BRADFORD WATTS LTD

ANNUAL CLIMATE & GREENHOUSE GAS REPORT

Reporting Period: 1 April 2025 - 31 March 2026

Prepared to support SME Climate Hub annual disclosure requirements

Version 01

Issue date: 21 September 2026

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PUBLIC DISCLOSURE DOCUMENT

1. Document Control and Reporting Statement

Item	Detail
Organisation	Bradford Watts Ltd
Reporting period	1 April 2025 - 31 March 2026
Reporting year	2026 (based on the reporting period end date)
Report version	01
Prepared by	Fraser Pimley, Senior SHEQ Manager
Reporting boundary	Bradford Watts Ltd organisational operations under operational control
Reporting framework	SME Climate Hub annual reporting requirements; GHG Protocol principles
External assurance	No independent third-party verification has been completed for this report
Public disclosure	Prepared for annual climate disclosure and stakeholder use

This report presents Bradford Watts Ltd's annual greenhouse gas (GHG) emissions, climate commitments, actions, current data-quality position, key challenges and forward plan. It is structured to cover the mandatory subject areas identified by the SME Climate Hub for annual reporting: company information, climate targets, Scope 1 and location-based Scope 2 emissions, calculation method and energy information, climate action, and progress/challenges. The current SME Climate Hub tool also allows value-chain (Scope 3) emissions to be reported; Bradford Watts Ltd has included its current Scope 3 inventory to provide a fuller picture of its footprint.

The SME Climate Hub requires annual public progress reporting. Its current reporting checklist recommends aligning the reporting period with the company financial year and defines the reporting year by the last day of that period. This report therefore uses 31 March 2026 as the period end date and 2026 as the reporting year.

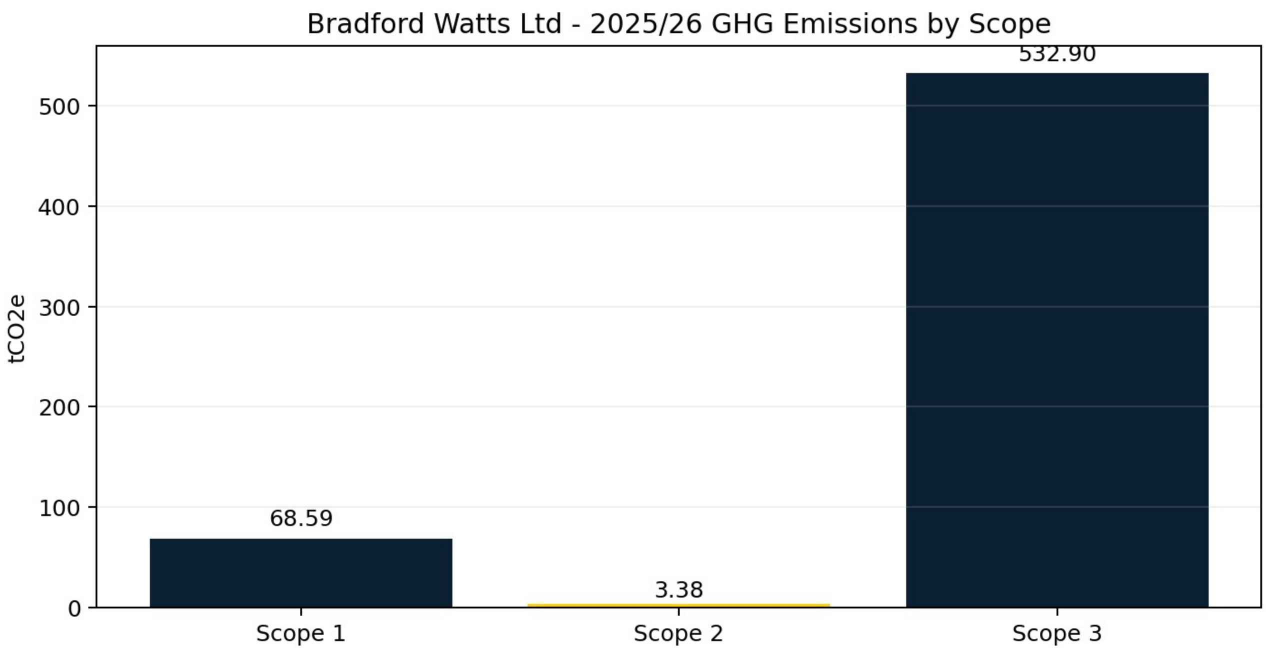
1.1 Important basis-of-preparation statement

