



TFK.Group

JDR Net Zero Strategy

2025



Table of contents

1.	Introduction	3
2.	Executive Summary	4
3.	Primary Drivers of Net Zero for Business	5
4.	JDR Ambitions	6
5.	Understanding Our Carbon Footprint	8
6.	Key Decarbonisation Strategies	9
7.	Action Plan	10
8.	Summary	12

Introduction

JDR Cable Systems (JDR) is committed to achieving Net Zero across all scopes of emissions, aligning with the goals of the Paris Agreement. Our strategy focuses on reducing our absolute emissions in line with approved Science-Based Targets initiative (SBTi) commitments.

As a leading provider of subsea technologies and services, we are dedicated to driving sustainability, enhancing efficiency, and collaborating with our supply chain and customers to accelerate the energy transition.

THE URGENCY OF CLIMATE ACTION

Climate change is a real and immediate challenge, impacting both everyday life and the way businesses operate. Achieving Net Zero requires coordinated action between governments, industries, and society. At JDR, we have assessed climate-related risks and opportunities across our operations and developed a comprehensive decarbonisation strategy. Our roadmap outlines the necessary steps to meet our targets while ensuring business resilience and growth.

WHY NET ZERO MATTERS

The transition to Net Zero presents multiple advantages, including:

- Reputational leadership in sustainability
- Access to markets that prioritise low-carbon solutions
- Operational cost savings through efficiency improvements
- Regulatory compliance and futureproofing against carbon costs
- Risk mitigation against climate-related disruptions
- Talent attraction & retention as a sustainability-driven employer

We are investing in innovative technologies to support the shift toward low-carbon energy. JDR's commitment to sustainability and innovation ensures we remain at the forefront of the global energy transition, helping governments and industries meet their Net Zero targets by 2050.



Executive Summary

Following the completion of our 2022 baseline carbon footprint and the most recent 2023 footprint, this document builds on our initial strategy to focus on Scope 3 emissions and the actions required to decarbonise.



Having emissions reduction targets with the SBTi, JDR has set the following goals:

- **54.6% reduction in Scope 1 and 2 emissions by 2033**
- **32.5% reduction in Scope 3 emissions by 2033**
- **Net Zero across Scope 1 and 2 by 2035**
- **Net Zero across all scopes by 2050**

This strategy outlines a clear and flexible pathway to achieving Net Zero, ensuring JDR’s continued leadership in sustainability while supporting long-term business resilience.

