KDM Group
Carbon Reduction Plan

Commitment to achieving Net Zero

KDM Group is committed to achieving Net Zero emissions by 2040.

Emissions Footprint

Emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions.
Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year Assessment: 1st June 2021 to 31st May 2022										
This Assessment: 1st June 2024 to 31st May 2025										
This is KDM Groups fourth year report on emissions.										
Emissions	**Base Line Year**	**2nd Year**	**3rd Year**	**4th Year**	**5th Year**	**6th Year**	**7th Year**	**8th Year**	**9th Year**	**10th Year**
Scope 1:	100	104	130	133						
Scope 2:	54	58	39	18						
Scope 3: (Included Sources)	708	570	559	872						
Total (tCO2e) Emissions:	862	732	729	1023						

Emissions reduction targets

Committed to working towards Net Zero.
In line with the data & reduction methods noted within this plan KDM Group anticipates being Net Zero by Jan 2040.

Assessment carried out on behalf of KDM Group by Tunley Environmental

Date: 17/11/2025
Rev: 05

KDM Group
Carbon Reduction Plan

Executive Summary

KDM Group (hereafter, KDM) would like to report on the carbon emissions for assessment year between the 1st of June 2024 and the 31st of May 2025. Quantifying their business carbon emissions puts KDM in a position to demonstrate sustainability and environmental responsibility to their customers and the wider public. It allows KDM to show how a measurable change can be made to climate change emissions and facilitate the achievement of Net-Zero Carbon (NZC). KDM and Tunley Environmental have collaborated to identify emission sources and collect data.

Tunley Environmental has conducted an independent assessment to quantify carbon emissions due to business activities conducted by KDM and their contractors, based on the data provided by KDM. The evaluation herein reported includes four components of emission quantifications for:

- The company's business activities from the 1st of June 2024 to the 31st of May 2025. This first component evaluates carbon emissions from their emissions in Scopes 1, 2 and 3 in comparison to the baseline and previous assessment year.
- A roadmap to Net-Zero Carbon (NZC) based on data from the current assessment year and previous baseline year data. Enabling KDM to monitor their progress towards net zero.
- Granular analysis of purchased goods and business travel emissions.
- Outside of Scope emissions quantification to demonstrate carbon sequestration in purchased wood products.

This assessment demonstrates KDM's commitment to showing how carbon emissions can be reduced. It also provides KDM and its customers with a clear evaluation of carbon emissions associated with these business practices and aligns with KDM's ambition for achieving carbon neutrality. Total carbon emissions in tonnes of carbon dioxide equivalents (t CO2e per annum) in the current assessment year are 1,023 t CO2e baseline and previous assessment years shown in Figure 1.

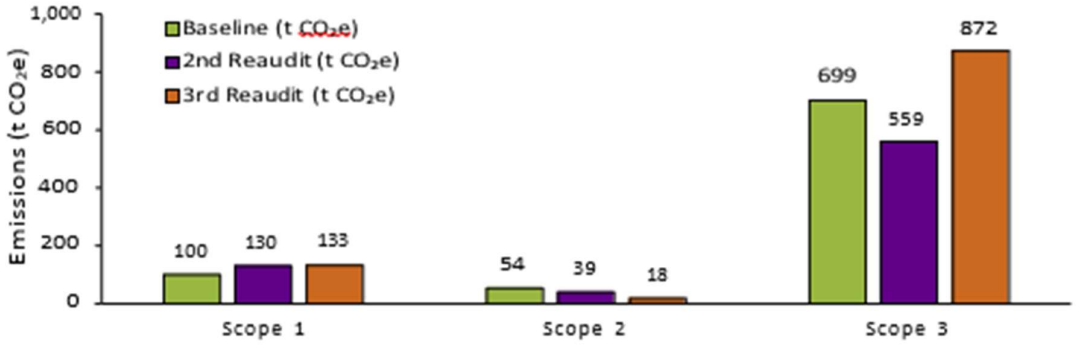

Figure 1. KDM's greenhouse gas emissions for Scopes 1, 2 and 3.