The Scope 1, Scope 2 and Scope 3 totals used in this report are the company totals adopted for the 2025/26 reporting cycle: Scope 1 68.59 tCO2e, Scope 2 (location-based) 3.38 tCO2e and Scope 3 532.90 tCO2e. The Scope 3 figure remains a management estimate based on a combination of activity-based and spend-based approaches and has not been independently assured. Where exact source activity data are incomplete, the limitation is stated rather than presenting an estimate as verified fact.

2. Executive Summary

Bradford Watts Ltd is a UK commercial and industrial refurbishment principal contractor. During the 2025/26 reporting cycle, the company has continued to formalise its climate and energy-management approach while progressing its science-based target work and wider environmental management commitments.

Key metric	2025/26 position
Scope 1 emissions	68.59 tCO2e
Scope 2 emissions - location-based	3.38 tCO2e
Scope 3 emissions	532.90 tCO2e
Total organisational footprint	604.87 tCO2e
Scope 1 share of footprint	11.34%
Scope 2 share of footprint	0.56%
Scope 3 share of footprint	88.10%
Latest evidenced 12-month electricity consumption	17,508 kWh / 17.508 MWh
Renewable energy claimed for this report	0 kWh
Independent verification	No



The footprint is dominated by value-chain emissions. This means that supplier engagement, procurement choices, waste reduction and improved project-level data capture are central to the company's decarbonisation strategy, while direct fleet/fuel emissions and purchased electricity remain the primary areas of direct operational control.

3. Organisation, Reporting Boundary and Business Activities

Bradford Watts Ltd operates as a refurbishment principal contractor delivering commercial and industrial construction, refurbishment, roofing, building-fabric and associated project works across the United Kingdom. The company frequently fulfils Principal Contractor duties and manages subcontractors, temporary works, site logistics, plant, vehicles, energy use, materials and waste across project locations.

3.1 Organisational boundary

The inventory is prepared on an operational-control basis. Emissions are allocated according to whether Bradford Watts Ltd owns or controls the source, purchases the energy, or causes the relevant upstream/downstream value-chain activity. This approach is consistent with the GHG Protocol distinction between direct Scope 1 emissions, purchased-energy Scope 2 emissions and other indirect Scope 3 emissions.

3.2 Reporting-period company information

Employee number and annual revenue are mandatory items within the SME Climate Hub reporting tool. Bradford Watts Ltd should enter the final finance-approved annual revenue and the confirmed employee headcount/FTE position at 31 March 2026 directly in the portal. These commercially sensitive items are not reproduced in this public report unless the company elects to publish them.

3.3 Base year

The 2025/26 reporting cycle is treated as Bradford Watts Ltd's current baseline reporting period for this report. Because this is the first full annual report using the present inventory structure, year-on-year quantitative reduction performance cannot yet be stated on a like-for-like basis. Future annual reports should compare against this baseline using the same organisational boundary and recalculate the base year where a material structural or methodology change requires it.

4. Climate Commitment, Targets and Governance

4.1 SME Climate Commitment

Bradford Watts Ltd supports the SME Climate Hub commitment to take immediate climate action, materially reduce greenhouse gas emissions, achieve net zero no later than 2050 and disclose progress annually. The current SME Climate Hub commitment requires committed SMEs to halve greenhouse gas emissions within ten years, achieve net zero before 2050 and disclose progress yearly.

4.2 Near-term target position

Target	Boundary	Base year	Status
SME Climate Hub near-term commitment	Absolute organisational GHG emissions	2025/26 baseline	50% reduction by 2030 used as internal planning ambition
Net zero	Scopes 1, 2 and 3	2025/26 baseline	Net zero by 2050 at the latest
SBTi near-term target submission	Scope 1 and Scope 2	As submitted to SBTi	Under validation; final approved wording will supersede any provisional wording in this report

A 50% reduction from the current total footprint of 604.87 tCO_2e would equate to an indicative total-emissions level of 302.44 tCO_2e. This figure is presented as a planning reference, not as evidence of an independently validated target trajectory.

