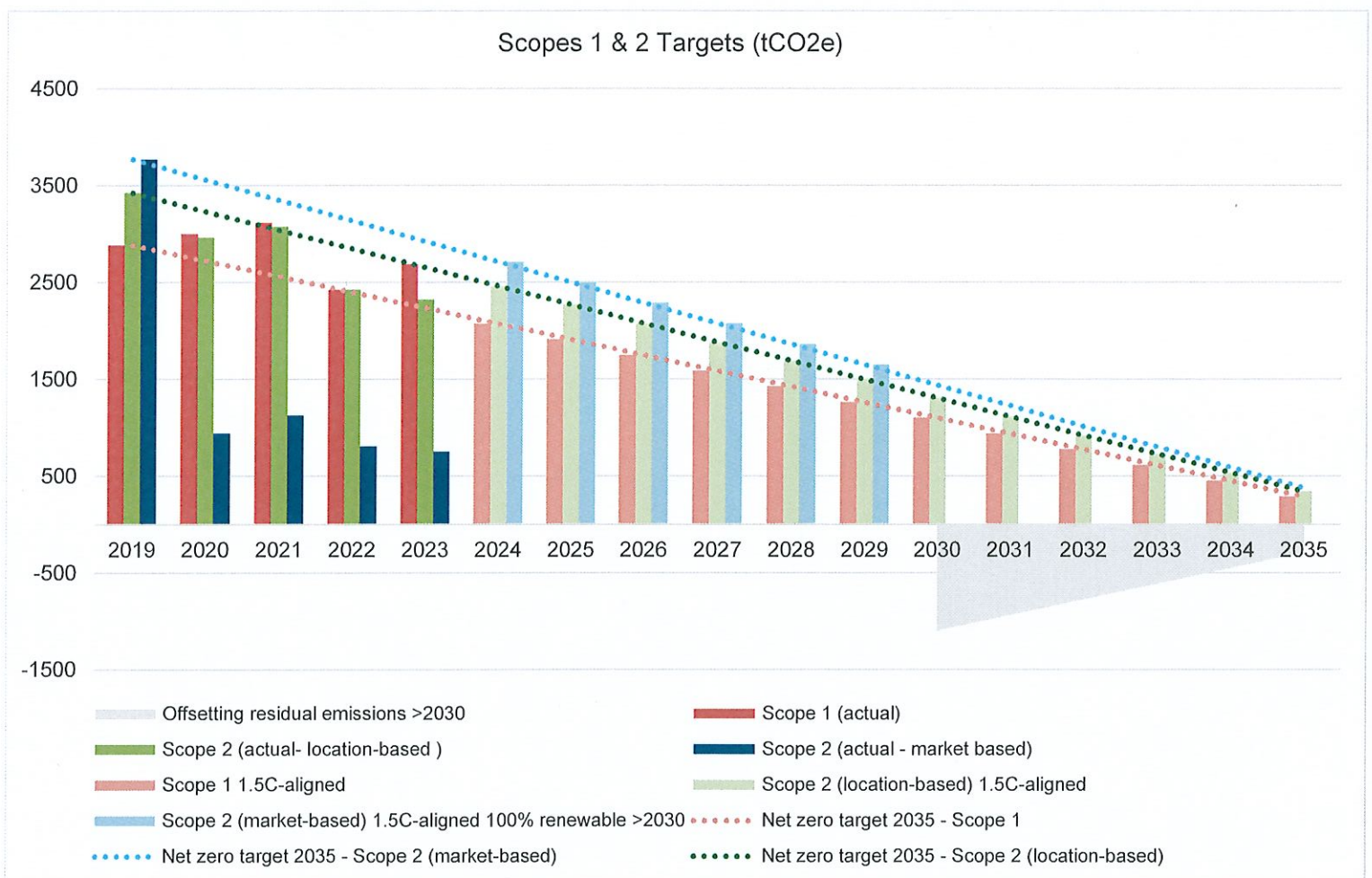
RSL is committed to reaching net zero for Scope 1 & Scope 2 emissions by 2035 and will progress to becoming net zero for Scope 3 by 2050 from a 2019 baseline year. This aligns with the UK government’s net zero ambition for 2050.

RSL’s net zero targets for Scopes 1 & 2 are aligned to the Paris Agreement objective to limit global temperature increase to 1.5°C above pre-industrial levels. This requires RSL to achieve at least an average annual emissions reduction of 4.2% by 2050.

