Price Western

BEgin Net Zero

2024

SUSTAINABILITY REPORT

V2

Balanced ENERGY

Certified B Corporation

CONTENTS

ABOUT THIS REPORT:
EXPANDING OUR BOUNDARY TO STRENGTHEN OUR CARBON RESILIENCE

This report marks a pivotal point in our Net Zero strategy. For the first time, we have established a fully comprehensive carbon footprint that captures the operational and value chain realities of manufacturing specialist equipment for law enforcement, security, and defence clients.

Expanding Our Boundary: Capturing the Full Carbon Picture
In previous years, our carbon reporting focused primarily on Scope 1 and 2 emissions — covering our direct energy use and operational activities. While this offered an important initial baseline for early reductions, it did not fully reflect the embedded carbon associated with the specialist materials, supply chains, and client requirements that define our business.

For the 2024 reporting year, our boundary has been deliberately expanded to align with the Greenhouse Gas Protocol Corporate Accounting Standard and best practice for full-scope SME carbon accounting.

This new boundary includes:

- **Purchased Goods & Services (Scope 3, Category 1):** Leather, textiles, and adhesives.
- **Upstream Transportation & Distribution (Scope 3, Category 4):** Movement of inbound materials from supplier to production facility.
- **Operational Scope 3 categories:** Business Travel, Employee Commuting, Water Consumption, Waste, and Transmission & Distribution Losses.

The expanded boundary allows us to focus not just on our direct footprint but on the full emissions profile linked to the products we manufacture, the suppliers we work with, and the procurement frameworks our clients increasingly operate within.

Recognising Progress Already Delivered
The recalculation of our boundary does not replace the operational progress already achieved. Our switch to 100% renewable electricity, installation of on-site solar PV, deployment of electric vehicles, energy efficiency improvements, and ISO14001-aligned governance have all delivered real, measurable reductions within our operational control.

The expanded boundary enhances transparency and integrity by ensuring we are no longer tracking reductions based on incomplete boundaries but are managing genuine decarbonisation across our full operational model.

Data Integrity: Client-Sourced, Evidence-Led, Independently Calculated
This footprint has been independently calculated by Balanced Energy using primary operational data provided directly from within our business:
Procurement records, supplier invoices, and logistics documentation were used to verify material volumes, distances, and transport activity.
Utility records and operational logs validated energy, water, and waste activity.
Financial accounts were used to cross-check procurement volumes and operational consistency.

Emissions factors applied reflect 2024 best-practice data sources: UK DEFRA, ADEME Base Carbone (France), WRAP Textiles 2030, Ecoinvent, and Plastics Europe.

While supplier activity data has advanced considerably, we acknowledge that supplier engagement is an ongoing process. Some supplier-specific Scope 3 figures remain based on modelled or industry-average data where primary disclosure is not yet available. As supplier engagement continues, Scope 3 data accuracy will mature further over time.

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Why This Matters to Our Business
As a supplier into regulated public sector procurement frameworks, full boundary carbon visibility is no longer an ethical aspiration; it is a commercial requirement. Our ability to present a fully scoped, defensible, and transparent footprint allows us to engage confidently with regulated buyers, anticipate tightening disclosure standards, and build supplier relationships that strengthen both procurement resilience and long-term business stability

Report Prepared by Ashley Webber
Balanced Energy

OUR BUSINESS IN A CHANGING CLIMATE

PWL operates as a UK-based specialist manufacturer, supplying protective equipment into highly regulated law enforcement, defence, healthcare, and public sector markets. We manufacture from two integrated production sites in Somerset, combining specialist assembly, testing and quality-controlled production.
As a business, we employ 36 FTE staff the 2024 reporting year. Our products are designed for long operational lifespans, meeting strict durability, safety, and procurement standards required by our client sectors.

In these markets, climate change is increasingly reflected in how procurement frameworks assess supplier readiness. As disclosure standards evolve, full-boundary carbon visibility is no longer optional but integral to long-term commercial eligibility. This report provides a comprehensive view of where PWL's emissions sit, how our products contribute to durable, lower-carbon outcomes, and where future decarbonisation opportunities exist across our supply chain.

OUR CARBON 2024 FOOTPRINT: A STRATEGIC FOUNDATION FOR LASTING IMPACT

With the full boundary now established, we have clear visibility into both where our carbon exposures reside and where meaningful reductions can be delivered over time. This expanded boundary provides a data-driven foundation aligned with the operational realities of specialist manufacturing and the procurement frameworks shaping our sector.