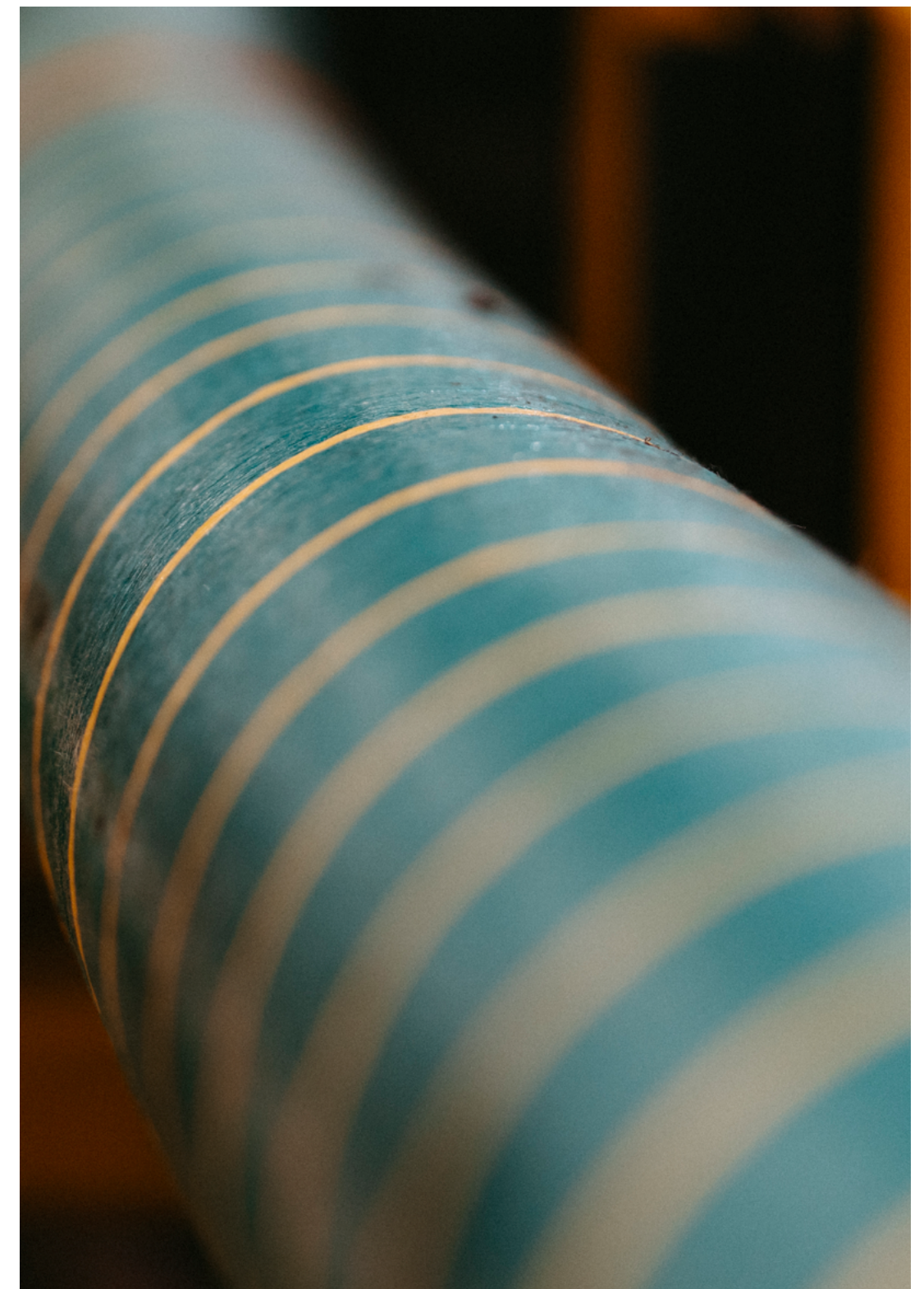
MEETING THE CLIMATE CHALLENGE

Climate change is widely considered the greatest environmental challenge facing the world, with many countries now experiencing unprecedented and increasingly frequent extremes of weather. International action on this issue has been slow to take off, but progress is now being made in decarbonising the global economy as well as in adapting to a changing climate.

Britain’s Climate Change Act of 2008 introduced the world’s first long-term national framework to tackle climate change, setting a legally binding target of an 80% reduction in GHG emissions by 2050, against a 1990 baseline. After a few false starts, the comprehensive international Paris Agreement on climate change was approved in 2015, aiming to limit GHG emissions “as soon as possible” and keeping global temperature increase “well below” 2°C.

Three years later, the Intergovernmental Panel on Climate Change issued a scientific report on the potential impacts of global warming and how the rise in global temperature should be limited to 1.5°C. It concluded that the risks and impacts of 2°C average warming compared with 1.5°C justify a much deeper and faster policy response, in terms of technological changes to energy and food production as well as human lifestyle.

In 2019, Britain became the first major world economy to legislate Net Zero emissions, aiming to end the contribution of UK economic production activities to climate change over the next 30 years. Many other countries have followed suit, raising hopes that the worst effects of climate change can be avoided in the future.



Primary Drivers of Net Zero for Business

CUSTOMER AND VALUE CHAIN DEMANDS

A growing number of businesses are setting climate-related requirements for their suppliers to meet their own sustainability targets. JDR is already experiencing an increasing number of these requests from several stakeholder groups including customers, financial lenders, government departments and suppliers, highlighting the growing importance of emissions transparency and reduction across the value chain.

LONG-TERM STRATEGIC RESILIENCY

Proactively addressing carbon pricing and emissions reduction requirements will help JDR mitigate financial risks associated with future regulatory changes. By staying ahead of evolving regulations, JDR can reduce exposure to compliance-related costs and ensure long-term business stability in a low-carbon economy.

REPUTATIONAL IMPACTS

Strong climate performance enhances stakeholder trust and increases demand for JDR's products and services. Although JDR has made significant progress on its sustainability journey, it is essential to communicate this externally. Many of JDR's industry peers already have dedicated platforms to publicly disclose their sustainability actions and progress. Without clear and consistent disclosure, a lack of visible climate ambition could become more apparent as regulatory requirements expand and public scrutiny intensifies.