4.3 Governance

- Overall accountability for environmental and climate performance sits with senior management, supported by the SHEQ function.
- Carbon and energy performance is integrated with the company's ISO 14001 environmental management arrangements and developing ISO 50001 energy-management work.
- Annual GHG data should be reviewed by Finance, SHEQ and operational management before external disclosure.
- Material changes to organisational boundary, calculation method or emission factors are to be documented and, where necessary, reflected in a baseline recalculation.
- Supplier and subcontractor engagement is to be strengthened because Scope 3 represents the majority of the current footprint.

5. GHG Accounting Methodology and Data Sources

The inventory follows the core GHG Protocol principles of relevance, completeness, consistency, transparency and accuracy. UK Government greenhouse gas conversion factors for company reporting are the primary factor source for UK activity data. Where activity data are not sufficiently granular, spend-based methods may be used as an interim screening approach, with the method and limitations disclosed.

5.1 Emission-factor source

Scope 1 and Scope 2 calculations use recognised UK Government greenhouse gas conversion factors for company reporting published by the Department for Energy Security and Net Zero (DESNZ). This directly addresses the need to identify recognised emission-factor sources. The relevant annual factor set should be retained in the calculation workbook alongside each activity line and calculation date.

5.2 Calculation hierarchy

- Primary preference: activity data x relevant emission factor (for example litres of fuel, mileage, kWh electricity, tonnes of waste).
- Secondary approach: supplier-specific or product-specific carbon data where credible and documented.
- Interim screening: spend-based estimation where physical activity data are unavailable, particularly for parts of Scope 3.
- No carbon offsets are deducted from the reported gross Scope 1, Scope 2 or Scope 3 emissions totals.
- Scope 2 is reported on a location-based basis. No market-based renewable electricity claim is used in this report.

5.3 Evidence base

Evidence / source	Use in report	Data-quality note
Supplier energy usage summary	Electricity usage and energy-performance context	Latest available 12-month evidence; does not perfectly align with Apr 2025-Mar 2026
Vehicle fuel records	Scope 1 activity source	Underlying vehicle/fuel records should be retained with factor-year references
Waste expenditure / supplier records	Scope 3 Category 5 screening	Spend-based estimate pending improved tonnage and treatment-route data
Procurement and subcontract spend	Scope 3 Category 1 screening	Spend-based estimate; supplier-specific data preferred in future
UK Government GHG Conversion Factors	Scope 1, 2 and relevant Scope 3 factors	Recognised UK company-reporting source

6. Energy Consumption and Energy Performance

The supplier energy summary available to Bradford Watts Ltd reports 17,508 kWh (17.508 MWh) of electricity consumed over its latest 12-month analysis period. It also reports that electricity use in August to October 2025 was 2,617 kWh, 28% lower than the same three months of the previous year, while 16% of energy was identified as potential out-of-hours wastage above normal base load.

6.1 SME Climate Hub energy disclosure

Metric	Reported position	Disclosure note
Electricity consumption	17,508 kWh	Latest evidenced supplier 12-month total
Electricity consumption	17.508 MWh	Equivalent unit
Renewable energy consumption claimed	0 kWh	No on-site renewable generation or market-based renewable claim included
Total energy consumption - all energy types	Requires final fuel-to-kWh reconciliation	SME Climate Hub field 3.2 includes electricity, fuels and heating; vehicle fuel must be converted to kWh before entering a complete total-energy figure

Important submission control: 17,508 kWh must not be entered as the company's total energy consumption if vehicle fuel or other purchased fuels are within the reporting boundary. The portal's total-energy field requires all energy types. Bradford Watts Ltd should complete the final fuel-to-kWh conversion from its 2025/26 vehicle fuel ledger before entering that field. The 17,508 kWh figure is appropriate as the currently evidenced electricity component only.

7. Scope 1 and Scope 2 Emissions

Scope	2025/26 tCO2e	% of total	Method / status
Scope 1	68.59	11.34%	Direct emissions under operational control; calculated using recognised UK Government factors
Scope 2 - location-based	3.38	0.56%	Purchased electricity using location-based grid-average approach
Scope 2 - market-based	Not claimed	-	No market-based renewable tariff/instrument reduction is claimed

7.1 Scope 1

Scope 1 emissions total 68.59 tCO2e. The underlying activity should be retained in the company calculation workbook by source (for example owned/controlled vehicle fuel, stationary combustion and any fugitive refrigerants where applicable). The annual report does not fabricate a category split where the supporting source ledger has not been reconciled within this document.

