SUSTAINABILITY UPDATE

Overview

Our efforts on sustainability

This edition showcases the positive progress being made across a number of our sustainability and environmental initiatives. From the continued development of the biodiversity garden and efforts to respond to the challenges climate change presents to our green spaces, to the use of Sensorfact technology to improve visibility of energy consumption, we are taking practical steps that deliver measurable benefits. We also share an update on our EcoVadis resubmission journey, highlighting the work underway to build on previous achievements and further enhance our sustainability credentials. Together, these initiatives demonstrate our commitment to continuous improvement, responsible business practices, and creating long-term value.

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NATURE POSITIVE INITIATIVE

Capital takes a nature-positive approach; a global effort that seeks to halt and reverse biodiversity loss by 2030, supporting the long-term recovery of nature by 2050. This means taking action to protect and restore ecosystems so that overall biodiversity increase over time. Many aspects of our business activities have impacts on the wider environment.

Progress in the biodiversity garden

Two thriving beehives
Demonstrating the powerful sign of a healthy ecosystem, supporting biodiversity through pollination and sustaining countless plant species. This year one of the hives was naturally repopulated by a wild swarm of bees.

Planters made from recycled timber
We continue to make planters and other items from recycled wood on site. This image is one of three planters produced to separate a walkway outside the office block.

Two wildlife ponds
Providing a vital habitat for a range of species such as plants, insects, amphibians and reptiles helping to boost biodiversity and support a healthy ecosystem.

Pollinator friendly wildflowers and birdboxes
Attracts a variety of wildlife, helping to create a richer and more resilient ecosystem.

Wormery

A wormery transforms food waste into a valuable resource, reducing waste and producing compost that enhances soil quality. It offers a practical, cost-effective solution that can be readily adopted by households to support sustainable waste management and garden maintenance. We continue to add vegetable waste to the wormery and will shortly be harvesting more compost to use on company plants.

Tips

- Add any leftover fruit and veg in to create a high nutrient compost.
- Leave wormery around 6 months between harvests.
- Apply the compost built up to plants to support a healthy growth and improve soil quality.

The impact of climate change on the greenery and how we tackle the challenges

The drought and unusually high temperatures experienced across the UK this summer have placed considerable strain on local ecosystems. Plants have faced reduced water availability, limiting growth and increasing susceptibility to damage, while wildlife has encountered challenges associated with shrinking habitats and scarcer food and water resources.

Doing our bit to reduce our impacts

Reduction of carbon emissions are a huge part of the companies practice with these targets in place;

- A 50% reduction in Scope 1 emissions from 22-23 baseline (48.54tk) by 2030.
- A 50% reduction in Scope 2 emissions from 22-23 baseline (88.84tk) by 2030.
- A 25% reduction in Scope 3 emissions from 23-24 baseline (3680.60tk) by 2030.
- Aligned with steel suppliers for achievement of net zero by 2045.

510kW of energy produced from **Solar panels** on the roof generating a substantial amount of energy within the company.

Further improving the sustainability of the company

EcoVadis

Capital underwent an EcoVadis assessment in 2024 and achieved a Bronze rating, placing the company among the top 24% of organisations evaluated on the platform. Building on this performance, Capital improved its score in 2025 and was awarded a Silver rating, positioning it within the top 11% of companies globally. We are at the start of our reassessment process and hoping to maintain or improve on our silver status. However recognition is a by-product and not the main goal. Our aim is to continually benchmark and improve where possible.

Sensorfact software

We use Sensorfact's monitoring software and hardware to gain greater visibility of electricity consumption at both machine and process level. This enables us to identify where and when energy is being used, helping to highlight inefficiencies such as equipment operating outside of production hours or consuming unnecessary power when idle.

The system provides automated monitoring, reporting, and alerts, allowing potential sources of energy waste to be identified and investigated promptly. It also generates data-driven recommendations that support efforts to reduce energy consumption and associated costs.

As part of our continuous improvement programme, the insights provided by Sensorfact are being used to better understand machine utilisation and identify practical opportunities to further improve energy efficiency across our operations.

Reaching out to suppliers

We have engaged with our timber suppliers to gain a clearer understanding of their sourcing practices and sustainability performance. This assessment was carried out through a structured questionnaire covering key areas such as timber origin, certification status, forest management practices, and supply chain risk controls. The information gathered is being used to evaluate the robustness of supplier practices and identify any potential sustainability risks. A similar assessment process will be extended to our steel and transport suppliers to ensure a consistent approach to supply chain due diligence across key procurement categories.

Response to climate change and extreme weather

In response to prolonged dry conditions across Wales, regular watering has been carried out across the site to help maintain plant health, support consistent growth, and protect the long-term value of landscaping investments.

While drought and extreme heat have been significant challenges this summer, periods of intense rainfall can present equally serious issues. For example, a recent downpour filled a 210-litre water butt from empty in approximately 10 minutes, illustrating the volume of water that can enter drainage systems during heavy rainfall events. Excess surface water can increase pressure on local drainage infrastructure and contribute to flooding risks.

To help manage this, we have invested in approximately 2,000 litres of rainwater storage capacity, harvesting water from roof runoff. This stored water is then used to irrigate the garden and support the wildlife pond during drier periods. By capturing and reusing rainwater, we are reducing demand on mains water supplies while making practical use of a resource that might otherwise contribute to drainage system overload during extreme weather events.

By continuing to strengthen supplier engagement and improve supply chain visibility, we are building a more resilient and sustainable business.

Thank you for your interest in our progress, and we look forward to sharing future developments.