

# Carbon Reduction Plan 2026



## Information:

The purpose of this document is to provide stakeholders with information regarding Sunbelt Rentals Limited's carbon footprint and commitment to achieving organisational Net Zero (Scope 1 and 2) by 2050, in line with the requirements of Procurement Policy Note (PPN) 006.

This document should be read in conjunction with the disclosures provided within [Ashtead Group plc's Annual Report and Accounts](#), which includes our disclosures in accordance with the standards and recommendations of the Task Force on Climate-related Disclosures, and the [Group's Sustainability Report](#).

Data included in this Carbon Reduction Plan relates solely to our UK business, Sunbelt Rentals Limited, unless stated otherwise.



# Our Pathway to Scope 1 and 2 Net Zero

## Group-wide commitments

Under Sunbelt 3.0 strategy, the Group set a target to reduce our GHG intensity by 35% by 2030, with a shorter-term target to reduce our GHG intensity by 15% by 2024 from the level in 2018.

By 2024, we reduced GHG intensity by over 30%, ahead of our 15% shorter-term target and this enabled us to advance our carbon ambitions under our latest strategy, Sunbelt 4.0.

## 1. ACHIEVE SCOPE 1 AND 2 NET ZERO BY 2050

## 2. 50% REDUCTION IN SCOPE 1 AND 2 GHG INTENSITY BY 2034

RELATIVE TO 2024 BASELINE YEAR



In working towards this commitment, the business will focus on expanding low- and zero-emission transport options including, electric and hybrid solutions applicable to light commercial vehicles (LCVs) and heavy goods vehicles (HGVs), leveraging clustered markets to optimise deliveries and reduce miles driven, increasingly using renewable diesel and electricity and expanding our LED lighting programme.

We know that the pathway relies on innovation, advancements and refinements in technology and infrastructure, in particular for our HGVs. As such our Net Zero road map is dynamic and designed to be flexible as both known and unknown factors develop, for example evolving projections around the pace, scale and cost of low carbon technology and infrastructure.

During the transition period as new technologies develop and emerge for HGVs, we may accelerate the transition of our LCV transportation fleet to lower emission alternatives, potentially leveraging a mix of petrol hybrid, petrol plug-in hybrid electric

vehicles (PHEVs) and fully electric vehicles. To maximise fleet efficiency, we use telematics-enabled vehicle management to monitor driving efficiency and fuel use, alongside route and load optimisation. Additionally, we may look to increase our use of renewable diesel, expand our purchase of REGOs (renewable energy guarantees of origin) and explore additional energy efficiency solutions.

We anticipate in the future, there will also be an opportunity to incorporate hydrogen powered vehicles as the technology and corresponding refuelling infrastructure advances. The business reviews our Net Zero roadmap and progress against it bi-annually.

# NET ZERO BY 2050

# Our Pathway to Scope 1 and 2 Net Zero

## UK near-term objectives

In support of our Group-wide Net Zero road map, in the UK we have established a number of additional, near-term objectives to accelerate our progress toward our 2050 commitment.

### Delivering a leading low- and zero-emissions rental model in the UK

	Carbon footprint	Operations	Capability Building	Trusted Reporting
2029	<ul style="list-style-type: none"> <li>+ 25% reduction in GHG intensity relative to 2024 baseline year</li> <li>+ Absolute reduction in Scope 1 and 2 GHG emissions</li> <li>+ 25% of owned depots decarbonised</li> </ul>	<ul style="list-style-type: none"> <li>+ Expand use of HVO at designated transportation hubs</li> <li>+ 100% of fleet equipped with telematics</li> <li>+ Expansion of fuel efficiency measures</li> </ul>	<ul style="list-style-type: none"> <li>+ Leverage Sunbelt Rentals Carbon Calculator to support customers in switching to low- or zero-emission rental equipment</li> <li>+ Expand low- and zero-emissions rental fleet</li> </ul>	<ul style="list-style-type: none"> <li>+ Continual reporting and assurance of Scope 1, 2 and expanded Scope 3 categories</li> <li>+ Maintain alignment with EcoVadis Platinum accreditation</li> </ul>
2027	<ul style="list-style-type: none"> <li>+ 15% reduction in GHG intensity relative to 2024 baseline year</li> <li>+ Absolute reduction in Scope 1 and 2 GHG emissions</li> <li>+ 10% of owned depots decarbonised</li> </ul>	<ul style="list-style-type: none"> <li>+ Diesel free company car fleet</li> <li>+ Completion of HVO wet hosing pilot</li> <li>+ Explore fuel efficiency measures- vehicle selection, AI-optimisation and engine idling reduction</li> </ul>	<ul style="list-style-type: none"> <li>+ 100% employees trained on Net Zero</li> <li>+ Net Zero Champions across the business</li> <li>+ Deployment of Sunbelt Rentals Carbon Calculator</li> </ul>	<ul style="list-style-type: none"> <li>+ Continual reporting and assurance of Scope 1, 2 and select Scope 3 categories</li> <li>+ Aspire to achieve EcoVadis Platinum accreditation</li> </ul>