7.2 Scope 2

Location-based Scope 2 emissions total 3.38 tCO2e. The location-based method reflects average emissions intensity of the electricity grid. Bradford Watts Ltd is not using green tariffs, renewable certificates or other market-based instruments as a claimed reduction lever in this report. This is consistent with the methodology clarification requested during the company's SBTi validation process.

7.3 Scope 1 and 2 actions

- Monitor office electricity consumption and investigate out-of-hours consumption identified through supplier analytics.
- Strengthen switch-off and energy-control arrangements for equipment and cooling systems.
- Use energy monitoring and management-review processes to identify abnormal consumption and corrective action.
- Improve fleet fuel data capture and evaluate lower-carbon vehicle and travel options as commercially and operationally practicable.
- Maintain location-based Scope 2 reporting consistency unless the company formally changes its reporting method and target basis.

8. Scope 3 - Value Chain Emissions

Bradford Watts Ltd has elected to report its current Scope 3 estimate even though detailed value-chain quantification is not mandatory for all SMEs at the start of the SME Climate Hub reporting journey. The current estimate totals 532.90 tCO2e and represents 88.10% of the company's reported footprint. The figure is not independently verified and should be treated as a screening inventory that will be progressively replaced with higher-quality activity and supplier-specific data.

GHG Protocol category	2025/26 tCO2e	Current method	Data-quality priority
1 Purchased goods & services	360.00	Spend-based screening	High - obtain supplier/material-specific data
2 Capital goods	32.00	Spend-based screening	Medium
3 Fuel & energy related activities	10.80	Estimated upstream energy/fuel impacts	High - calculate from fuel/electricity activity factors
4 Upstream transport & distribution	36.00	Screening estimate	High - collect delivery mileage/tonne-km
5 Waste generated in operations	56.30	Spend-based screening using £125,000 annual waste spend	High - replace with tonnes by waste stream/treatment route
6 Business travel	5.00	Screening estimate	Medium - mileage/rail/flight records
7 Employee commuting	17.80	Screening estimate	Medium - staff travel survey
12 End-of-life treatment of sold products	15.00	Screening estimate	Medium - refine project/material assumptions

Categories not shown above are currently assessed as not applicable or not separately quantified in the screening inventory. Bradford Watts Ltd should avoid stating that an unmeasured category is zero unless the company can evidence that the activity does not occur.

9. Actions Taken During the Reporting Period

Bradford Watts Ltd has taken and/or embedded a range of operational measures that support emissions reduction and improved environmental control. For SME Climate Hub reporting, the company should distinguish actions already taken in the reporting period from future planned actions.

9.1 Own-emissions actions

- Monitoring of electricity use through supplier consumption data and energy-performance reporting.
- Identification of potential out-of-hours electricity wastage and focus on switch-off/automatic controls.
- Continued use of environmental management procedures and management review to track environmental objectives and operational controls.
- Development of more structured energy-management arrangements in support of ISO 50001 preparedness.
- Improved reconciliation of company vehicle fuel records for Scope 1 reporting.

9.2 Value-chain actions

- Waste prevention, segregation and responsible disposal requirements embedded within project planning and subcontractor control.
- Increased focus on circular-economy principles, material reuse and reduction of avoidable waste.
- Supplier and subcontractor environmental expectations incorporated into procurement and prequalification processes.
- Development of better Scope 3 data capture so that spend-based screening can be replaced by physical activity data wherever practicable.
- Client and project engagement on lower-carbon materials, logistics and design options where scope and specification permit.