JDR is already reporting under mandatory schemes such as ESOS and SECR, ensuring that climate-related performance remains a key feature of its public reporting. Additionally, JDR participates in voluntary reporting frameworks like EcoVadis and CDP, further demonstrating its commitment to transparency and continuous improvement.



JDR Ambitions

To ensure a structured, measurable, and impactful transition to Net Zero, JDR has developed a roadmap that outlines key actions and milestones aligned with industry best practices and international standards. This roadmap provides a clear progression from minimum compliance to sector leadership, enabling JDR to systematically reduce carbon emissions while maintaining business resilience and competitive advantage.

This roadmap is structured around 10 key Net Zero themes, ensuring a standardised approach to carbon reduction. By embedding these thematic areas into its Net Zero roadmap, JDR ensures a science-driven, transparent, and future-ready strategy that aligns with industry standards while driving innovation and sustainability.

UNDERSTANDING OUR AMBITIONS

JDR continues to expand its carbon footprint assessments, and in 2023 included upstream Scope 3 emissions and additional categories aligned with SBTi requirements. JDR is committed to achieving Net Zero, with ongoing work to refine our long-term carbon reduction strategy.

JDR actively participates in leading sustainability disclosure and rating initiatives as part of our commitment to transparency and continuous improvement. For our 2023 submittal, JDR achieved a CDP score of C, and was awarded a Silver rating by EcoVadis. These reflect our growing maturity in managing environmental impacts, disclosing climate-related risks, and

embedding sustainability across our operations. We aim to build on this progress and are targeting a CDP A rating and achieving Gold status in EcoVadis by 2028 or earlier.

Strengthening supplier collaboration is a key focus, with goals to enhance material innovation and increase the use of recycled content by 2026 and beyond. JDR has completed its 1st Life Cycle Assessment (LCA) for subsea power cables and aims to expand assessments to more products, prioritising key areas and working towards EPD certification.

As part of its long-term sustainability efforts, JDR is transitioning away from gas, with the new Blyth site set to operate without connection to natural gas infrastructure, and will operate 100% on electricity. Efforts to reduce gas reliance across all other existing sites continue, with feasibility assessments ongoing. Beyond Net Zero, JDR maintains ISO 14001 certification on all sites. The company has ambitions to achieve ISO 14064 certification and has introduced a number of sustainability, energy efficiency, biodiversity and water policies, aligning with the UN SDGs while identifying the most material sustainability priorities for its operations.



JDR Ambitions

NET ZERO IMPLEMENTATION ROADMAP

THEME	NEAR-TERM GOAL (BY 2025–2026)	MEDIUM TO LONG-TERM GOAL (BY 2027–2029)	TARGET YEAR
1. Defining Net Zero	Cover Scope 1 & 2 and upstream Scope 3 emissions.	Include all material emissions categories under the GHG Protocol (>1% of total footprint).	2027
2. Carbon Neutrality	Reduce emissions in line with climate science; offset remaining emissions after Net Zero is achieved.	Climate-aligned reduction targets externally verified, with full offsetting by 2027.	2027
3. Renewable Electricity	Source renewable electricity via low-carbon power suppliers.	Shift to onsite generation or long-term green energy contracts (PPA).	2028
4. Disclosure	Maintain comprehensive climate disclosures covering all key areas and aim for CDP ‘B’ and maintaining EcoVadis Silver.	Continued success in our ESG performance ratings by aiming to achieve a CDP ‘A’ grade and EcoVadis Gold award.	2028
5. Offsetting	Use verified offsets to address residual emissions, as they do not count toward Net Zero progress, per SBTi guidance.	In line with SBTi, we will use carbon offsets to counterbalance the final 10% of residual emissions at Net Zero. Our approach will be confirmed with offsets supplementary to, not replacing, emission reductions.	Ongoing
6. Supply Chain Engagement	Engage suppliers with sustainability questionnaires and support improvement.	Introduce minimum climate standards and show measurable reductions in supply chain emissions.	2027
7. Decarbonising Products	Complete LCAs or identify major product impacts, but no action yet.	Complete LCAs and take action to reduce product emissions through the use of green metals, polymer technologies, and low-carbon design principles.	Ongoing
8. Green Fuels	Purchase green fuels or ensure fuel use is carbon neutral.	Eliminate all fossil fuel use.	2027+
9. Fleet & Buildings	Invest in decarbonising buildings and fleet with allocated budget by 2025.	Commit dedicated funding beyond usual payback thresholds to accelerate transition.	2025-2027
10. Beyond Net Zero	Align environmental efforts with ISO 14001 and UN SDGs.	Implement a holistic environmental strategy, considering the interaction of all environmental disciplines.	Ongoing

