2Excel Group - Carbon Reduction Plan - Report Financial Year (FY) 25

Commitment to Achieving Net Zero

2Excel commits to delivering **NetZero Greenhouse Gas (GHG) emissions by 2050** through the socially and environmentally conscious delivery of our **Carbon Reduction Plan (CRP).** To do this we have set the following intensity-based targets:

Targets

1. Reaching half of our 2019 (FY20) Net GHG intensity-based emissions by 2030 (FY30).
2. Delivering Net Zero GHG emissions by 2050.

Baseline Year

Baseline Year: 1 April 2019 to 31st March 2020 – FY20

FY20 was selected as 2Excel's baseline year due to the availability of data before that and to avoid misrepresenting GHG emission reduction progress as a result of the impact of the COVID-19 pandemic.

Method Statement

Intensity-based Net GHG Calculation Methods

2Excel's GHG emissions calculations used the appropriate UK Government GHG conversion factors for company reporting and are reported in accordance with:

The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (for Scopes 1 and 2) and;

The Corporate Value Chain Standard (for Scope 3).

Progress against 2Excel's intensity-based Net GHG (Carbon) Reduction Plan milestones are calculated by dividing 2Excel's Total GHG Emissions (in Tonnes) by its Total Group Turnover (in £ millions - Sterling).

Carbon Reduction Plan Milestones (FY20 to FY50)

Between FY20 (the Baseline Year) and FY30 (the Interim Target Year) 2Excel commits to reducing its intensity-based emissions to half, at a flat rate of 10% per year (which equates to 5% of its total Net Zero target per year).

Between FY30 and FY50, 2Excel commits to reducing its intensity-based emissions from at or below that 50% of the FY20 (Baseline Year) to zero, at a flat rate of 5% per year (which equates to 2.5% of its total Net Zero target per year).

Emissions Recording Methods

Scope 1

As an aviation business, the vast majority of 2Excel's Scope 1 emissions relate to its use of aviation fuel. Its emissions are calculated using actual fuel consumption recorded in its aircraft fleet technical records.

2Excel's other Scope 1 emissions are associated with:

The fuel used in its leased pool car fleet and ground support vehicles (recorded through its fleet management procedures) and;

Heating its buildings (calculated through collating gas and heating oil consumption from invoices).

Scope 2

2Excel's Scope 2 (indirect emissions) are associated with its consumption of electricity.

These emissions are calculated using the electricity consumption volumes recorded on invoices using the following two approved methods as applicable:

The 'Location-based Reporting' Method (using the relevant UK Government conversion factor) for the majority of its 12 sites, and;

For the (two) facilities which are supplied by zero carbon electricity, the 'Market-based Reporting' Method.

Scope 3

Three of the five required Corporate Value Chain Standard Scope 3 emissions categories (5, 6 and 7) have been collated and reported this FY.

Due to the level of information currently recorded/provided for our transportation supply chain, Categories 4 and 9 (Upstream and Downstream Transportation and Distribution) are currently out of scope for 2Excel's CRP Report and are reported as 'nil.'

Recognising that improvements to our future Scope 3 reporting will force our reported numbers up, we will work with our supply chain to obtain relevant transportation data for goods received or sent to allow for more accurate reporting in the future.

Categories 5, 6 and 7 have been calculated as follows:

Category 5 - Waste generated in operation emissions have been calculated using the quantities of waste produced / recycled and volumes of water consumed / treated, with the related UK Government conversion factors applied.

Category 6 - Business travel emissions have been based upon air, train and taxi travel, hotel stays and hire car/personal car travel. UK Government conversion factors have been applied to the relevant type of travel.

Category 7 - Commuting emissions have been calculated using data gathered from our employees and applying related UK Government conversion factors.