10. Climate Action Plan - 2026 to 2030

Priority	Action	Owner	Target timing	Evidence / KPI
Energy	Close out avoidable out-of-hours electricity use; formalise monthly review	SHEQ / Facilities	2026-27	kWh/month; exception log; corrective actions
Fleet	Improve fuel ledger completeness and assess lower-carbon vehicle options	Operations / Finance	2026-28	litres, mileage, tCO2e/vehicle-km
Waste	Move from spend-based waste estimate to tonnes by stream and treatment route	Projects / SHEQ	2026-27	tonnes, recycling/recovery route, tCO2e
Procurement	Capture material/subcontract spend by carbon-relevant category and request supplier data	Commercial / Procurement	2026-28	% spend with carbon data; supplier engagement rate
Scope 3	Prioritise top emitting categories and improve methodology annually	SHEQ / Finance	Annual	% Scope 3 from activity/supplier data
Governance	Annual management review of emissions and target trajectory	Directors / SHEQ	Annual	approved annual climate report
Targets	Maintain consistency between SBTi target method and claimed reduction levers	Directors / SHEQ	Ongoing	validated target wording and calculation basis

10.1 Reduction hierarchy

Bradford Watts Ltd will prioritise real emissions reductions through avoidance, efficiency, operational optimisation, lower-carbon procurement and supply-chain engagement. Any future use of carbon credits or removals would be reported separately and would not be netted against gross emissions unless permitted under the applicable framework for residual emissions at net zero.

11. Climate Risks, Opportunities and Business Resilience

Climate-related issues can affect both project delivery and business performance. The company's annual climate review should consider physical, transition, commercial and regulatory risks alongside opportunities to improve efficiency and competitiveness.

Area	Examples relevant to Bradford Watts Ltd	Management response
Physical risk	Heat, severe rainfall, storms and disruption to construction programmes	Project planning, emergency arrangements, weather monitoring and resilient programming
Energy / fuel cost	Volatility in electricity and transport-fuel costs	Energy efficiency, monitoring, fleet efficiency and procurement review
Supply chain	Embodied-carbon data gaps and carbon-intensive materials	Supplier engagement, data requests, alternative products and circularity
Client expectations	Increasing carbon-data and net-zero requirements in tenders and frameworks	Maintain transparent annual reporting and improve project-level carbon evidence
Regulation / standards	Evolving climate disclosure, SBTi and procurement expectations	Annual legal/standards review and controlled update of carbon methodology

12. Results, Challenges and Outlook

12.1 Annual results and progress

2025/26 is being used as the current baseline reporting period. The principal result is therefore establishment and reconciliation of the organisational footprint rather than a claimed year-on-year reduction. The reported total is 604.87 tCO_2e, of which 88.10% is currently attributed to Scope 3. The latest supplier energy report provides evidence of lower electricity use in the most recent three-month comparison period, but this is not presented as an annual GHG reduction because the periods and full energy boundary are not directly comparable.

12.2 Key challenges

- Obtaining complete physical activity data from a project-based construction supply chain.
- Replacing spend-based Scope 3 screening estimates with supplier-specific or activity-based calculations.
- Separating project/client-controlled energy use from Bradford Watts Ltd operational-control emissions.
- Capturing waste tonnage and treatment route consistently across all sites.
- Decarbonising vehicle use while maintaining operational capability and geographic coverage.
- Maintaining methodological consistency as SBTi and SME Climate Hub requirements evolve.

12.3 Outlook for 2026/27

The next reporting cycle will focus on data quality as well as reduction delivery. The highest priorities are a complete fuel-to-kWh energy reconciliation, improved waste tonnage data, enhanced procurement categorisation, supplier engagement and a documented annual comparison against the 2025/26 baseline. Any material changes to emission factors, organisational boundary or calculation methodology will be recorded transparently.

13. SME Climate Hub Annual Reporting Compliance Matrix

The matrix below maps this report to the current SME Climate Hub mandatory reporting themes and key reporting-tool questions. Portal fields still need to be completed online; this document serves as the supporting public annual report and internal evidence pack.