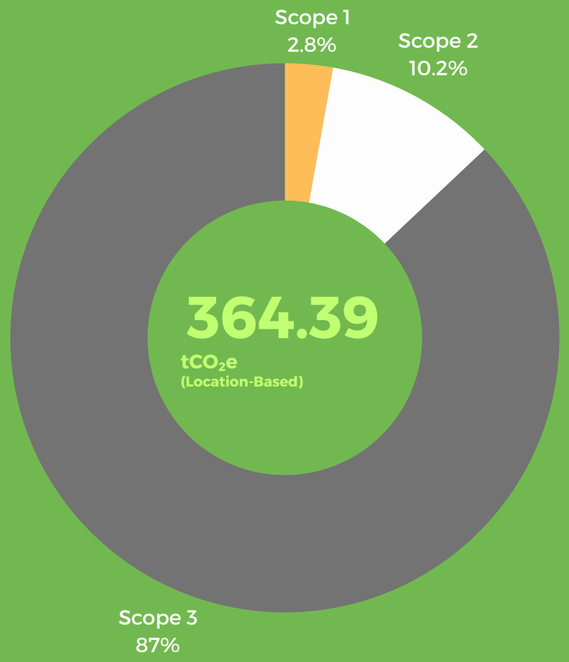
2024 Full Boundary Emissions Summary

For the 2024 reporting year, our total organisational carbon footprint stands at:

Total Emissions (Market-Based): 327.25 tCO_2e

Intensity Metric: tCO_2e/£million.
77.92 **tCO_2e/£million**

Intensity Metric: tCO_2e/FTE.
9.09 **tCO_2e/FTE**



While many businesses across our sector understandably remain focused on Scope 1 and 2 compliance due to supplier complexity, limited disclosure capacity, and data availability constraints, Scope 3 remains both the most structurally challenging and the most consequential area of carbon maturity.
By expanding our boundary to include full upstream material emissions, we are actively progressing towards the level of supplier transparency increasingly expected by regulated procurement frameworks—and most critically, targeting emissions sources that sit furthest upstream, where the greatest long-term carbon reductions can ultimately be achieved.

Durability as an Embedded Carbon Lever
Our Green Design Principles—built around durability, modularity, and long service life—are not simply product benefits but embedded decarbonisation tools. Extending product lifespans directly reduces manufacturing cycles, suppresses repeated material demand, and delivers lower emissions per year of use.
This durability model also reduces client procurement frequency, supports lifecycle cost stability, and aligns with public sector value-for-money objectives alongside environmental benefit.

Our Emissions Distribution
Our carbon footprint is highly concentrated within material procurement, reflecting both product specification and the regulatory performance standards we must meet:

Category:	% of Total Footprint
Purchased Goods & Services	~86.5%
Upstream Transportation	~4%
Operational Energy (Scope 1 & 2)	~6.5%
Business Travel & Commuting	~3%

The Commercial Maturity of Scope 3 Transparency

Achieving full Scope 3 visibility requires long-term supplier engagement and data development, which remains a maturing space across the manufacturing sector. As procurement frameworks increasingly request supplier-level emissions transparency, our willingness to engage suppliers and build this capability now positions us not as complete but as procurement-ready—aligned with where regulated disclosure standards are moving, and prepared for future Scope 3 auditing rigour.

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PERFORMANCE TRACKING: MEASURING PROGRESS WITHIN AN EXPANDING BOUNDARY

Our carbon reporting journey reflects both operational delivery and the maturing integrity of how emissions are measured across our full value chain. As reporting boundaries have evolved, so too has the visibility of where our carbon liabilities sit — expanding from early operational baselines into full Scope 3 integration.

While our 2024 total footprint (Market-Based) of 326.67 tCO_2e represents the first fully-scoped emissions profile for our business, it is important to recognise that operational improvements have been underway for several years within the categories historically tracked under narrower reporting scopes.

This full boundary now becomes the authoritative baseline from which our future Net Zero progress will be measured.

Consistent Operational Emissions Performance (Scopes 1, 2, Business Travel & Commuting)
To maintain transparency on actions already delivered across consistently reported categories, we present operational emissions tracking across Scope 1, Scope 2, and limited Scope 3 activities where historical data consistency allows comparability:

The 2023 reduction reflects several concurrent factors, including:

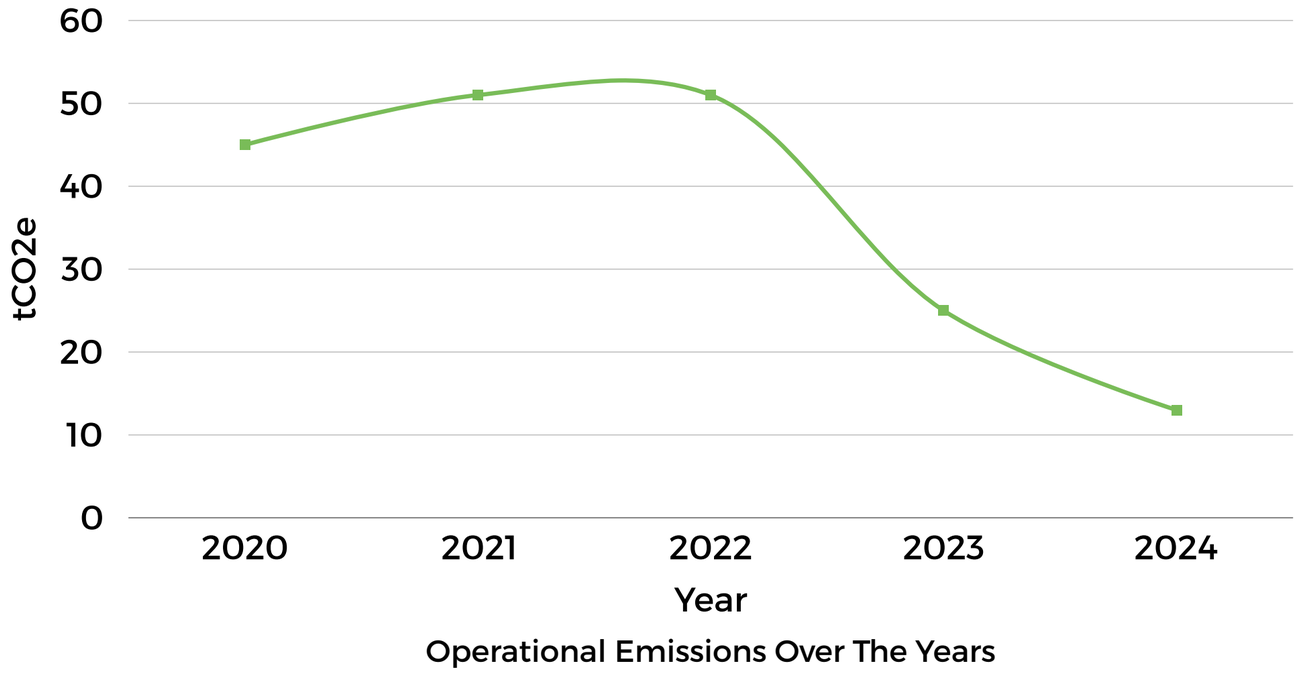
- **The switch to 100% renewable electricity procurement.**
- **Ongoing energy efficiency improvements following site-level energy audits.**
- **Introduction of business travel policy due to post-pandemic operational adjustments.**

We acknowledge that some elements of business travel and commuting emissions rely on estimation methodologies in earlier reporting years. This reflects both the data availability constraints typical of maturing Scope 3 reporting and the improvements in data capture systems implemented in 2024.

The Importance of Maintaining Dual-Track Integrity
Maintaining both expanded full-boundary reporting and consistent operational performance tracking allows:

- Transparency on both operational delivery and boundary expansion.
- Integrity for procurement audiences seeking comparability.
- Protection against perceived boundary inflation or artificial performance claims.

By being open about both reporting evolution and operational delivery, we remain structurally aligned with how regulated procurement bodies and third-party reviewers are increasingly evaluating supplier carbon maturity.



Operational Emissions Over The Years

UNDERSTANDING WHAT DRIVES OUR CARBON EXPOSURE

The full-boundary assessment allows us to move beyond simply identifying emission sources and focus instead on the structural, operational, and commercial realities that define our carbon profile. Each hotspot reflects not only a category of emissions, but a direct link to the technical performance requirements and procurement standards our sector operates within.

Raw Material Inputs: The Dominant Carbon Exposure
Purchased Goods & Services (Scope 3 Category 1) account for approximately 90% of total emissions — fully expected given the highly specialised nature of our manufacturing model.

- Leather (210.53 tCO_2e): As the core material for many of our products, leather carries embedded agricultural, processing, and finishing emissions. All hides are sourced domestically within the UK and Ireland, which not only minimises international freight but strengthens supplier proximity, traceability, and supply chain resilience.
- Textiles (70.4 tCO_2e): Technical fabrics including Cordura, Velcro, and mesh contribute additional embedded emissions, driven by the performance standards required across law enforcement, military, and medical applications.
- Adhesives (8.1 tCO_2e): Although relatively small in total impact, adhesives remain essential to assembly processes, and their fossil-based chemical origins contribute to overall supply chain emissions.

Strategic Insight:
Unlike many sectors where material substitutions offer straightforward decarbonisation opportunities, our material choices are tightly governed by sector-specific performance, safety, and regulatory standards. Where full substitution remains constrained, our most immediate lever remains extending product durability and engaging suppliers directly to improve the upstream carbon intensity of existing material processes

Inbound Transportation: Controlled but Material
Upstream Transportation & Distribution (Scope 3 Category 4) contributes approximately 2% of our total footprint. While smaller in scale, this exposure reflects both our conscious sourcing strategy and the realities of global material supply chains.