Carbon Reduction Plan Initiatives

During FY25 the following initiatives were completed, or were ongoing, or were started, to continue to help deliver the Group's CRP milestone targets:

- Defining our intensity-based CRP milestones to meet Net Zero.
- Embedding our Company ESG principles to ensure they form part of our core cultural values; this is being achieved through:
    - Introducing all new hires to the topic of ESG as part of their induction/onboarding process and establishing the Company's expectation that all employees are required to support and contribute to helping 2Excel Group to achieve its carbon reduction targets.
    - Incorporating assessment of individual's ESG activities as part of the annual performance appraisal process.
    - Establishing ESG as an integral part of our day-to-day operation through its inclusion as a fixed agenda item within our monthly Employee Forum meetings.
- Delivering our Resilience Plan:
    - Where possible, we are transitioning away from PA-31 to DA-62 aircraft (DA-62s use circa 30% of the fuel used by PA-31s per flying hour):
        - To that end we have put a fourth DA-62 on the line and retired a PA-31 Navajo (G-RHYM).
        - We ordered two more DA-62s in FY25 that will be delivered during FY26.
    - We introduced to service three search and rescue (SAR) King Air 350 aircraft to replace three PA-31 and one King Air 200 (SAR) aircraft (and we nearly completed modifying a fourth King Air 350). These new long-range / long-endurance King Air 350s have much longer 'on station' time, thereby reducing the requirement for 'reliefs in place' and, consequently, overall transit flying.

    - We established a new base at Newquay as a forward operational base to be able to more swiftly respond to SAR call-outs, to maximise on station times, to reduce transit flying and thereby reduce our intensity-based Scope 1 emissions.
- Implementing our Circular Economy Plan, recycling, re-using aircraft, aircraft equipment and parts, facilities and assets (reducing purchase costs, waste and Scope 3 emissions):
    - In particular, we moved the Navajo we retired (through our Resilience Plan) to Doncaster to be able to use its parts to support our remaining PA-31s as we run down the Navajo fleet.
    - We continued to use Boeing 757 parts from G-BYAW to minimize our Excalibur Flight Test Aircraft Programme build costs, reduce the Programme Schedule risk and reduce our up-stream Scope 3 emissions.
    - While one of our Boeing 727s was off-line for 9 months, we re-used its parts, where we could, to minimise the external provision of parts for her sister ship.
    - We re-used 101 items from our existing sites to equip our new SAR sites at Newquay and Prestwick.
- Continuing to use simulator training instead of on-aircraft training wherever possible.
- Embodying our own new aircraft-equipment designs to minimize drag and, thereby, fuel use to reduce our Scope 1 emissions.
- Maintaining zero emission electricity supplies at two of our bases to minimize our Scope 2 footprint.
- Insulating 2 of the 4 hangars at Lasham to improve working conditions inside them and reduce our Scope 1 heating costs.
- Maintaining our Environmental Management System to ISO 14001:2015 to provide a recognized framework to help improve efficiency, minimize waste and reduce our carbon footprint.
- Supporting and maintaining flexible working to reduce our Scope 3 commuting impact.
- Developing our Green Travel Plan to help drive more sustainable travel for Scopes 1 and 3 business travel and Scope 3 commuting including:
    - Maintaining our EV Salary Sacrifice scheme;
    - Providing EV charging points at our operational hub;
    - Encouraging colleagues to use the most sustainable mode of transport whenever practical;
- Assessing the application of space-based hyperspectral remote sensing to gather data where the relevant sensor resolution is sufficient for delivery of our Insight products.
- Diversifying our operational activities to reduce the disproportionate impact of aviation fuel emissions on the Group's total carbon emissions. To that end we have:
    - Incorporated 2Excel Engineering Ltd into the Group which, even after Group consolidation of its activities, had a marked positive effect on reducing our intensity-based emissions footprint (-46%).
    - Grown our Insight Division's data science product set.
- Improving multi-agency communications to pass information effectively and increase efficiency in operational scenarios (continuing to develop 'OneLink').

Absolute Emissions Results

<table>
<tr><th>Baseline Year Emissions
Reporting Year FY20 (2019-20)</th><th>Total tCO_2e</th><th>Notes</th></tr>
<tr><td>Scope 1</td><td>8,276</td><td rowspan="13">[1] In line with the Corporate Value Chain Standard, 2Excel's Scope 3 emissions presented include:
Category 5 - Waste generated in operations,
Category 6 - Business travel and,
Category 7 - Employee commuting.
[2] Currently out of scope (and so recorded as 'nil') are:
Category 4 - Upstream Transportation and Distribution
Category 9 - Downstream Transportation and Distribution</td></tr>
<tr><td>Scope 2</td><td>95</td></tr>
<tr><td>Scope 3[1, 2]</td><td>1,063</td></tr>
<tr><td>Total Emissions</td><td>9,434</td></tr>
<tr><td></td><td></td></tr>
<tr><td>Current Emissions
Reporting Year FY25 (2024-25)</td><td>Total tCO_2e</td></tr>
<tr><td>Scope 1</td><td>13,172</td></tr>
<tr><td>Scope 2</td><td>290</td></tr>
<tr><td>Scope 3[1, 2]</td><td>1,288</td></tr>
<tr><td>Total Emissions</td><td>14,750</td></tr>
</table>