Requirement / question	Status	Report location	Submission note
Reporting period / year (1.1)	Covered	Sections 1 and 3	31 March 2026 period end
Business activities (1.2)	Covered	Section 3	Principal contractor / refurbishment
Annual revenue (1.3)	Portal only	Section 3.2	Enter finance-approved value in portal
Employee number (1.4)	Portal confirmation needed	Section 3.2	Enter period-end FTE/headcount
Net zero target (2.1)	Covered	Section 4	2050 at latest
Base year / value (2.1.1-2.1.2)	Covered with methodology note	Sections 3.3 and 4	2025/26 baseline; total 604.87 tCO2e
Near-term target (2.2)	Covered	Section 4	50% internal SME Climate Hub planning ambition; SBTi wording subject to validation
Climate action plan (2.4)	Covered	Sections 9-10	Yes
Total energy consumption (3.2)	Partially complete	Section 6	Must add fuel converted to kWh before portal entry
Renewable energy consumption (3.3)	Covered	Section 6	0 kWh claimed
Scope 1 (3.4)	Covered	Section 7	68.59 tCO2e
Scope 2 location-based (3.5)	Covered	Section 7	3.38 tCO2e
Scope 1+2 actions / methods (3.7-3.8)	Covered	Sections 5, 7 and 9	UK Government factors; operational action described
Scope 3 (4.1)	Voluntarily covered	Section 8	532.90 tCO2e screening inventory
Scope 3 actions (4.2)	Covered	Sections 8-10	Supply chain / waste / procurement focus
Results, challenges, outlook (7.1-7.3)	Covered	Section 12	No third-party validation

14. Data Quality, Limitations and Assurance

This report is intended to be transparent about the maturity of the underlying data. The following limitations must be understood when using the figures for external reporting or client allocation:

- The electricity evidence available is a supplier 12-month summary generated in November 2025 and therefore does not exactly match the 1 April 2025 to 31 March 2026 financial reporting period.
- The 17,508 kWh figure represents electricity only and is not the complete all-energy figure required by SME Climate Hub question 3.2 where vehicle fuel or other fuels are included in the organisational boundary.
- Scope 3 values are screening estimates. Purchased goods/services, capital goods, transport, waste and other categories require progressive replacement with physical or supplier-specific data.
- The reported figures have not been independently verified or assured by a third party.
- Any portal submission should use the same units throughout: metric tonnes of CO2e for emissions and kWh for energy.
- No market-based renewable electricity reduction claim is made in this report.

14.1 Improvement commitment

Bradford Watts Ltd will improve the completeness, granularity and audit trail of its carbon inventory each year. Material estimates will be clearly identified, calculation files will retain emission-factor sources and versions, and evidence will be retained to allow subsequent internal review or third-party assurance.

15. Management Declaration

Bradford Watts Ltd confirms that this report has been prepared in good faith using the information currently available to the company and is intended to provide a transparent annual account of greenhouse gas emissions, climate action and current data limitations. The company will continue to improve data quality and will correct or restate information where material errors or improved evidence are identified.

Role	Name / Position	Signature	Date
Prepared By	Fraser Pimley - SHEQ Manager		31.03.2026
Approved By	Managing Director		31.03.2026

16. References and Supporting Sources

1. SME Climate Hub - Question Checklist (current reporting tool working checklist)
https://smeclimatehub.org/report/question-checklist/

2. SME Climate Hub - Mandatory reporting requirements
https://faq.smeclimatehub.org/hc/en-us/articles/18549622692114-What-are-the-mandatory-reporting-requirements

3. SME Climate Hub - Reporting Tool / Report Progress
https://smeclimatehub.org/report/

4. SME Climate Hub - SME Climate Commitment
https://smeclimatehub.org/sme-climate-commitment/

5. UK Government - Greenhouse gas reporting conversion factors 2025
https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025

6. UK Government - conversion factors collection
https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

7. GHG Protocol - Corporate Standard
https://ghgprotocol.org/corporate-standard

8. GHG Protocol - Scope 2 Guidance
https://ghgprotocol.org/scope-2-guidance

9. GHG Protocol - Corporate Value Chain (Scope 3) Standard
https://ghgprotocol.org/corporate-value-chain-scope-3-standard

10. Bradford Watts Ltd - supplier Energy Usage Summary Report
Internal supporting document: EnergyUsageReport_603933873_11-11-2025.pdf

11. Bradford Watts Ltd - vehicle fuel records 2025/26
Internal supporting document: Vehicle Fuel 2025-26.xlsx

16.1 Submission note

The SME Climate Hub states that its offline checklist is for preparation only and that reporting is considered complete only after responses are entered and submitted through the online reporting tool, unless the company follows the Hub's own-report upload route. This report has therefore been designed to support either workflow, subject to completion of the remaining portal-specific values identified in Section 13.