Understanding Our Carbon Footprint

In 2023, JDR's total carbon footprint was approximately 40,453 tCO₂e, calculated using a market-based approach to reflect our actual energy sourcing and emissions impact. As expected, the majority of emissions (97.6%) fall under Scope 3, covering supply chain activities, transportation, and capital investments.

While these figures provide a snapshot of our current footprint, our focus is firmly on long-term decarbonisation. We are actively reducing emissions through sustainable sourcing, improved logistics, and energy efficiency measures. The new Blyth facility will be key to enabling cleaner energy solutions as part of this journey. Following the collection of more accurate data for 2023, we observed a change of over 5% in reported emissions compared to 2022. In line with SBTi guidance, we will re-baseline our emissions to ensure our base year reflects the most accurate and complete data available.

JDR anticipates an initial increase in emissions due to organisational growth, where emissions from electricity, purchased goods and services, and capital goods are expected to rise before stabilising from 2028 onwards, in line with inflation. Other emissions sources will grow more modestly at 2% per year until decarbonisation efforts take full effect.



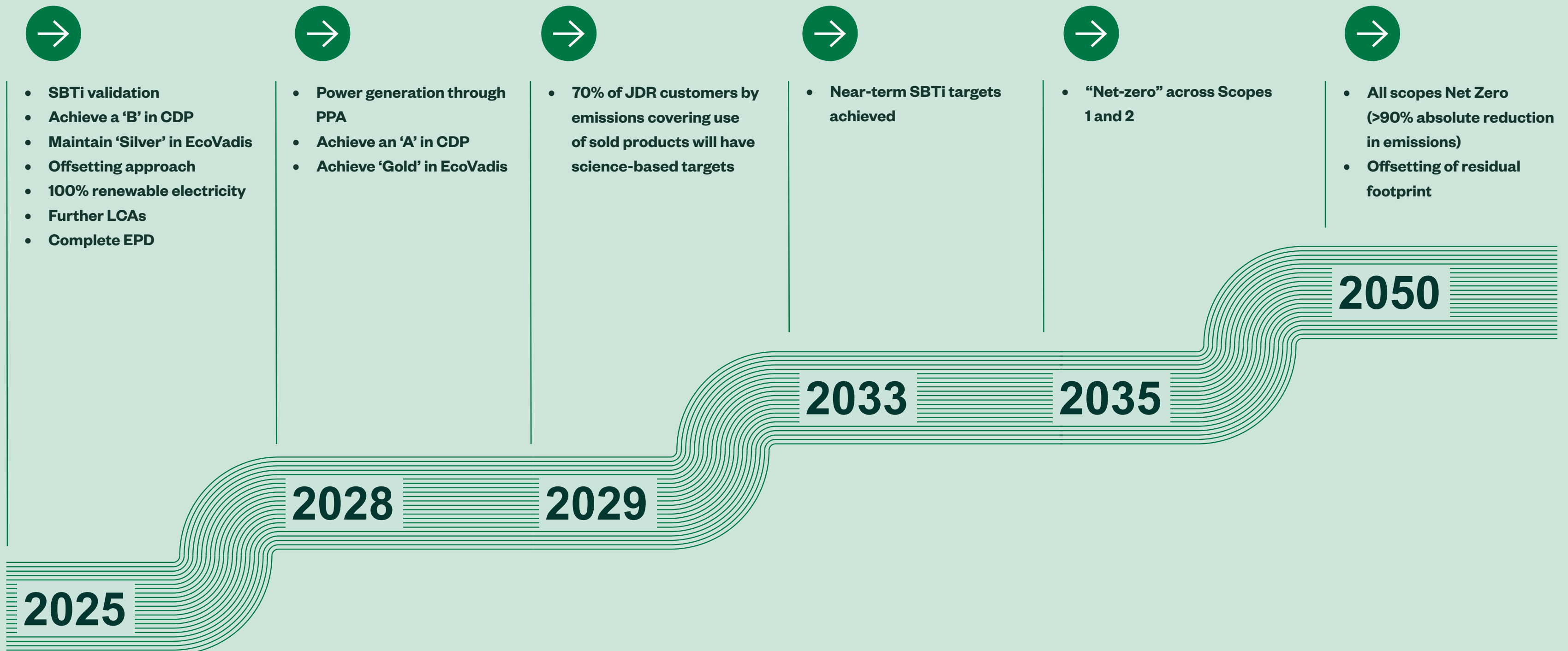
Key Decarbonisation Strategies

- **Site Energy Efficiency & Electrification** will focus on phasing out fossil fuel-based heating through increased electrification and energy efficiency improvements across all sites.
- **100% Renewable Electricity** will be achieved with a transition to renewable electricity starting with Blyth by the end of 2025, delivering an immediate and lasting impact on Scope 2 emissions.
- **Supply Chain Collaboration** in reducing Scope 3 emissions from purchased goods and services (which represent ~64% of our footprint) will require engagement with suppliers. JDR is working closely with its supply base to promote climate action, low-carbon materials, and shared targets. Several of our major suppliers already have their own net-zero strategic plans, and JDR is collecting more information on these to build into our future forecasts.
- **Green Metals & Recycled Content** are growing priorities for both JDR and our customers. By actively increasing the use of low-carbon, recycled metals JDR can help meet sustainability expectations and reduce the embodied carbon in our products. Achieving this at scale will require supplier collaboration and targeted investment to overcome challenges around material availability, quality, and cost premiums.
- **Advanced Polymer Technologies** through the exploration of innovative polymer formulations to reduce degassing time during cable manufacture, thereby improving energy efficiency during production and reducing processing emissions.