- Leather sourcing from the UK and Ireland substantially limits long-haul international freight.
- Adhesives are imported via European road freight.
- Technical textiles involve mixed modal routes from the UK, EU, and Asia, combining ocean freight with inland road transport.

Strategic Insight:
Our sourcing model already mitigates significant transport exposure where possible. Remaining freight emissions primarily reflect global logistics realities inherent in specialist materials supply chains. Further optimisation may emerge through consolidated shipping models or supplier partnerships.

Operational Energy: Actively Managed and Decarbonising
Scope 1 & 2 emissions account for approximately 7% of our total footprint, driven by:

- Electricity (37.14 tCO_2e): Fully mitigated through REGO-backed 100% renewable electricity contracts, supplemented by on-site solar generation.
- Natural Gas (10.25 tCO_2e): Process heating remains reliant on gas as electrification alternatives for specialist manufacturing processes remain commercially or technically constrained.

Strategic Insight:
While operational energy remains under strong management, further decarbonisation of process heating will depend on wider market readiness of low-carbon industrial heat systems, investment feasibility, and production stability requirements.

Business Travel and Commuting: Operational Realities of Manufacturing
Business Travel and Employee Commuting (Scope 3 Categories 6 & 7) represent approximately 1.5% of total emissions:
Essential international travel remains limited to critical client meetings, trade shows, and supplier engagement.
Manufacturing requires on-site production teams, limiting remote work flexibility.
Sustainable commuting options are actively promoted, with many staff already adopting active travel or shared commuting solutions.

Strategic Insight:
While incremental improvements in commuting behaviours continue, this category remains structurally limited by the nature of factory-based manufacturing operations

BALANCING PERFORMANCE, COMPLIANCE AND CARBON

Our emissions profile does not simply reflect internal operations — it reflects the highly regulated, client-critical sectors we serve, where product performance, operational safety, and procurement integrity are equally weighted commercial priorities.

The Sector Context
Our primary customers — UK police forces, military, NHS procurement bodies, and wider public sector agencies — increasingly require suppliers to balance functional excellence with environmental transparency. In many cases:

- Product reliability is non-negotiable.
- Compliance to safety and durability standards is mandatory.
- Carbon performance is now formally embedded into regulated procurement processes.

While many sectors still focus primarily on Scopes 1 and 2, the emergence of Scope 3 transparency is rapidly becoming a differentiator in security-critical manufacturing supply chains. The ability to evidence material-level emissions, supplier engagement, and full-boundary integrity is already influencing procurement scoring, particularly under frameworks such as UK PPN 06/21.

The Commercial Challenge of Scope 3
It remains important to acknowledge that Scope 3 emissions are structurally difficult for many manufacturers — and particularly for SMEs — due to:

- Complex multi-tier supplier networks.
- Limited supplier disclosure capacity.
- Time, resource, and commercial sensitivities in obtaining primary data.
- Evolving standards for how Scope 3 should be measured and assured.

Despite these real-world complexities, Scope 3 remains the most decisive component of carbon maturity — both environmentally and commercially — as supply chain carbon exposure drives the majority of embedded emissions in our manufacturing model. By expanding our boundary to capture these exposures, we are proactively aligning our reporting to the level of transparency increasingly demanded by regulated procurement frameworks and, most importantly, targeting the carbon sources with the highest potential for long-term reductions.

Supplier Engagement as Procurement Readiness
Supplier engagement is no longer just about data — it increasingly serves as:

- Procurement resilience: Mitigating supplier risk as disclosure standards rise.
- Cost exposure management: Preparing for potential embedded carbon cost pass-through as carbon pricing mechanisms evolve.
- Future audit protection: Anticipating deeper supply chain scrutiny under ESG-linked procurement assurance frameworks.

We are moving beyond simple measurement to actively manage carbon exposure in the context of real-world manufacturing constraints, with supplier engagement becoming both an operational necessity and a commercial safeguard.

COMPLETED ACTIONS: OUR DECARBONISATION ROADMAP

Our Net Zero strategy is active, commercially grounded, and aligned with the operational realities of manufacturing for regulated security and defence markets. This recalculated footprint serves not as a reset but as a more complete platform on which to build durable carbon management capability.

