

Net Zero / Carbon Reduction Plan

Company name: Cubic Transportation Systems Ltd (CTSL)

Publication date: Jan - Dec 2025 (Q1- Q4)

Commitment to achieving Net Zero

CTSL is committed to achieving Net Zero emissions by 2030.

Baseline Emissions Footprint

Baseline 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: 2019 Originally used, updated to 2022 (Note 2020/2021 are available but are not representative due to the pandemic.	
Additional Details relating to the Baseline Emissions calculations.	
2020 / 2021 CF measured but is not representative due to the pandemic given the extended working from home and associated reduction in company utility usage.	
New Baseline year 2022 emissions:	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	899 (31% reduction on 2019).
Scope 2	221 (21% reduction on 2019 includes 606 tonnes reduction benefit from Carbon free electricity)
Scope 3 (Included Sources)	257 (88% Increase on 2019) • Business travel • Business Hotel Stays • Work From Home • Waste • Dedicated Courier/transport service provider • Note: Scope 3 from suppliers – focus activity during 2023.
Total Emissions	1377 (21% reduction on 2019)

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Current Emissions Reporting 2025

Reporting Year: 2025 Q1- Q4 (01/01/25 – 31/12/2025)	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	773 tco2e (- 15% reduction on 2024) Note – 103 tco2e “Green/Renewable Gas removed.
Scope 2	1.91 tco2e (+91%) on 2024) Note – 575 tco2e renewable electricity removed – dual reporting now Water used from meter and water disposed (Waste water)
Scope 3 (Included Sources)	560 tco2e (+15 %) on 2024) Reporting on scope 3 activities includes. • Business travel (Flights, travel, Hotels) • Work From Home, commuting. • Suppliers (Waste removal, Courier/transport service providers) Notes - focus activity during 2025 Scope 3 Category 4 - Upstream Transportation and Distribution <i>Dedicated Third-party Logistics provider emissions are captured using the distance based method.</i> <i>By Q4 of 2025 we will be capturing Transportation and distribution of products purchased, between our tier 1 suppliers and Cubic’s own operations based on the Spend based data method.</i> Scope 3 Category 9 - DownStream Transportation and Distribution <i>None to be reported as Products installed at our customer sites are transported by Cubic vehicles from Cubic managed storage facilities.</i> <i>Already captured in Scope 1 fleet emissions and the electricity usage for Cubic storage locations are captured in scope 2.</i>
Total Emissions	1335 tCO₂e (-4% Reduction on 2024). 5% 2025 reduction Target set against 2024 actual.

Emissions reduction strategy 2025

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

- Continuing the use of 100% Low carbon Electricity/Gas usage giving us a 29% CF reduction for 2024, and carrying it forward into 2025.
- Introduction of Hybrid vehicles and phasing out diesels reducing CF and NOx..

By reducing our absolute emissions we will be supporting the 1.5°c science-based target, approved by the Science Based Targets initiative (SBTi).

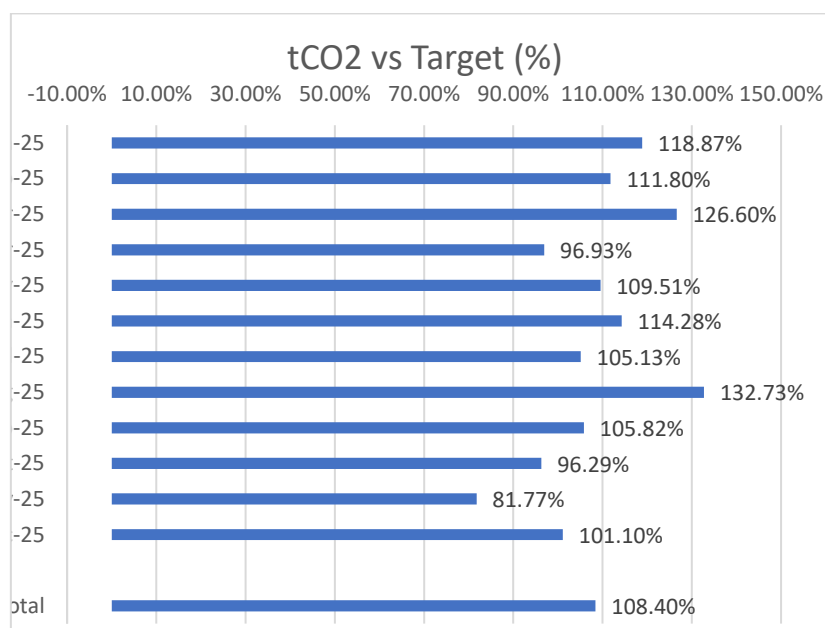
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During 2023 we were planning to start our transition to Electric vehicles initially with 22 EV's as replacements for diesel vehicles currently in the fleet. Due to operational requirements during 2024 we refocused this activity by introducing the first 70 Hybrid vehicles into the fleet.

We anticipate that carbon emissions will continue to decrease over the next 2 years as the vehicle fleet will complete the transitioned from Petrol/diesel to EV/Hybrid by 2026. Post 2025 we are anticipating the introduction of renewable energy generation on some of our buildings.

Note 2026 CF reduction target is a 5% reduction on 2025 final total.

Progress during 2025 is as per the graph below and updated as the year progresses.



Carbon Reduction Initiatives

Completed Carbon Reduction Initiatives

Having started our journey in 2019 the following environmental management measures and projects have been completed or implemented up to 2023. The carbon emission reduction achieved for 2023 was: 116 tCO₂e, a 9 % reduction against 2022. Due to increases in flights we saw a 5% increase for 2024 against 2023. But at 1231 tCO₂e this gives us a 39 % reduction against the 2019 five year baseline.

2023, 2024 and 2025 all saw real Carbon reductions with the 2 biggest contributors being Carbon free electricity and gas at all sites post 2023, and the fleet transition to Hybrid in 2025.

Improvements to date:

- Use of Renewable electricity and green tariff gas at all sites.
- Energy saving technologies during office refurbishments.
- Fleet migrated from Diesel / Petrol to Hybrid with reduced Co₂ / NO_x emissions.
- Continuing to utilise paper recycling to reduce save trees (26 trees saved in 2024, 2025 TBC)

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- 14001 Certification maintained across all sites.
- Supporting our significant customers re Net Zero activities.

2025 Additional measures considered:

➤ **Further reduce the “Top 3”:**

1. Continue with Low Carbon utilities
2. Reduce Vehicle emissions by introduction of Hybrid/EV.
3. Ensure impact of flights are balanced against business needs.

➤ **Expand scope 3**

Additional Scope 3's added for Q4 2025 CF

➤ **Opportunities for improvement**

Continue transitioning vehicle fleet to Hybrid/EV vehicles.

Building improvements, e.g. reduction in Server room(s) power consumption.

➤ **Future planning**

Introduction of Renewable energy generation technologies Solar panels on buildings from 2026

Offsetting remains an option Full / Part to gain Net zero/Carbon Neutral by 2030.

Note – This Plan is updated Quarterly reflecting our performance against Target and is supported by the net zero/Carbon Neutral strategy document.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 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 (where required), 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 Cubic Transportation System Ltd:

Signed: *Andy Hulme* - Andy Hulme Head of HS & E EMEA

Date 19th Feb 2026