Tunley Environmental recommend taking steps to reduce emissions and become NZC by swapping over to a renewable energy tariff, switching to electric company vehicles, installing electrical heating, sourcing lower emissions plasterboard products, and reducing business travel. By implementing these reduction initiatives, KDM shall be able to reduce their emissions by 218 t CO2e (21%) by 2040.

Date: 17/11/2025
Rev: 05

KDM Group
Carbon Reduction Plan

Emission Data

The emissions across Scopes 1, 2, and 3 for the baseline, previous reaudit, and the current assessment (3rd reaudit) are displayed in Table 1. Scope 1 emissions remain consistent from the previous assessment year with an increase of 32.8 t CO2e from the baseline year. This is due to an increase in business activity. As can be seen in the increase in turnover from baseline to reaudit years. Scope 3 emissions show the same increase related to increase in business activities. This is primarily driven by an increase in purchased tangible goods with some contribution from business travel. Scope 2 emissions have decreased significantly; this is due to selection of higher renewable energy tariffs in addition to decarbonisation of the UK fuel grid mix electricity.

Table 1. Quantified annual emissions for KDM categorised according to The Greenhouse Gas Protocol Scopes.

Scope	Baseline (t CO_2e)	2nd Reaudit (t CO_2e)	3rd Reaudit (t CO_2e)	Difference from Baseline
1	100	130	133	Increase by 32.8 t CO_2e
2	54	39	18	Decrease by 35.3 t CO_2e
3	699	559	872	Increase by 173.5 t CO_2e
Total	**852**	**728**	**1,023**	**Increase by 171 t CO_2e**
Turnover (£ m)	30	44	51	Increase by 21 £ m
Intensity Ratio (t CO_2e/£ m)	**29**	**17**	**20**	**Decrease by 9 t CO_2e/£ m**

Date: 17/11/2025
Rev: 05

GHG Emissions Categories

Figure 3 and Table 2 provide the emissions for KDM for the current assessment (3rd reaudit) in comparison to last year's assessment and the baseline. The largest emissions category was purchased goods and services quantified 731 t CO2e. Remaining consistent across assessment years. The second highest source of emissions was business travel at 126 t CO2e, consequently both of these categories shall be examined more closely. A reduction in waste generated emissions is caused by a diversion of more material away from landfill.

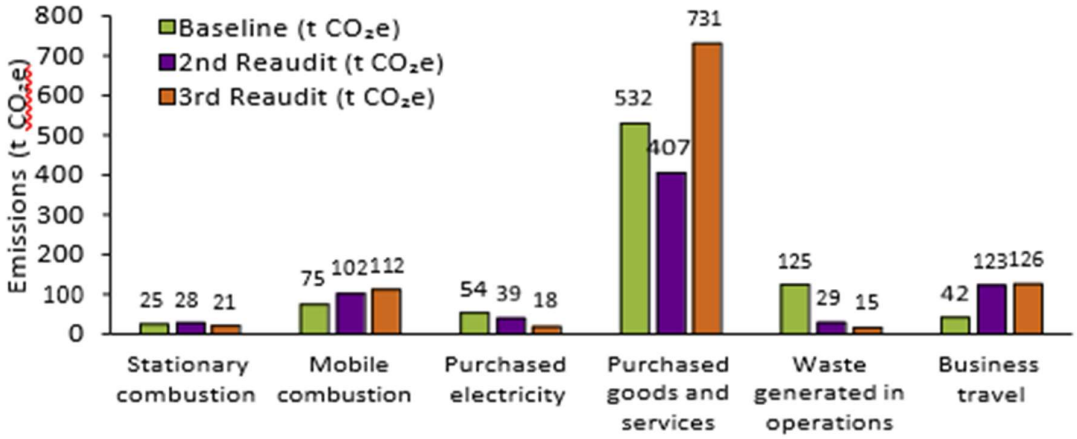

Figure 3. Graphical representation for the quantified emission categories (GHG Protocol) for KDM in the baseline, 2nd reaudit, and 3rd reaudit years.

Table 2. Emission data for KDM's business operations from the 1st of June 2024 and the 31st of May 2025 categorised according to The Greenhouse Gas Protocol.