Progress Already Delivered

We have already delivered meaningful operational, design-led, and cultural changes that form the backbone of our decarbonisation maturity:

- **Renewable Electricity Procurement: All purchased electricity sourced from 100% renewable contracts, backed by REGO certification.**
- **Onsite Solar Generation: Operational solar PV installed at Brunel Way provides additional on-site generation capacity.**
- **Electric Vehicle Fleet: Full electric vehicle deployed within operational fleet.**
- **Energy Audits and Efficiency Upgrades: Comprehensive site audits have driven targeted building and process efficiency investments.**
- **Green Design Principles Embedded: Product longevity, modularity, and resource optimisation are fully integrated into design and manufacturing.**
- **ISO14001 Embedded: Environmental management governance integrated into operational leadership.**
- **Public Net Zero Commitments: Formal commitments made via UNFCCC Race to Zero and FNZ Expert SME Community.**
- **Offsetting Integrity: Historic offsetting remains in place for residual operational emissions (Woodland Fund portfolio) – independently verified and aligned to international standards.**

NEXT PRIORITIES: OUR DECARBONISATION ROADMAP

Near-Term Priorities: Strengthening Capability, Data Depth and Commercial Discipline

Our focus now turns to embedding stronger supplier partnerships, governance discipline, and commercial resilience into the next phase of carbon maturity:

- **Supplier Data Engagement: Build structured programmes to improve supplier-level emissions disclosure across tanneries, textiles, and adhesives.**
- **Downstream Transport Inclusion: Extend boundary completeness by incorporating product distribution emissions as logistics data becomes fully available.**
- **Product-Level Carbon Insights: Build simple product carbon models to support public sector tenders and reinforce durability as an embedded carbon benefit.**
- **Carbon Literacy Training: Expand internal knowledge across leadership, procurement, and technical teams to embed carbon-informed decision making throughout commercial operations.**
- **Operational Efficiency Continuation: Maintain process improvements while exploring long-term infrastructure upgrades for heating and electrification feasibility.**
- **Internal Carbon Pricing Discipline: Introduce internal carbon pricing as a scenario planning tool — allowing leadership teams to assess financial exposure as carbon regulation, supply chain requirements, and embedded pricing mechanisms evolve.**

Introducing an internal carbon price as a scenario tool allows leadership teams to anticipate potential policy and buyer-driven costs before they fully materialise, strengthening financial resilience as procurement and policy frameworks continue to tighten.

BUILDING LONG-TERM RESILIENCE: OUR DECARBONISATION ROADMAP

Long-Term Vision: Durable, Sector-Aligned Decarbonisation

While structural hard-to-abate areas remain, our long-term pathway remains commercially credible and sector-appropriate:

- **Material Innovation Collaboration: Proactively monitor lower-carbon tanning processes, alternative synthetics, and adhesive substitutions as technical standards evolve.**
- **Industrial Heat Transition: Monitor commercial viability of electrification, heat pump systems, or industrial heating retrofits.**
- **Supplier Decarbonisation Partnerships: Work with critical suppliers to embed emissions reduction directly into material processing models.**
- **Procurement Disclosure Readiness: Stay aligned with evolving Scope 3 standards, product-level disclosure frameworks, and international buyer expectations.**
- **Circularity Exploration: Expand modularity and repair models where feasible within security-sensitive product designs.**

Our roadmap balances technical realism, commercial governance, and policy readiness — embedding carbon management as part of how we lead, procure, and manufacture in complex regulated markets.

DESIGNING DURABILITY: OUR APPROACH TO RESPONSIBLE MANUFACTURING

Durability sits at the heart of both our product philosophy and our decarbonisation model. For our clients — operating in security, law enforcement, military, and medical sectors — product integrity is not negotiable. The more durable the product, the fewer manufacturing cycles required, directly suppressing both material turnover and embedded carbon intensity.

Durability is a Primary Emissions Lever. Our Green Design Principles ensure that:

- Products are engineered for long operational lifespans, reducing the need for repeat production.
- Modular designs allow for component repair and replacement, reducing full product retirement cycles.
- Material specifications balance functional life with carbon cost, ensuring performance and safety standards remain fully certified throughout the life of the product.
- Production processes minimise waste and non-recyclable by-products, limiting unnecessary material input at manufacturing stage.

This durability model not only reduces lifetime carbon emissions, but directly supports public sector procurement frameworks where long-term value, service reliability, and lifecycle cost stability are increasingly linked to supplier evaluation criteria. Durability reduces procurement frequency for our clients, stabilises lifecycle cost exposure, and delivers measurable environmental benefit through suppressed raw material demand.

End-of-Life Constraints and Lifecycle Management
Product end-of-life remains structurally hard-to-abate due to:

- Complex, mixed-material product design configurations.
- Security-sensitive features that restrict disassembly or recycling routes.
- Client-imposed disposal protocols for high-security equipment.

Our most effective control mechanism is to suppress turnover at source through long-life design and modular replacement, significantly reducing total emissions exposure across the full service life of each product.

Responsible Manufacturing Built for Sector Realities
For our sector, sustainability is not built around simple material substitution. It is embedded into how we design, service, and extend product functionality for mission-critical clients — while actively managing the material carbon impacts at every stage of that life cycle.