### Progressing with our UK depot decarbonisation plan

This year we've transformed our Liverpool depot to a zero-emission site by disconnecting it from the gas network and replacing it with an air-to-air heat source pump. The site now features solar panels, battery storage and smart energy solutions. This investment marks a crucial step in cutting emissions and reducing reliance on the grid. It's part of our refreshed sustainability roadmap following the launch of our 4.0 strategy.

In the period since installation, we have achieved a c. 70% reduction in emissions compared with the same period in 2024, reflecting the removal of the site from the gas network and on-site solar generation reducing grid electricity demand. Any residual electricity consumption is matched with REGO-backed renewable sources.

We've taken another major step on our journey to Net Zero by fully transforming our Plant & Tools, Powered Access and Traffic Management depots in Milton Keynes into fully decarbonised, electrified sites.

This has involved installation of:

- 250 kWp of solar PV
- 370 kWh of battery storage
- Air-source heating & cooling; and
- EV charging infrastructure

The design and installation are not only to decarbonise the location but to provide significant green electricity to charge our increased range of battery-powered assets.

# Our Carbon Footprint

## Scope 1 and 2 Greenhouse Gas Emissions

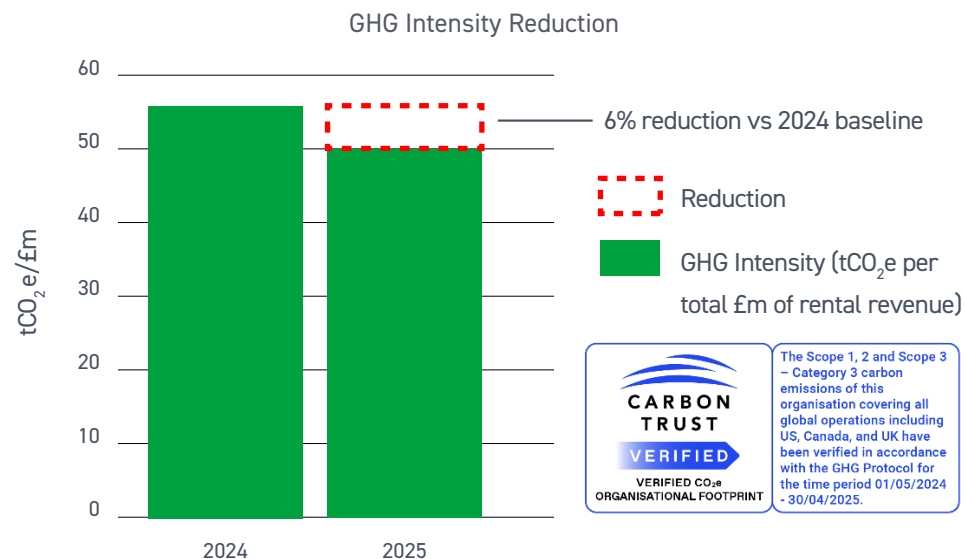
Our 2024/25 Scope 1 and 2 emissions have been independently verified by the Carbon Trust.