Category	Baseline (t CO_2e)	2nd Reaudit (t CO_2e)	3rd Reaudit (t CO_2e)	Difference from Baseline
Stationary combustion	25	28	21	Decrease by 4.4 t CO_2e
Mobile combustion	75	102	112	Increase by 37.2 t CO_2e
Purchased electricity	54	39	20	Decrease by 34 t CO_2e
Purchased goods and services	532	407	731	Increase by 199.3 t CO_2e
Waste generated in operations	125	29	15	Decrease by 109.5 t CO_2e
Business travel	42	123	126	Increase by 83.7 t CO_2e

Scope 2 – Market and Location Based Emissions

The emissions from purchased electricity at facilities are dual reported following GHG Protocol guidance using both location-based and market-based. The location-based method uses the average emissions intensity of the grid where the electricity is consumed, regardless of the source or contract of the electricity. The market-based method uses the emissions factor of the specific electricity supplier or product that the organisation has chosen to purchase. For KDM's total carbon footprint, the market-based emissions were opted to be reported.

Table 1 presents emissions associated with electricity use for Dalgety Bay and Warrington, using both location-based and market-based methodologies. Dalgety Bay recorded electricity usage of 214,805 kWh, resulting in emissions of 38.0 t CO_2e under the location- based approach and 12.7 t CO_2e under the market-based approach. Warrington, with electricity usage of 50,608 kWh, reported emissions of 9.0 t CO_2e for location-based and
5.6 t CO_2e for market-based. The total emissions are 47.0 t CO_2e for location-based and
18.3 t CO_2e for market-based calculations.

Dalgety Bay was services by Scottish Gas for the first 9 months of the assessment period on a renewable energy tariff. This was moved over to E.ON in March and using their average fuel mix which includes non-renewable electricity. A combined factor was therefore calculated and applied to the period as a whole due to limited seasonality. Warrington was serviced by Opus across the first 3 months of the period on a lower carbon tariff, followed by EDF on an average fuel grid mix tariff.

Table 3: Comparison of Location-Based and Market-Based Emissions in current assessment year.

	Location Based		Market Based	
	Dalgety Bay	Warrington	Dalgety Bay	Warrington
Electricity Used (kWh)	214,805	50,608	214,805	50,608
Emission Factor (kg CO_2e/kWh)	0.1770	0.1770	0.0592	0.1110
Emissions (t CO_2e)	38.0	9.0	12.7	5.6
Total Emission (t CO_2e)	**47.0**		**18.3**	

Granularity – Purchased Goods

A granular analysis of the purchased goods in the current assessment year is provided in Figure 4. As can be seen timber is the largest source of emissions from the purchased materials at 505 t CO2e, followed by plasterboard 106 t CO2e. These emissions are largely driven by the tonnage of goods purchased and outside of the direct control of KDM due to procurement based on required client specifications. However, where possible KDM should begin to seek lower carbon options to utilise which do not impact on the delivered product.

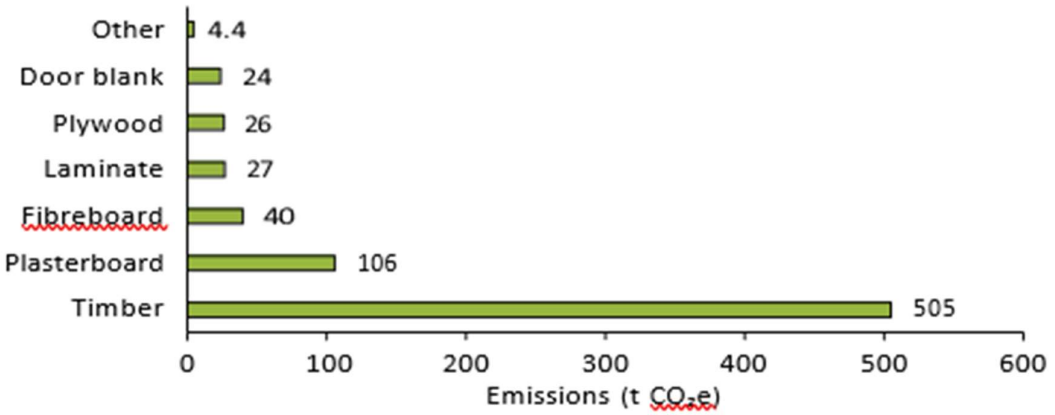

Figure 4. Granular analysis of KDM's Purchased Goods Emissions from the 1st of June 2024 and the 31st of May 2025.

