

Ultrapanel Building Technologies Low Carbon Roadmap and net-zero pledge

Ultrapanel Building Technologies (Ultrapanel) is proud to produce products that can make a real difference to whole-life carbon emissions when adopted for use on existing housing stock, and to provide state of the art solutions to address current and future building emission regulations.

However, the company recognises that carbon is emitted in the manufacture of its products and has pledged to invest in a range of technologies to deliver net-zero emission products by 2050, and significantly reduce its carbon emissions by 2030.

Net zero is a term used nationally and internationally to describe a position in 2050 where the net CO2 emissions are such to prevent temperature rises that drive the dangerous effects of climate change

Ultrapanel's roadmap, which is in line with UK commitments to the Paris Agreement, will see the business adopt a science-based target in order to validate its reductions. An initial base-line assessment of Ultrapanel's domestic house roof product has been conducted from which improvement comparisons can be calculated. The assessment has been conducted by an independent third party to globally accepted standards.

Ultrapanel will embrace new technology and ways of working which will help our drive towards a phased reduction of CO2 emissions by 2030 and 2050. And while there is no doubt decarbonisation is a major challenge for the business – the company is committed to creating a clean, green and sustainable future for Ultrapanel Building Technologies.”

Ultrapanel's efforts to decarbonise the business are already underway, with a variety of projects being implemented to improve environmental performance.

For example, it has recently completed the move to LED lighting throughout the Clitheroe factory and offices, and it is progressing the use of rolled steel forming which will largely eliminate waste steel material on the panel making lines. These will achieve an immediate and significant CO2 and waste reduction.

To help achieve its net-zero targets, Ultrapanel will use a range of techniques and innovations including:

- Products and production techniques that are designed to be flexible and to evolve, so that they can meet the widest possible range of end use standards required today and need minimal change to meet future building regulations through time.
- Working with suppliers to understand their journey to net zero so we can work in partnership to achieve our targets for 2030, and 2050.
- Assessing and adopting alternative materials with inherently less carbon emissions where available.

- Product innovation to promote the benefits to end users, for example through lighter weight solutions, reducing carbon emissions during the installation process, whole life energy usage calculations
- Supporting recycling and reuse, for instance partnering with suppliers to re-use unavoidable waste from our manufacturing in their processes, encouraging re-use of products at their end of life.
- Deploying circular economy and material efficiency methodologies
- Harnessing the enthusiasm, innovation and drive of the company's workforce to transform the company into a sustainable business with decarbonisation at its core.

A great deal of hard work lies ahead but achieving aggressive emissions reductions is possible within the ambitious timescales of the UK government. However, successful implementation of our Low-Carbon Roadmap requires appropriate backing from the UK government through supporting policies and frameworks.

Ultrapanel, is also committed to working with its customers, suppliers and community stakeholders on the road to decarbonisation.

The Ultrapanel Pledge

Through the 2015 Paris Agreement, world governments committed to limiting global temperature rise to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C. In 2018, the Intergovernmental Panel on Climate Change (IPCC) warned that global warming must not exceed 1.5°C above pre-industrial temperatures to avoid the catastrophic impacts of climate change. To achieve this, greenhouse gas (GHG) emissions must halve by 2030 – and reduce to net zero by 2050.

Many of our customers require us to have climate change targets and be working to reduce our CO2 intensity.

Our Long-term commitment: To produce products with a total net-zero carbon footprint by 2050

Our Interim commitment: To reduce our company Scope I and II emissions and material waste emissions by 50% by 2030

It's important to understand how CO2 emissions are characterised. Typically, we use the terms Scope 1, Scope 2 and Scope 3 emissions, these are explained below.

Scope 1: these are direct emissions that occur from sources owned or controlled by the company, for example, emissions from combustion in owned or controlled gas boilers, furnaces etc; emissions from on-site fork-lift truck powered by burning fuel.

Scope 2 accounts for emissions from the generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is

purchased or otherwise brought into the organisational boundary of the company. Scope 2 emissions physically occur at the facility where electricity is generated.

Scope 3 is an optional reporting category that allows for the treatment of all other indirect emissions. Scope 3 emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Some examples of Scope 3 activities are extraction and production of purchased materials; transportation of purchased fuels; and use of sold products and services.

It is essential that Ultrapanel is focused on reducing its Scope 1 and 2 emissions that are under our direct control, but net-zero can only be achieved by adopting low carbon materials as they become available through suppliers. These may be the same products we buy today but produced in a low carb way.

We've proposed and modelled CO2 reductions based on Scope 1 and Scope 2 and scope 3 raw material related emissions.

We have committed to specific short-term targets on the elements that we can control directly, namely Scope I & II as well as waste materials in our processes.

However, emissions directly in our control are a small part of the total product carbon footprint. Tackling the main contributors of carbon emissions, namely Steel and Insulation materials, will require innovation and progress towards net-zero by those industries backed up by government policies and frameworks etc. We are happy to note that many suppliers in those industries are already committed to 2030 and 2050 targets, although Ultrapanel is committed to using alternatives where available. Ultrapanel's ability to influence emissions reduction in this category is deemed to be low, hence the longer term goals set for this area. However, we will fully play our part and will actively encourage, seek out and incentivise improvement from and with our supply base and will look for opportunities to accelerate our improvements if possible.

Importantly, our products are used to better insulate existing and new dwellings, which of itself will play a critical role in helping the country to meet its overall carbon reduction targets. Our products deliver leading-edge building technology with thermal performance that can beat both current and future regulatory requirements. We will continue to maximise the positive impact we make through the function and use of our products and, we will also measure and seek to maximise our overall carbon impact, including the positive impact that our market leading product solutions make.

Signed



John Hough
Managing Director