Sector-Specific Constraints on Material Substitution
While many industries can pursue rapid material substitution as a decarbonisation lever, our sector is tightly governed by:
Regulatory certification standards tied to security, military, and medical uses.
Performance standards such as weight, load-bearing capacity, fire-retardance, and operational field stability.
Mission-critical client expectations for safety and operational readiness.
This limits the pace at which emerging materials can be introduced, as all alternatives must undergo extended validation, certification, and field testing before operational deployment.

Where material substitution is not yet viable, we focus instead on:
Supplier engagement to monitor process decarbonisation at source (e.g. tanning processes, adhesives formulation, recycled content readiness).
Close monitoring of technical material innovation trends, ensuring readiness for adoption where certification becomes feasible.
Maximising in-use lifespan to reduce both carbon and procurement repetition.

GLOBAL GOALS REFLECTED IN OUR WORK

As our carbon maturity strengthens, we recognise the importance of aligning our operational workstreams with wider international sustainability frameworks – most notably the United Nations Sustainable Development Goals (SDGs). These do not serve as declarations of achievement but instead act as external reference points guiding the business in maturing its decarbonisation model within a highly regulated manufacturing context.

Our alignment with these global goals reflects both the commercial responsibilities of operating within regulated procurement markets and the operational complexity of material-intensive manufacturing. These frameworks provide direction – not as claims of completeness, but as living guides that inform how we continue to build both carbon maturity and procurement resilience over time

SDG 12 – Responsible Consumption and Production

Embedded through design-led durability, modularity, and supplier stewardship.

- Our Green Design Principles extend product lifespans, reducing repeat manufacturing cycles and suppressing raw material turnover.
- Modular product architecture allows targeted repairs rather than full replacements.
- Waste minimisation is actively pursued during manufacturing processes.
- Supplier engagement initiatives provide a pathway toward more sustainable sourcing practices across leather, textiles, and adhesives.

In a sector where secure disposal is inherently constrained, extending product life becomes the most effective mechanism to reduce lifecycle carbon exposure and minimise unnecessary material extraction.

SDG 13 – Climate Action

Integrated through boundary expansion, operational decarbonisation, and supplier engagement.

- Our full-boundary Scope 1, 2, and 3 footprint reflects GHG Protocol alignment.
- Public Net Zero commitments made via UNFCCC Race to Zero and FNZ Expert SME Community.
- Operational decarbonisation actions delivered via renewable electricity procurement, on-site solar PV, and EV fleet deployment.
- Supplier engagement programmes launched to strengthen upstream Scope 3 disclosure and support maturing procurement frameworks.

These measures create full procurement alignment while recognising that Scope 3 supplier data quality will continue to strengthen as supplier partnerships mature.

SDG 8 – Decent Work and Economic Growth

Demonstrated through skilled employment, workforce training, and procurement resilience.

- The business model supports stable, skilled, and locally anchored employment within advanced manufacturing disciplines.
- Carbon literacy training is being extended across procurement, leadership, and operational teams to embed commercial climate capability.
- Public sector procurement growth opportunities are being actively secured through full-boundary carbon maturity positioning.

SDG 9 – Industry, Innovation and Infrastructure

Expressed through clean operational infrastructure, process efficiency, and supplier innovation readiness.

- Energy audits and site-level efficiency investments have been delivered.
- On-site solar PV generation contributes to energy resilience.
- Supplier dialogue is now extending toward lower-carbon tanning processes, recycled content exploration, and adhesives reformulation pathways.
- Product modularity innovations further strengthen both resource efficiency and client lifecycle value.

SDG 17 – Partnerships for the Goals

Actively progressed through supplier engagement and collaborative Scope 3 transparency.

- Supplier mapping is underway across key material and transport inputs.
- Supplier-specific data collection initiatives are maturing.
- Supplier partnerships will form a critical foundation for procurement assurance as buyer frameworks increasingly require supplier-level disclosure integrity.

WHERE WE FOCUS NEXT: PRIORITIES FOR MEANINGFUL CARBON ACTION

This report represents a structural shift in how carbon management is embedded across our leadership, procurement, supplier engagement, and operational governance. We now hold a full-boundary, supplier-informed carbon footprint that reflects how we operate, manufacture, and serve highly regulated, performance-critical client sectors.

Key Takeaways

- Emissions are concentrated exactly where product integrity requires: within raw materials chosen to meet sector-specific durability, safety, and compliance standards.
- Operational energy exposure remains fully controlled and actively decarbonised through 100% renewable procurement, on-site solar PV, and energy efficiency investments.
- Supplier engagement pathways are active and maturing, establishing supplier-level data foundations that strengthen Scope 3 granularity.
- Our design model itself acts as a decarbonisation lever, extending product lifespans, suppressing material turnover, and aligning carbon management directly to procurement value-for-money frameworks.
- Internal capabilities are being expanded, with carbon literacy embedded across leadership, procurement, and technical teams.