RSL has set a more ambitious target for Scopes 1 & 2 to achieve net zero by 2035. This target is expected to achieve annual emissions reductions of 5.6%, with 10% of residual emissions to be compensated through a comprehensive offsetting scheme.

Scope 3 emissions reduction targets are aligned to a 1.5°C scenario of global temperature increase, this target requires RSL to achieve at least an average annual emissions reduction of 2.9% of their value chain emissions year-on-year up to 2050, relative to the baseline.

The graph below illustrates the actual emissions to date for Scopes 1 & 2 for the period of 2019 to 2023 compared to the abatement pathway expected to be achieved.

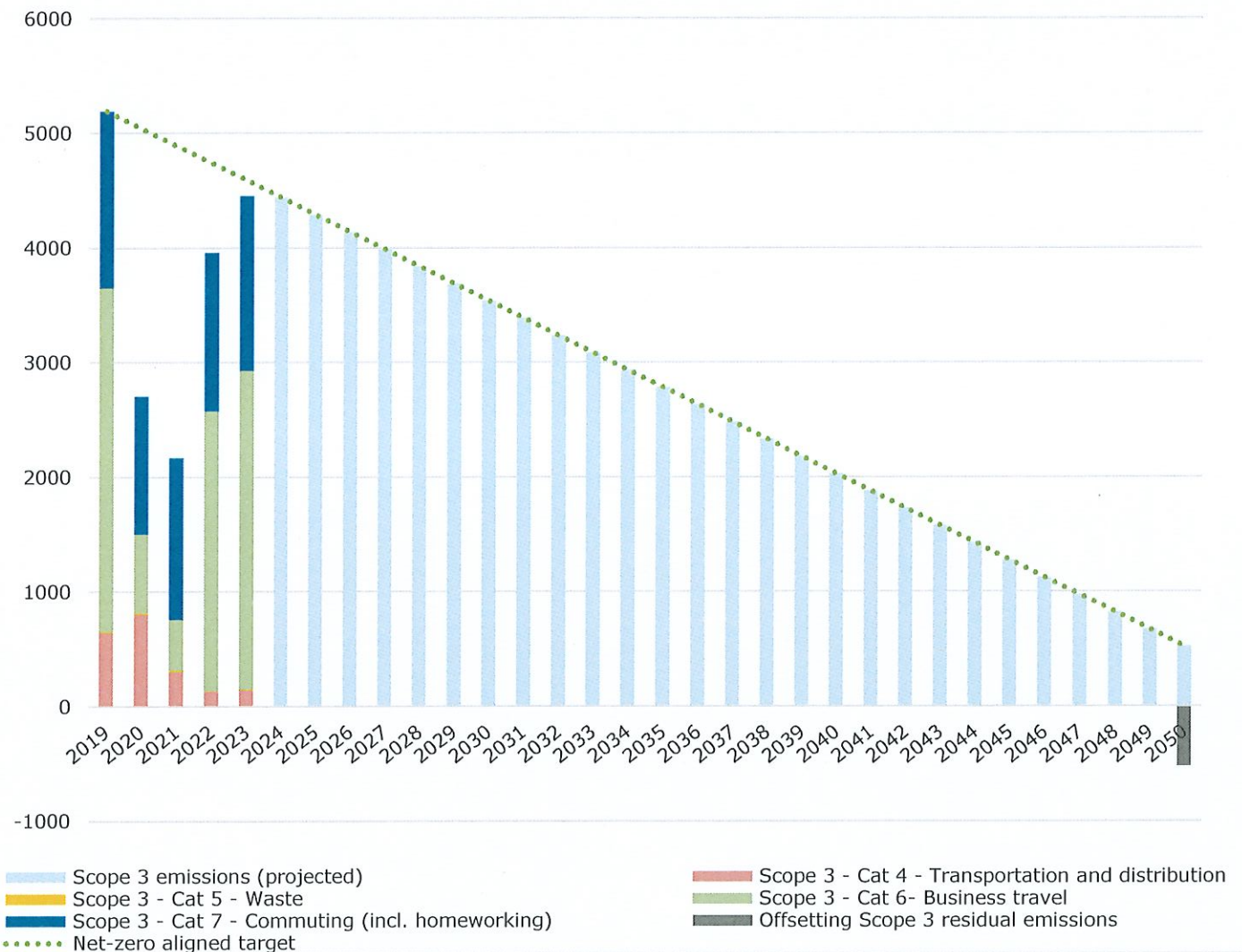


The graph above illustrates Scopes 1 & 2 net zero target to 2035, considering the following parameters:

- Actual emissions for Scopes 1 & 2 are illustrated for the period of 2019 to 2023.
- Location-based 1.5° aligned with an absolute 5.6% emissions reduction.
- Market-based 1.5° aligned with an absolute 5.6% emissions reduction, considering RSL's commitment to purchase 100% renewable electricity from 2030 onwards.
- 10% of residual emissions in 2035 to be compensated through a comprehensive offsetting scheme.

The Scope 3 target is based on an annual GHG emissions reduction of 2.9% to reach net zero, including 10% offsets by 2050. The graph below illustrates the actual emissions to date for the period of 2019 to 2023 compared to the abatement pathway projected to 2050.

Scope 3 Target (tCO₂e)



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline.

The carbon emission reduction achieved to date against the 2019 baseline are 3,956 tCO₂e.

Selected RSL's sites are certified to ISO14001 Environmental Management System, these sites are Glenrothes, Harlow, Broughton, Manchester and Gloucester. For all utilities supply contracts where we have direct control over the procurement of electricity, we have procured 100% renewable electricity certified by the REGOs, which accounts for 83% of the total electricity consumption used across our owned and leased portfolio.

Projects contributors to the carbon emissions reduction implemented at various sites since the baseline year 2019 are as follow:

- Ongoing energy monitoring and efficient assessments to upgrade current installations to new technology examples of which are as follows:
 - The x 2 new boilers installed in the Livingston site,
 - The two heat exchangers installed in Broughton site to improve the gas boilers performance.
 - Replacement of x2 water chillers at Glenrothes with variable speed inverter-controlled compressors.
 - Replacement of x2 water chillers at Livingston – with variable speed inverter-controlled compressors.
 - Installation of new lighting control system at Livingston to enable maximum efficiency of lighting levels.
 - Replace x 8 Steam humidifiers at Glenrothes – scheduled for Q4 2024.
- Ongoing maintenance to existing boiler systems to preserve their manufacture efficiency levels.
- Building Management Systems (BMS) upgraded in the period of 2021 to 2022, these upgrades have contributed to the overall energy efficiency and associated carbon emissions reductions.
- Between 2021 and 2022 we decommissioned a redundant diesel generator in Manchester's site, and we installed a dual energy efficient sustainable generator in our Harlow site.
- Ongoing installation on all sites of LED lighting, photocell control upgrades and presence infrared (PIR) controls, to improve efficiency and reduce electricity consumption with some sites having reach 95% completion.
- Ongoing installation of additional electric cars charging units at Harlow, Broughton, Glenrothes and Livingston to complement existing infrastructure to support the transition to electric vehicles.
- Ongoing installation of energy efficient hand dryers through all sites.
- Ongoing purchase of green electricity on owned and control sites.
- Continuous efforts on 'zero waste to landfill' programme achieving a 99% rate of waste diverted from landfill since baseline year 2019.
- Ongoing efforts to maintain high rates on recycling and recovery of used materials.
- Reduction in DT switch room servers at Harlow to align with modern efficient equipment variations.

RTX's 2025 Sustainability Goal Programme currently in place, aims to identify resource efficiency opportunities and champion a wider sustainability culture.

RSL will continue to implement the following measures:

- Proposed future energy initiatives to be reviewed and embedded as part of the Plan Do Check Act cycle of continuous improvement to be aligned with RSL investment strategy.
- Undertake a cultural transformation of environmental, carbon and net zero awareness and training, including stakeholder engagement and communication to be aligned and assigned to RSL's ESG steering group.
- Review future offsetting initiatives as part of the longer-term wider net zero path in accordance with the above 2 statements.
- Engagement with RSL's supply chain partners to ascertain carbon emissions and potential carbon reduction initiatives.
- Embed sustainable procurement practices into the net zero path.
- Review and adopt environmentally friendly methods of manufacturing and engineering processes.

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 uses 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 (or equivalent management body).

Signed on behalf of the Supplier:



James Gray
Chief Executive and Managing Director
Date: October 2024



Roland Howell
Chief Operating Officer, RSL
Date: October 2024