Granularity – Business Travel

Granular business travel emissions data is provided in Figure 5. This demonstrated the significant impact that mileage-based business travel has on KDM's overall footprint. Consequently, initiatives involved in the electrification of these third-party vehicles is suggested as the most impactful change to implement for KDM to reduce its business travel footprint.

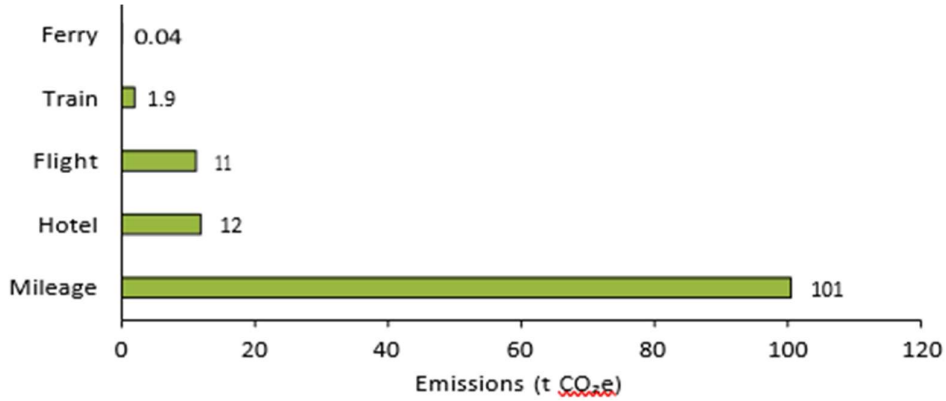

Figure 5. Granular analysis of KDM's Business Travel emissions from the 1st of June 2024 and the 31st of May 2025.

FSC Timber

FSC are pioneers withing forest certification. Purchasing FSC certified products reduces the degradation, destruction, or alternation of woodlands. FSC claim that certified woodlands store at least 30% more carbon compared to other forests. There are four main values which are integrated with FSC certified woodlands covering not only environmental but also economic and social benefits:

1. Zero deforestation – no net loss of forest is ensured over time.
2. Environmental protection – biodiversity of forests is maintained, and high conversation areas are untouched.
3. Indigenous peoples rights respected – forest inhabitants are consulted and engaged to maintain their cultural rights.
4. Fair wage and work environment for workers – all forestry workers are given decent wages, as well as required training and safety equipment.

KDM has made significant efforts towards procuring more FSC certified wood products in recent years. This increased usage of FSC certified material is commendable and noteworthy not only from an environmental perspective. The absolute tonnage of FSC and non-FSC products is shown in Figure 6 in addition to the ratio of FSC which is as a given percentage of the total purchased in said category. Despite a blip in 2024, a marked increase in the quantity of FSC products is observed.