This verification met the requirements set out in ISO 14064-3: Specification with guidance for the validation and verification of greenhouse gas assertions. The associated energy consumption (in MWh) linked to our Scope 1 and 2 emissions has also been verified by the Carbon Trust in accordance with the criteria of ISAE 3000.

Scope 1 emissions cover diesel and petrol used in our fleet, gas for facility heating and fugitive refrigerant losses. Scope 2 emissions relate to purchased electricity, including the power used for our electric vehicle fleets.

tCO <sub>2</sub> e	2023	2024 (baseline)	2025
Scope 1	31,288	31,000	30,188
Scope 2 - Market Based	776	748	568
Scope 1 and 2 - Market Based	32,064	31,748	30,756
GHG intensity (tCO <sub>2</sub> e per total £m of rental revenue)	57.3	53.8	50.7
GHG intensity reduction relative to baseline year	-	-	-6%

For additional historical GHG data and progress since 2018, please refer to page 7.



# Our Carbon Footprint

## Scope 3 Emissions

Understanding the carbon footprint of our entire value chain, both upstream with suppliers and downstream with customers, is key to unlocking energy efficiencies and working towards a low-carbon economy.

The majority of our Scope 3 emissions arise through our customers' use of our equipment on their sites and projects (category 13), emissions from the use of sold rental equipment subsequent to our ownership (category 11), all of which are required to be accounted for in the year of disposal, and the embedded carbon in our supply chain (category 2).

In calculating our Scope 3 emissions, we followed the GHG Protocol and the European Rental Association (ERA) sector-specific guidance.

Where data sources were incomplete, we extrapolated emissions using the ERA rental equipment database, which incorporates industry-specific data points from rental companies, OEMs and lifecycle assessments.

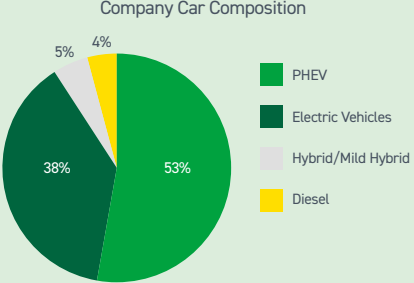
Scope 3 emissions are disclosed beyond the minimum requirements of PPN 006 to support transparency and continuous improvement. These disclosures should not be interpreted as a contractual performance baseline.

### Scope 3 Emissions

	Category	2023 tCO <sub>2</sub> e	2024 tCO <sub>2</sub> e	2025 tCO <sub>2</sub> e
Downstream leased assets	13	348,773	340,452	350,693
Use of sold products	11	84,470	31,709	158,847
Capital goods	2	38,260	108,199	63,374
Purchased goods and services	1	53,031	52,779	51,118
Upstream transportation and distribution	4	13,613	16,190	21,359
Fuel and energy related activities not included in Scope 1 and 2	3	8,103	8,072	8,046
Business travel	6	3,360	4,650	4,493
Employee commuting	7	2,033	2,140	2,188
End of life treatment of sold products	12	1,781	3,282	1,975
Downstream transportation and distribution	9	1,279	1,684	1,969
Waste	5	320	175	169
<b>Total:</b>		<b>555,023</b>	<b>569,332</b>	<b>664,231</b>