- **Capital Goods** emissions will be addressed through equipment investments that align with our Net Zero goals, ensuring that emissions associated with capital goods are minimised through low-carbon procurement and design standards.
- **Other Emissions** will decarbonise in line with broader societal trends and operational improvements, with continuous monitoring and optimisations reviewed annually.



Action Plan








JDR is committed to a structured and ambitious pathway toward Net Zero, with key milestones guiding our progress.



Action Plan

2025 PROGRESS

The table below summarises JDR’s progress against its targets as of May 2025.

TARGET	STATUS
SBTi target validation	 Targets validated
Achieve a ‘B’ in CDP	 ‘B’ achieved
Maintain ‘Silver’ in EcoVadis	 ‘Gold’ achieved
Define JDR offsetting approach	 In progress
100% renewable electricity	 In progress
Complete further LCAs	 Under review
Complete EPD	 Under review

During 2025, JDR has successfully achieved SBTi validation, secured a ‘B’ rating in CDP, and exceeded its EcoVadis target by attaining a ‘Gold’ rating.

Progress is ongoing toward implementing our offsetting approach and our transition to 100% renewable electricity, which are on target for Q4 2025.

Targets related to further Life Cycle Assessments (LCAs) and Environmental Product Declarations (EPDs) remain under review, subject to budget availability and reporting timelines within this reporting period.

Summary

By setting ambitious but achievable Net Zero targets, we are positioning ourselves as a leader in the offshore energy transition while ensuring long-term business resilience.

Our roadmap to Net Zero is built on tangible actions, including enhancing operational efficiency, collaborating across our supply chain, investing in renewable energy, and leveraging data-driven insights to drive sustainable decision-making. As we move forward, JDR remains dedicated to transparency, accountability, and continuous improvement to ensure we deliver on our commitments.

With the urgency of climate action increasing, JDR is ready to lead by example, enabling the energy transition and delivering cutting-edge subsea technology with a reduced environmental impact. Together, with our partners and stakeholders, we will shape a more sustainable future for our industry and the communities we serve.

Over the next two years, our key priorities will include deeper collaboration with suppliers and customers to identify shared emission reduction opportunities, improving Scope 3 data collection, and enhancing external reporting to align with global sustainability frameworks. Additionally, we will advance our decarbonisation strategy through renewable energy assessments, lifecycle analysis of products and services, and investigating greener transport solutions.

These steps reinforce JDR's long-term ambition to achieve Net Zero across all scopes by 2050, while maintaining our leadership in delivering innovative and sustainable solutions for the global offshore energy sector.