Next Priorities
As procurement regulations, supply chain standards, and policy frameworks continue to evolve, our focus moves toward deeper data integrity, supplier resilience, and financial readiness:

Supplier Data Deepening: Advance structured supplier engagement programmes to secure supplier-specific emissions disclosures and reduce reliance on industry averages for Scope 3 Purchased Goods & Services.

Product-Level Carbon Modelling: Build simple, data driven carbon models at product-line level to meet public sector procurement scoring needs and reinforce durability-linked carbon benefits. Downstream Distribution Inclusion: Map and calculate Scope 3 downstream distribution emissions as logistics data quality matures.

Internal Carbon Pricing Discipline: Apply an internal carbon budget framework as a forward-looking scenario planning mechanism, allowing leadership to understand and model financial exposure as carbon pricing, procurement weighting, and buyer cost pass-through pressures continue to strengthen. Introducing internal carbon pricing as a scenario-planning tool allows financial resilience to be actively protected as procurement weighting mechanisms and policy frameworks become progressively more carbon-integrated.

The Commercial Reality
We will not be judged solely on reduction commitments, but on data integrity, supplier transparency, and our capacity to demonstrate full-scope emissions governance. Procurement frameworks are rapidly embedding Scope 3 integrity as a formal eligibility factor across security, defence, healthcare, and public sector contracts.

Carbon management is no longer a standalone sustainability topic. It is embedded directly into how we compete, how we operate, how we procure, and how we safeguard the commercial resilience of our business across regulated, mission-critical supply chains.

CARBON FOOTPRINT VERIFICATION

Balanced Energy is committed to delivering the highest standards of accuracy and integrity in carbon reporting and sustainability management. This report has been prepared in accordance with internationally recognised methodologies, including the Greenhouse Gas (GHG) Protocol ensuring compliance with best practices and industry standards.

As part of our rigorous verification process, this report has been independently reviewed and quality checked by an IEMA-qualified expert in carbon management, ensuring the accuracy and reliability of the data presented. This verification process provides confidence to Price Western Leather and its stakeholders that the emissions data and recommendations reflect an accurate, transparent, and actionable sustainability strategy.

The verification process includes:

- **Data Integrity Check**: Ensuring all activity data sources, including energy consumption and business operations, align with recorded evidence.
- **Emission Factor Validation**: Applying the latest emission factors to ensure consistency and accuracy in calculations.
- **Review of Assumptions:** Assessing key assumptions and methodologies used to quantify emissions and reduction pathways.
- **Quality Assurance:** Cross-checking figures, calculations, and recommendations against Balanced Energy's internal quality standards to ensure precision and transparency.

Role	Name	Signature	Date
Author	Ashley Webber		05/06/2025
Reviewer	Elea Taffet		06/06/2025

Price Western

Carbon Accounting Alliance Member

Certificate of Carbon Footprint Assessment

This is to certify that Price Western Leather Company Limited has successfully completed a comprehensive carbon footprint assessment for the reporting period **January 2024 - December 2024**.

Through this assessment, Price Western has demonstrated a strong commitment to measuring and managing their environmental impact in alignment with best practices and industry standards.

Total Carbon Footprint (Market Based): 327.25 tCO_2e

Scope 1 Emissions: 10.25 tCO_2e
Scope 2 Emissions: 0.00 tCO_2e
Scope 3 Emissions: 317.01 tCO_2e
Emission Intensity: 77.92 tCO_2e/£m revenue

This assessment was conducted following the principles of the GHG Protocol and verified by an IEMA-qualified expert in carbon management, ensuring the highest levels of accuracy and transparency.

Balanced ENERGY

APPENDIX A: THE NUMBERS BEHIND OUR 2024 IMPACT

Greenhouse Gas (GHG) Inventory by Activity (Market Based) January 2024 - December 2024

	Activity	Unit	Consumption	Carbon Emissions (tCO_2e)
Scope 1	Natural Gas	kWh	56,024	10.25
	Company Van EV*	Miles	668	-
Scope 2	Electricity	kWh	179,379	37.14
Scope 3	T&D Losses	kWh	179,379	3.28
	Water	m3	251	0.09
	Waste	Tonnes	2	0.01
	PG: Leather	Tonnes	123.78	210.53
	PG: Textiles	Sqm	6,400	70.40
	PG: Glue	kg	3,000	8.10
	Business Travel			-
	Land - Car	miles	2,302	0.66
	International Flight	Km	25,788	4.72
	Employee Commuting			-
	Car	miles	19,834	5.33
	Bus	Km	1,805	0.20
	Leather Transport (UK Road Freight)	tonne-km	115,040	12.88
	Glue Transport (Italy to UK Road Freight)	tonne-km	4,500	**0.38**
	Mesh Transport (UK Road Freight)	tonne-km	768	**0.09**
	Cordura Transport (Taiwan Ocean Freight)	tonne-km	26,800	**0.25**
	Cordura Transport (UK Inland Road Freight)	tonne-km	268	**0.03**
	Velcro Transport (Spain to UK Road Freight)	tonne-km	870	**0.07**
Gross Annual Total				**364.89**
Qualifying Green Tariff (Scope 2 Market-Based)				**37.14**
TOTAL				**327.25**