# Emission Reduction Initiatives

## Scope 1 and 2

Scope 1											
<p>Reducing emissions from our company vehicles</p>	<p>Under our company car decarbonisation policy, we have made significant progress in transitioning to low- or zero-carbon options. By the end of FY25, we had c. 580 company cars in our vehicle fleet, of which over 96% have been shifted to lower-carbon alternatives including, hybrid, PHEV or electric vehicles. This has resulted in annual savings of c. 300 tCO<sub>2</sub>e and placing us on track with our short-term objective of a diesel-free company car fleet by 2027.</p>  <table border="1"> <caption>Company Car Composition</caption> <thead> <tr> <th>Vehicle Type</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>PHEV</td> <td>53%</td> </tr> <tr> <td>Electric Vehicles</td> <td>38%</td> </tr> <tr> <td>Hybrid/Mild Hybrid</td> <td>5%</td> </tr> <tr> <td>Diesel</td> <td>4%</td> </tr> </tbody> </table>	Vehicle Type	Percentage	PHEV	53%	Electric Vehicles	38%	Hybrid/Mild Hybrid	5%	Diesel	4%
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<p>Using renewable diesel as a transitional fuel source</p>	<p>For our HGVs, where electrification and other zero-emission alternatives remain limited, we are increasing the use of hydrotreated vegetable oil (HVO) renewable diesel. HVO fuel can replace diesel with no changes required to the engine or operational infrastructure. In the six months to 31 October 2025, we have replaced over 113,000 litres of diesel with HVO onsite, resulting in savings of over 285 tCO<sub>2</sub>e.</p>										
<p>Using the vehicles we have in the most efficient way possible</p>	<p>To maximise efficiency across our commercial vehicles fleet, our transport team has adopted a smart vehicle management, planning and tracking system called Logistics. We use onboard telematics to monitor driving efficiency and track fuel use, while also focusing on route and load optimisation, optimal maintenance schedules for vehicles and deploying fuel efficient tyres and tyre pressure monitors. Together, these improvements to our logistics platform support greater driver/vehicle utilisation, increase delivery/pickup capacity while reducing miles driven and the hours required to provide outstanding service to our customers.</p>										
<p>Reducing emissions from heating</p>	<p>We have developed a property minimum standard for our 191 locations. We follow an ongoing refurbishment and upgrade programme which includes gas boiler upgrades, improved insulation and other technologies such as automatic roller shutter doors, which cut heating to the workshops when left open. So far c. 63% of depots have gas smart meters and we remain on track to complete the rollout.</p>										

## Scope 2

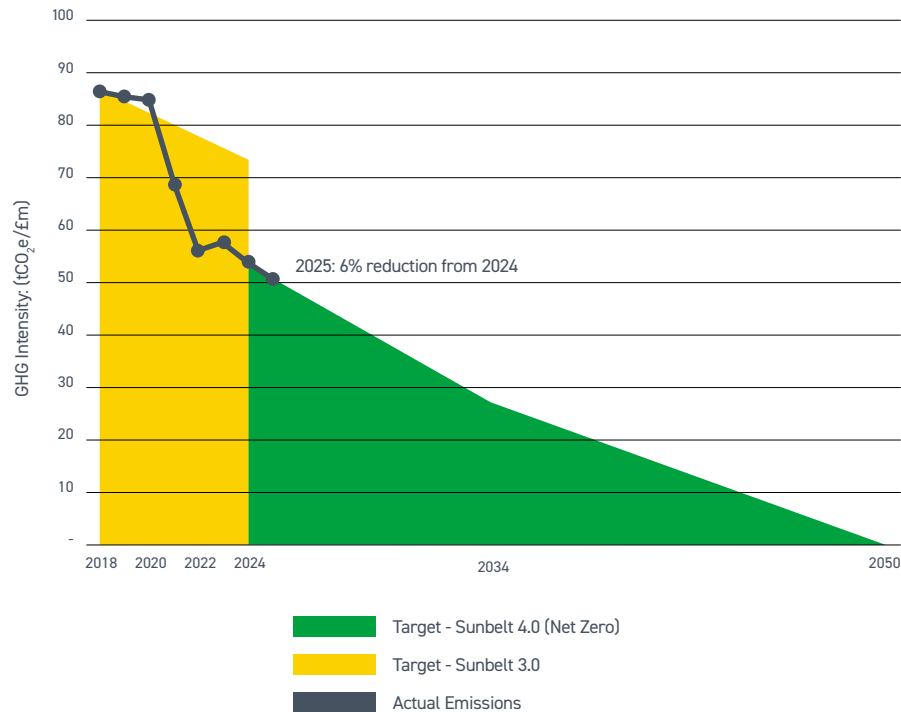
Lowering emission from electricity use

We source our electricity from renewable sources which are REGO backed except for a small number of locations where energy is sourced by a third party (c. 18% of energy consumption). We are also focused on expanding our LED lighting programme and by the end of FY25, c. 65% of our properties have completed full or partial LED retrofit installations. Additionally, we are on track to complete our installation of automatic meter readers across the depot network. So far, 47% of depots have electric smart meters installed.