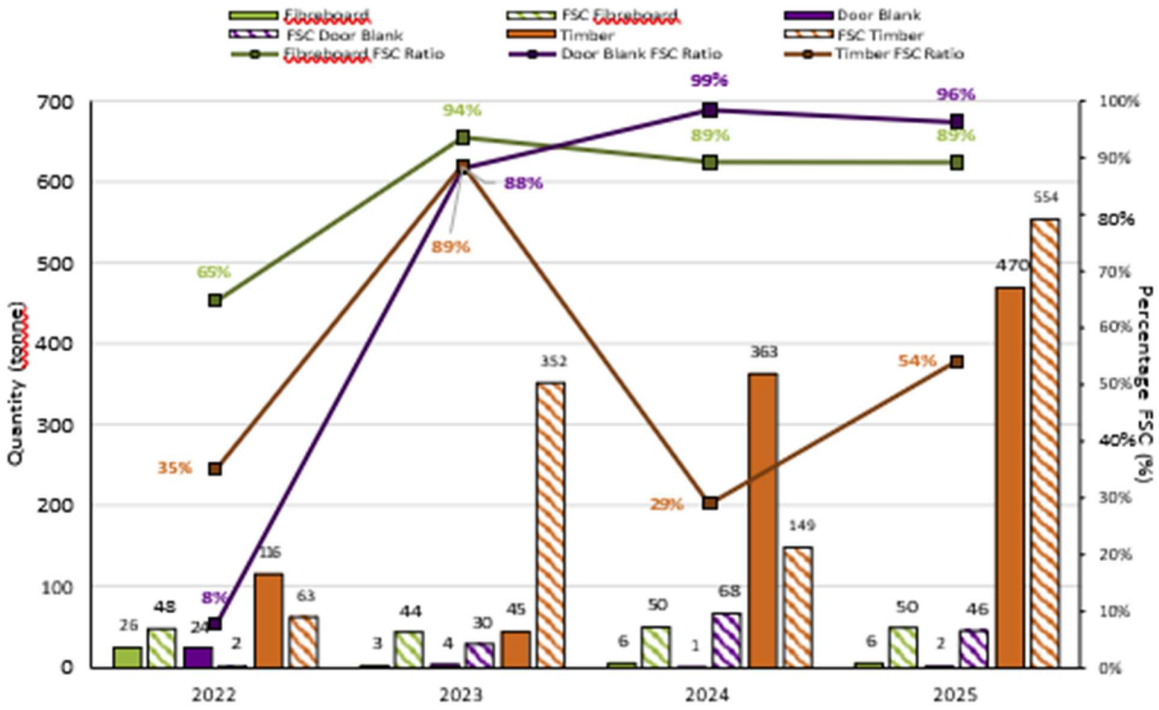

Figure 6. FSC and non-FSC purchased products comparison over all the assessment years.

Outside of Scopes Emissions

Following ISO14064-1 methodologies carbon stocks – carbon (C) stored in GHG reservoirs – are reported separately. This includes harvested wood products such as those produced by KDM. Therefore, the carbon sequestration of all purchased wood in the baseline period is quantified at 1,806 t CO2e. The carbon sequestration from board products (MDF, plywood, door blanks and MFC) and timber products is shown in Figure 7 with both FSC sourced and non-FSC sourced materials. Additionally, quantified biogenic emissions across average biofuel blend diesel combusted in owned/leased assets as well as purchased UK electricity in owned/leased assets.