Figure 1. 2Excel Group Ltd - Absolute Emissions

Progress towards Net 50% and Net Zero

Since the Baseline Year, 2Excel's total emissions have risen from 9,434 to 14,750 tCO2e. This 56% rise in absolute emissions is due to the growth of the Group which, during the same period, has more than trebled in size. By the end of FY25, since the Baseline Year, the Group had seen its headcount increase by 203%, its number of operational bases increase by 71%, its flying hours increase by 41% and, its aircraft fleet size increase by 15%.

While each of these growth factors have increased the Group's overall absolute operational Scope 1 emissions by 4,896 tCO2e, the operational efficiencies driven throughout the organisation by its Sustainability Action Plan (SAP) have meant that its intensity-based emissions have markedly reduced.

Furthermore, in line with its SAP, the Group's growth has been holistic, across all its Approvals and capabilities, not just in its flying operations. This FY, the Group refinanced its operations and incorporated 2Excel Engineering Ltd (2EE) into its new much larger and now more diversified organisation - 2Excel Group Ltd. Prior to its inclusion, in its own right, 2EE boasted 200 people and £22m turnover but, primarily due to its energy inefficient hangars, it also had a carbon footprint of 1,249 tCO2e in Scopes 1 and 2 and a further 384 tCO2e in Scope 3.

Having incorporated 2EE and having removed any intra Group-company trading from its revenues, 2Excel's turnover has increased by 289% since its Baseline Year. This means 2Excel has reduced its intensity-based carbon footprint to 54% of that of its Baseline Year and, as Figure 2 below shows, is 92% of the way to meeting its 2030 Interim Target in half the time it has to achieve it.

The Group understands that it cannot maintain this impressive rate of progress in each of the coming years. Ultimately, the overall carbon footprint of its flying operations will be constrained by the availability and affordability of Sustainable Aircraft Fuel (SAF) and the development of new engine technologies that are able to power the aircraft it needs. Nevertheless, in providing job security, national security, cleaner seas, saving trees and saving lives, 2Excel's excellent progress against its CRP milestones shows it is doing what it can to spend its carbon wisely and reduce its footprint as fast as it can.