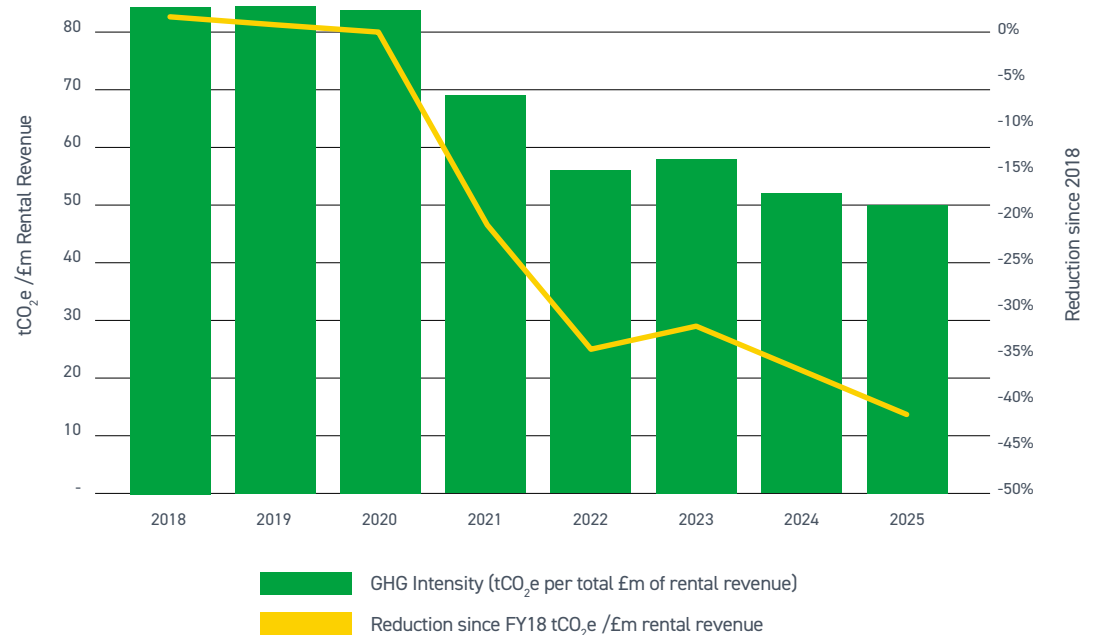
Smart energy monitoring

To enhance energy management at our depots, we have developed a Power BI Dashboard that consolidates key environmental metrics, including energy consumption for electricity and heating and water consumption. This will support our local teams in identifying energy saving opportunities.

GHG Reduction: Projected vs. Actual



Historical GHG Intensity Reduction



# Emission Reduction Initiatives

## Scope 3

Our business model supports many of the principles of a circular economy. These include shared usage, efficient and reduced use of resources, high levels of maintenance and repair, reusability to second-hand market and recyclability of equipment at the end of its useful life.

Many customers using one piece of well-maintained and safe equipment as part of a sharing economy is better for the planet as it results in:

- Fewer assets being manufactured and therefore reducing consumption of natural resources;
- Lower emission through more efficient use of assets as the right asset can be used for a customer's job with assets maintained to a higher standard;
- Lower emissions through transportation particularly as a result of our scale and;
- Fewer assets reaching end of life and therefore requiring disposal.

The environmental benefits of renting equipment rather than ownership accrue when many customers rent one piece of well-maintained and safe equipment only when they need it, for the right job, as opposed to multiple customers purchasing that same piece of equipment, using it a few times and then disposing of it.