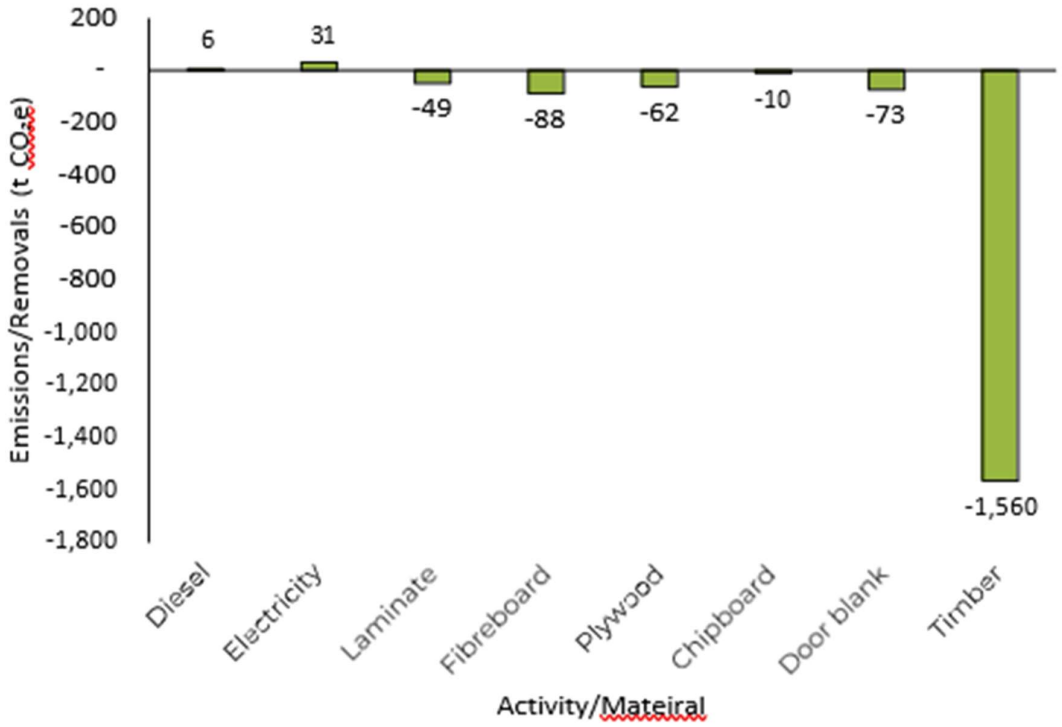

Figure 7. Quantified Outside of Scopes Emissions for KDM in the current assessment year.

KDM's Organisational and Operational Boundary

In setting an organisational boundary KDM are able to identify if equity share, financial control, or operational control are the most appropriate for greenhouse gas quantification. In this instance operational control was identified as the most appropriate for KDM. Therefore, the operational boundaries of the assessment clearly outlining the inclusions is provided alongside the organisational boundary (Figure 8).

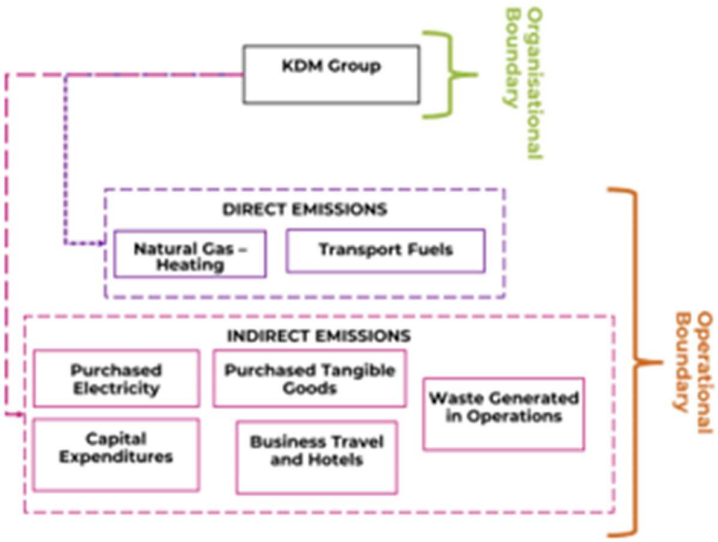

Figure 8. Organisational and operational boundary for KDM.

Strategic CO2e Reduction Initiatives

Tunley Environmental recommend KDM to implement a long-term approach on carbon reduction. GHG emissions can be reduced by 218 (21%) through implementing reduction strategies that focus on emission sources of significant contributions by 2040. Once the initiatives have been considered and taken, any unavoidable, remaining emissions can be removed by carbon off-setting actions (by 2040) (Figure 9). This section provides KDM with GHG reduction initiatives.