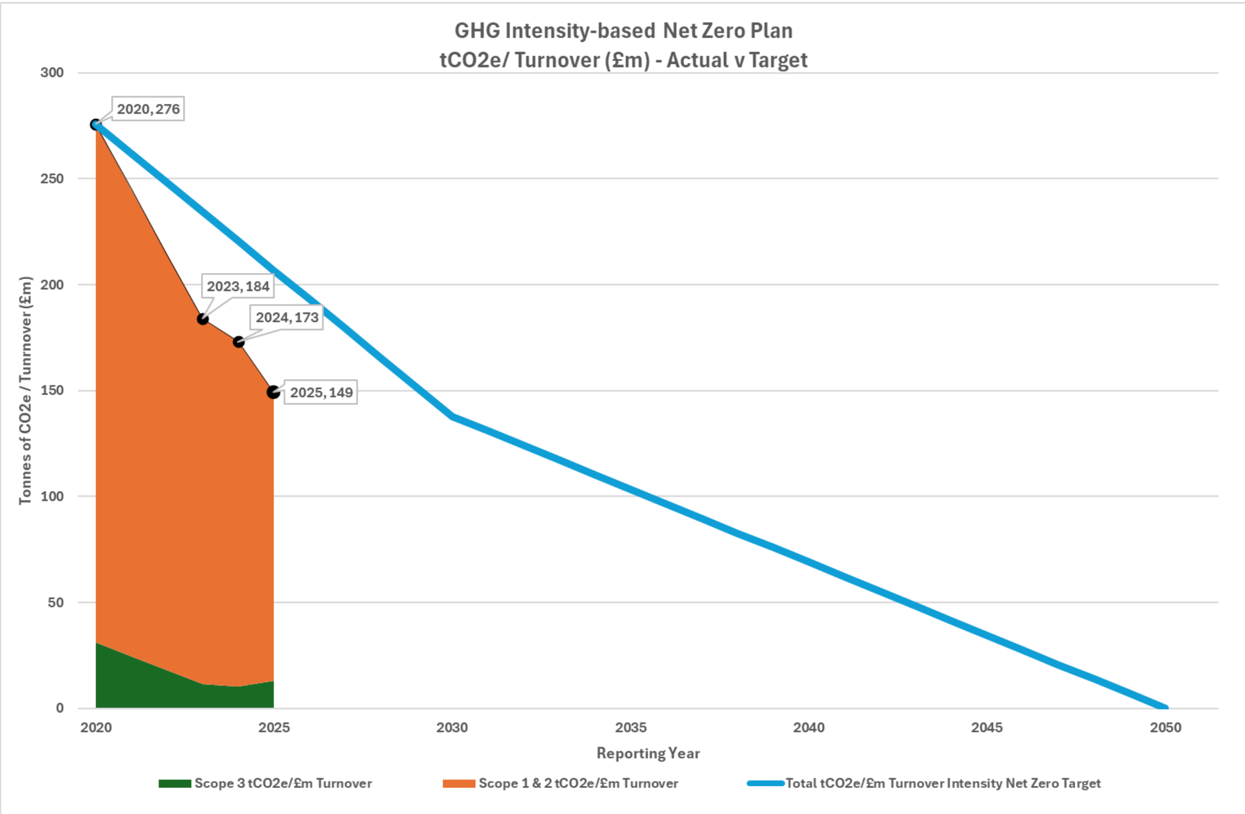

Figure 2. 2Excel Group Ltd - Intensity-Based GHG Emission Reduction Progress Against the Plan

New Carbon Reduction Initiatives

Further measures to continue to drive down emissions and our negative environmental impacts include:

- Developing our Environmental Stewardship Plan to improve training, engagement and Sustainability literacy throughout our workforce.
- Using increasing amounts of SAF wherever it is available to reduce our absolute GHG emissions.
- Introducing further, more efficient flying procedures, including forward-basing deployments and crew rotations, to reduce sortie lengths and transit times while delivering the same operational outputs.
- Introducing environmentally conscious procurement to minimize our exposure to (Scope 3) upstream emissions.
- Introducing carbon offset validation and implementation mechanisms to ensure promised carbon offset returns are real.
- Incorporating remotely piloted air systems (RPAS) into the Group fleet to replace crewed aircraft where appropriate.
- Improving the energy management of our facilities across our estate.
- Replacing our (Oil Spill Response) Boeing 727 aircraft with Boeing 737-800 to reduce our Scope 1 emissions.
- Further insulating the hangars at 2EE at Lasham.
- Measuring and testing the effectiveness of our initiatives in order to improve them.
- Continuously developing new initiatives.
- Implementing our new Sustainability Action Plan (SAP), Environmental Plan (EP), Social Value Plan (SVP) and Biodiversity Action Plan (BAP).

Declaration

This Carbon Reduction Plan Report has been completed in accordance with PPN 06/21 and its associated guidance and the reporting standards for Carbon Reduction Plans.

The Report records 2Excel's FY25 progress towards its Net Zero commitment.

Emissions have been recorded and reported in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol using the appropriate (2024) Government emission conversion factors for company GHG reporting.

> Scope 1 and Scope 2 emissions have been reported in accordance with the Streamlined Emissions and Carbon Reporting (SECR) requirements.
>
> Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the required subset of the Corporate Value Chain (Scope 3) Standard noting that Categories 4 and 9 have not been able to be assessed.

Approval

This FY25 Carbon Reduction Plan Report has been reviewed and approved by 2Excel's Environmental, Social Value and Governance Steering Group (ESGSG).

It has been further approved by the Board of 2Excel Group Ltd.

It is signed on behalf of the 2Excel Group Board by:

C J R Norton OBE DFC MA BSc
Executive Chairman

Date: 24th July 2025