In addition to the inherent carbon-reduction advantages of our business model, we have implemented the following measures to further support reductions in our Scope 3 emissions:

Scope 3 Category	Cat	% Scope 3	Measures to reduce Scope 3 emissions
Downstream leased assets	13	53%	<p>Every year we invest millions of pounds in new equipment and technology that supports lower-carbon operations, reduces particulate emissions and requires less maintenance. This includes low- and zero-emission rental assets, onboard telemetry that provides customers with carbon reporting and advanced asset optimisation systems that improve uptime, reduce breakdowns and minimise operational downtime. These investments are a key driver in reducing our Scope 3 emissions while enhancing efficiency and transparency across our fleet and you can read more about this on page 11.</p> <p>Alongside this, our rigorous maintenance and refurbishment programmes ensure all equipment performs at optimal capacity; maximising efficiency during our ownership, extending life and reducing overall environmental impact during operation.</p> <p>We also support customers in reducing operational emissions through access to lower-carbon energy sources such as <b>Hydrogen</b> and <b>HVO</b>. Throughout FY25, we delivered 15.8 million litres of HVO to our customers, an increase of 15% from the previous year.</p>
Use of sold products	11	24%	<p>Consideration of maintenance and servicing requirements as well as what happens at the end of a product's useful life are a key part of our fleet strategy, which considers a holistic, life-cycle approach. We replace our rental assets every seven to eight years, selling our equipment to the second-hand market with around 50% of their available hours remaining. By procuring low- and zero-emission equipment and maintaining it to a high standard during our use, we help reduce emissions during the asset's future life, while increasing uptake of low-carbon alternatives.</p>

Scope 3 Category	Cat	% Scope 3	Measures to reduce Scope 3 emissions
Capital goods	2	10%	Building a responsible business means considering environmental impact, human rights and modern slavery across the entire value chain, including those associated with capital goods and purchased goods and services. We gather information from our suppliers on environmental practices, health and safety and human rights through our supplier sustainability questionnaire. This information is a key consideration in becoming an approved supplier. We maintain regular communication with our key suppliers, conducting desktop audits and carry out site visits where needed, ensuring ongoing compliance and continuous improvement.
Purchased goods and services	1	8%	Alongside our due diligence processes, Our Stronger Together Supplier Conference is an important touch point with suppliers in encouraging sustainable products and innovations. This event provides a platform for open dialogue and collaboration with key suppliers, ensuring that our products and innovations meet the evolving needs of our customers while aligning with our environmental and social goals.
Upstream transportation and distribution	4	3%	<p>To reduce emissions from upstream transportation and distribution, we have introduced processes across our supply chain and depot network to consolidate deliveries (to our locations), reducing multiple trips to single locations where practical to do so.</p> <p>Third-party haulage is another area of focus. Over the last two years we have reduced the number of suppliers by a third and we are focussed on reducing this number by a further 20% by April 2026. Our aim is to do more with less by reducing empty-leg mileage and improving load utilisation through centralised visibility and allocation of transport resources. For onboarded third-party hauliers, we provide access to our technology platforms and share best practice across the value chain to support more efficient planning, route optimisation and emissions reduction.</p>
Fuel and energy related activities not included in Scope 1 and 2	3	1%	See Scope 1 and 2 emission reduction initiatives on pages 6-7.
Business travel	6	1%	One key way we work to reduce business travel emissions is by supporting team members to choose lower-carbon travel options when they need to travel for work. Through our business travel booking system, team members can see the carbon impact of their chosen journey expressed both in kgCO <sub>2</sub> e and practical equivalents, such as the number of trees required to offset it. Where lower-emission alternatives exist, the platform automatically highlights these options and enables team members to book them directly, encouraging a shift away from higher-emitting modes of transportation. Approximately 85% of business travel is currently booked through this platform, with a target to increase adoption to 95% by 2029.