Company Van EV* Impact calculated in Scope 2 electricity consumption

APPENDIX B: METHODOLOGY

This carbon footprint assessment has been conducted in accordance with the principles and requirements of the Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The methodology follows established best practice for boundary setting, emissions categorisation, and activity-based carbon accounting.
Boundary and Scope.

PWL reports under an operational control boundary. This includes all emissions from activities over which PWL exercises operational authority, irrespective of legal ownership or contractual arrangements. The reporting period covers 1 January 2024 to 31 December 2024.

The assessment includes:

- **Scope 1:** Direct emissions from controlled sources (e.g. natural gas consumption, fuel use in company vehicles).
- **Scope 2 (market-based):** Indirect emissions from purchased electricity (100% REGO-backed renewable electricity contracts, supplemented by on-site solar PV generation).
- **Scope 3 (selected categories)**: Indirect emissions across the upstream value chain, including:
  - Purchased goods and services (materials: leather, textiles, adhesives)
  - Upstream transportation and distribution
  - Business travel
  - Employee commuting
  - Waste disposal
  - Water consumption
  - Transmission and distribution (T&D) losses

All Scope 3 categories included reflect the material upstream emissions drivers for PWL's manufacturing and procurement model. Downstream distribution is excluded from this reporting year pending full logistics data maturity. Supplier-specific data has been integrated where available; otherwise, credible secondary data sources and industry averages have been applied.

Emissions Calculation
All emissions calculations are based on activity data multiplied by standardised emissions factors. The following data sources were used for 2024:

UK Government GHG Conversion Factors for Company Reporting:

(DESNZ/DEFRA 2024 Release)
ADEME Base Carbone (France)
WRAP Textiles 2030 Dataset
Ecoinvent Database (v3.9)
Plastics Europe Database (Eco-profiles)

For Scope 3 purchased goods and materials, emission factors were selected to reflect the embedded lifecycle carbon intensity of leather, textiles, and adhesives based on 2024 best available process data.

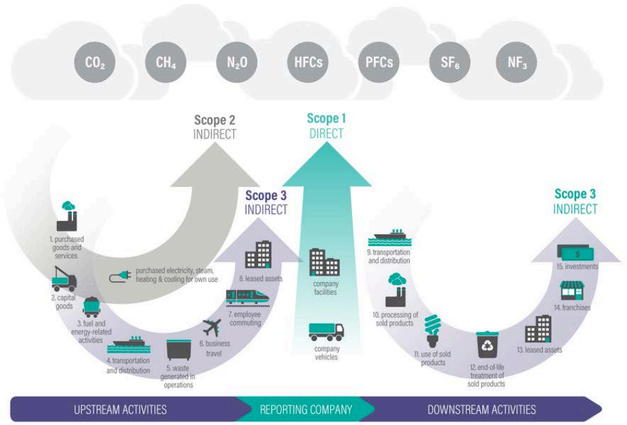
Where primary supplier-specific data was unavailable, robust secondary datasets were applied with conservative estimation assumptions to minimise understatement of emissions.
Scope 2 reporting follows both market-based and location-based approaches in line with GHG Protocol guidance, with market-based reporting reflecting 100% renewable electricity procurement supported by REGO certification and on-site solar generation.

Business travel, commuting, and logistics activity data was collected via procurement records, internal travel logs, supplier invoices, and mileage estimates. Travel distances were recorded in both miles and kilometres depending on source data availability, with mode-specific emissions factors applied.
Data Integrity and Review

All calculations have been independently prepared by Balanced Energy using client-supplied activity data, cross-referenced with procurement, logistics, and financial records. Data has been internally reviewed for completeness, accuracy, and methodological consistency.
This assessment has undergone third-party external assurance and is aligned with recognised standards of carbon accounting accuracy and transparency suitable for procurement, reporting, and disclosure purposes.

Balanced Energy is a member of the Carbon Accounting Alliance, reflecting its commitment to ongoing methodological integrity, industry alignment, and best practice in complex organisational carbon accounting.

The approach applied is compatible with leading frameworks and supports PWL's long-term Net Zero objectives and procurement disclosure requirements.



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