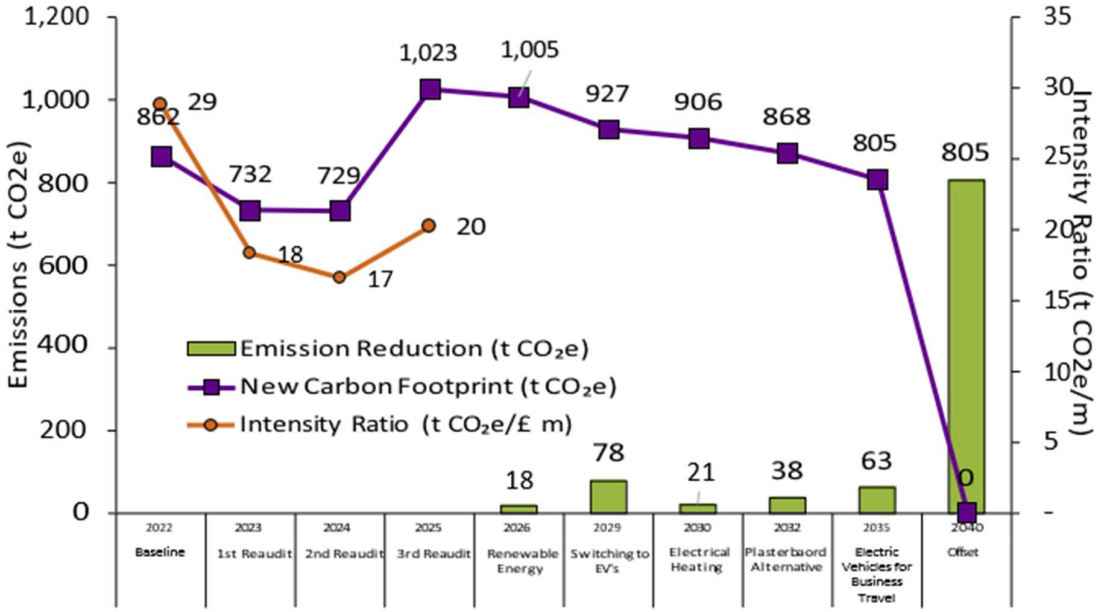

Figure 9. Roadmap to NZC for Scope 1, 2 and 3 emissions by 2040.

KDM Group
Carbon Reduction Plan

Using Renewable Electricity – 2026

Purchased electricity contributed 18 t CO_2e under the market-based approach, demonstrating room for further improvements. KDM can switch to use renewable electricity by opting for an Ofgem-certified green electricity tariff (Renewable Energy Guarantees of Origin, REGO). The best way to choose a renewable electricity tariff is by using comparison websites and assessing the renewable origin guarantee information provided. At present, most electricity suppliers offer at least one 100% renewable electricity option. Implementing a green electricity tariff will reduce emissions by 18 t CO2e per year.

Switching to EVs - 2028

Switching the company owned fleet to electric vehicles could reduce emissions by 78 t CO2e per annum. This should be considered at the end of the useful life of vehicles as to mitigate the impact of embodied carbon.

Using Electric Heating - 2030

Once electricity has been supplied from renewable sources, switching to electric heating can significantly lower the emissions of the company by 21 t CO2e per year. Strategies to incorporate this include heat pumps, electric combi-boilers, or far infrared heating panels.

Sourcing Alternative Plasterboard Products - 2032

Moving forward alternative building materials with lower carbon emissions associated with their production are being produced. When reasonable for KDM they will be able to substitute its current products with these more sustainable alternatives. We predict that this replacement will reduce emissions by at least 38 t CO2e annually if actioned upon.

Electric Vehicles for Business Travel - 2035

Business travel is a notable contributor to KDM's emissions. To achieve further reductions, it is recommended electric vehicles are sourced for business travel purposes. This shift could result in an additional emissions reduction of up to 63 t CO_2e. Implementing this strategy through internal company policy changes would not only support the company's sustainability goals but also set an example for other businesses on their own sustainability journeys.

Offsetting

Although the pinnacle objective of decarbonisation is to minimise emissions, the practicality of achieving this for every emission source may not always be plausible. In these instances, offsetting against the carbon emissions is necessary. Therefore, the remaining carbon emissions will have to be offset with bona fide suppliers. Consequently, Tunley recommends all offsets be purchased from OneTribe (https://onetribeglobal.com/). To offset against the emission for the whole period of 1,023 t CO2e at an estimated cost of £18/t CO2e would cost a sum total of £18,432. If these reduction opportunities were undertaken the predicted remaining 806 t CO2e could be offset at a cost of £14,508.

Date: 17/11/2025
Rev: 05

KDM Group
Carbon Reduction Plan

Conclusion

Total GHG emissions for KDM's business activities in between the 1st of June 2024 and the 31st of May 2025 are 1,023 t CO2e. The carbon footprint quantification presented in this report was conducted using data provided to Tunley Environmental by KDM. Tunley Environmental assessed the quality of the data and collaborated with KDM to continuously enhance this.
Tunley Environmental has provided KDM with detailed analysis of the emissions and recommendations on approaches by which KDM can reduce its carbon footprint.

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 as detailed below.

Approval Sign Off	
Signature:	
Name:	Mark Jones
Role/Position:	Executive Director
Signed Date:	17/11/2025
Next Review Date:	16/11/2026

Date: 17/11/2025
Rev: 05