Scope 3 Category	Cat	% Scope 3	Measures to reduce Scope 3 emissions
Employee commuting	7	0%	We believe that flexible working arrangements can increase team members motivation, promote a healthy work-life balance, improve performance and productivity levels whilst reducing transport-related emissions. This is why we have a flexible working policy for our team members. In some roles, remote work opportunities may not be possible (for instance drivers and technicians), but by hiring locally, we help ensure that team members who do need to commute full time typically travel only short distances.
End of life treatment of sold products	12	0%	Our equipment is predominantly composed of long-lasting metals with high recycling value and well-established end-of-life recovery pathways, alongside durable, recyclable plastics used in structural, interior and functional components. Given the recyclability of these key components, managing the disposal of the Group's rental equipment in a responsible manner is an important part of our operations – either through the disposal of used rental equipment to third parties or through responsible end-of-life treatment.
Downstream transportation and distribution	9	0%	Relates to emissions from the transportation of rental equipment and sold products in vehicles not owned or controlled by the Group (i.e. where our customer arranges transportation). This is an immaterial component as most deliveries are operated by Sunbelt (Scope 1) or through third-party haulage. Further reductions in this area depend on the increasing availability of low-carbon transportation options within our customers' fleets, and we continue to encourage and support the transition where possible.
Waste	5	0%	<p>Our waste is predominantly made up of general waste from the day-to-day activities within depots, together with a small number of speciality waste streams produced in the operation and servicing of our rental fleet.</p> <p>Over 90% of our waste is managed through a single provider and approximately 80% is weighed at the point of collection. Regular on-site checks across our depot network help ensure compliance with the new Simpler Recycling Legislation and to identify opportunities to improve waste handling. Based on these insights, we have begun introducing right-sized waste containers and more efficient waste hauling collection. These changes have supported a landfill diversion rate of 97% in FY25.</p> <p>We continue to focus on recycling and repurposing across our operations and the value chain. In FY25, our workshop at HMP Sudbury repaired over 6,200 Trak-panels and 4,200 Police barriers. Trakway panels that could not be refurbished were sent to a specialist third party, resulting in more than 250 tonnes of damaged material being re-melted and used to produce new panels. We are also working with our suppliers to reduce equipment packaging – you can read more about this in our <a href="#"><u>Sustainability Report</u></a>.</p>

# Case Studies: Investment and Innovation

## Investment in low-and-zero carbon equipment

Every year we invest millions of pounds in new equipment and fleet which produces less carbon, less particulate matter and needs less maintenance and servicing.

This investment is a key driver in reducing our Scope 3 emissions and, importantly, in supporting our customers to meet their sustainability goals by providing low- or zero-emission rental assets that reduce jobsite emissions.

### Some of our offerings include:

- A large fleet of electric plant, delivering zero-emission operation at the point of use, across excavators, dumpers and telehandlers.
- A large fleet of plant and generators compliant with the latest Stage V European emissions standard.
- Energy management as a service, an important new offering where we consult with customers on how best to manage energy requirements. We have c. 500 battery storage units, capable of storing energy to support dynamic loads. When combined with a diesel generator, it offers a hybrid energy solution, that can reduce GHG emission by an average of 50-80% compared to diesel alone.
- A large fleet of solar and hybrid temporary (tower) lighting, delivering emission reductions ranging from 50% for hybrid models to 100% for solar models.
- Scalable solar arrays available with welfare units and power packages.
- Low carbon emission welfare offerings, providing significant reductions in energy consumption through improved insulation, LED lighting and water efficiency.

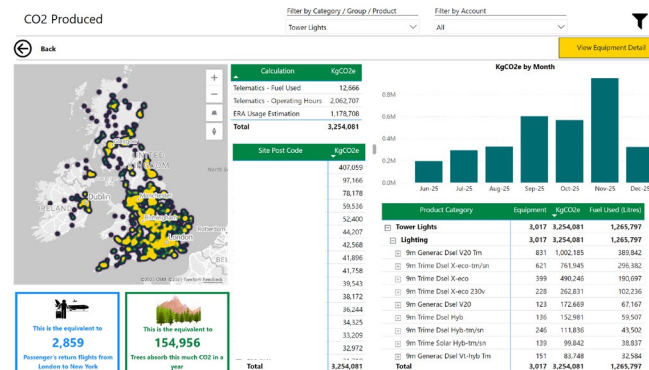
## Customer Reporting Dashboard

Many of our customers tell us they are interested in better understanding the carbon footprint of their projects while renting our assets.

To support customers in reducing their jobsite emissions and achieving their sustainability goals, Sunbelt has introduced an innovative emissions reporting platform. This platform provides valuable insights into the GHG emissions produced on their jobsites from rented assets.

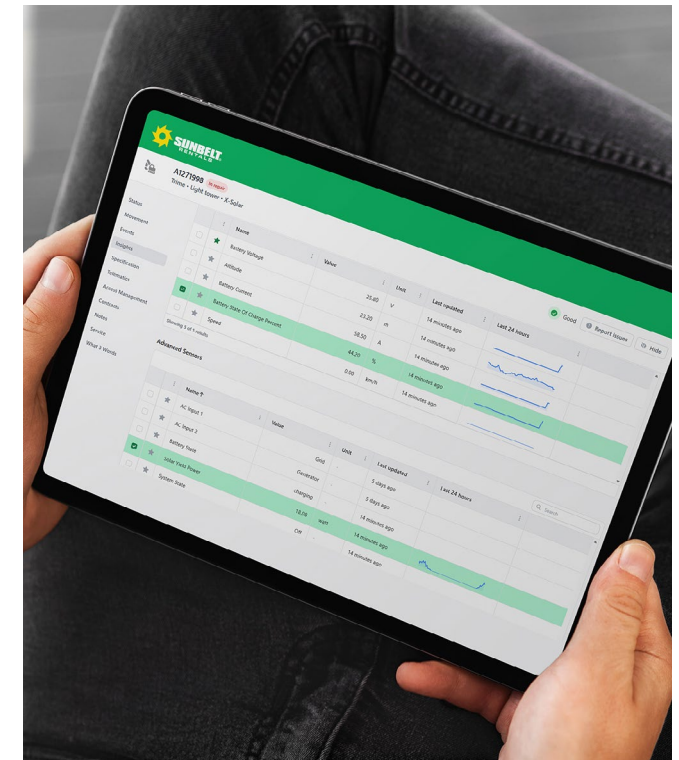
By leveraging our telematics data, augmented with the ERA's industry-standard emissions guidelines, this solution caters to diverse customer needs, ranging from simple data feeds to advanced visualisations.

The value of our product comes from enabling more informed, real-time conversations with our customers, allowing us to recommend the right equipment for the job based on their specific energy profile, including identifying low- and zero-emission alternatives.



## National Uptime Centre:

We have a dedicated team monitoring over 17,000 connected assets. Through onboard telemetry, we can provide our customers with data driven reports offering advice on best practise, asset optimisation and utilisation as well as intercepting and actioning alerts to reduce breakdowns and down time, which in turn saves emissions through reduced trips to sites and swapping of equipment.



# Industry Recognition

Our commitment to managing and reducing our environmental impact is demonstrated through the following recognised certifications, memberships, awards and ratings:

- Environmental Management ISO 14001:2015 – Certificate Number - EMS 532182.
- Energy Management Systems ISO 50001:2018 – Certificate Number - ENMS 634266.
- We are an active member of the European Rental Association (ERA), sitting on the Board, statistics committee, sustainability committee, technical committee and the promotions committee to help to shape industry standards and future direction. Through our membership in the ERA Sustainability Committee, we have actively supported the development of the ERA's Scope 1, 2 & 3 Carbon reporting guidance for the rental industry.
- We are an active member and accredited supplier of BAFTA Albert: a group of industry professionals supporting the screen industries transition to a net zero society.
- 2025 European Rental Awards - Best Safety Initiative by a Rental Company.
- 2025 Hire Association Europe - Hire Awards of Excellence - Sustainability & CSR Initiative.
- Awarded EcoVadis Gold rating in this year's assessment.
- Achieved B in our CDP rating in 2025.
- S&P – Sustainability Yearbook Member 2025.



# Declaration & 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<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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, the Corporate Value Chain (Scope 3) Standard<sup>3</sup> and the European Rental Association sector-specific guidance<sup>4</sup>.

On a day-to-day basis, the Group's response to sustainability matters is led by Brendan Horgan, the Group's chief executive. The Group's Net Zero commitment, which includes Sunbelt Rentals Limited, has been reviewed and signed off by the board of directors. The Board is regularly updated on sustainability matters, formally on a bi-annual basis, including updates on progress on the Group's Net Zero commitment.

Signed on behalf of Sunbelt Rentals Limited:



**Mark Keily**

Health, Safety & Sustainability Director

1. <https://ghgprotocol.org/corporate-standard>

2. <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

3. <https://ghgprotocol.org/standards/scope-3-standard>

4. <https://erarental.org/publications/era-carbon-reporting-guidance/>



