

Rail Delivery Group



Greenhouse Gas Emissions Report

FY2025/26

RDG emissions on one page

Total emissions

During the 2025/26 financial year, RDG's total emissions amount to **10,114.1** tonnes of carbon dioxide equivalent (tCO₂e).

This represents a **20% reduction** compared to the previous financial year (FY24/25). This decrease was driven by a reduction in key sources of emissions including purchased goods and services, business travel and end-of-life treatment of sold products. The reasons for these decreases are explained later in the report.

As in previous years, nearly **99% of RDG's emissions fall under Scope 3**, with purchased goods and services being the primarily source of emission, accounting for 88% (8,901.4 tCO₂e).

Comparison to FY24/25

	tCO ₂ e	
	FT24/25	FT25/26
Scope 1		
Stationary combustion	-	-
Mobile combustion	-	-
Refrigerants	-	-
Scope 2		
Purchased heat	-	-
Purchased electricity	139.1	123.1
Scope 3		
Purchased goods and services	11,535.1	8,901.4
Capital goods	0.2	-
Fuel-and energy-related activities not included in S1 or S2	46	50.6
Upstream transportation and distribution	0.0	0.0
Waste generated in operations	0.3	0.3
Business travel	73.7	41.0
Employee commuting (& remote working)	305.6	539.1 ¹
Upstream leased assets	-	-
Downstream transportation and distribution	-	-
Processing of sold products	-	-
Use of sold products	-	-
End-of-life treatment of sold products	403.4	343.1
Downstream leased assets	-	-
Franchises	-	-
Investments	124.8	115.7

¹ Note that this year includes emissions from remote working, unlike previous years

Table of Contents

1. Introduction	4
The Climate Pledge	4
2. Methodology	4
3. RDG's Carbon Footprint	5
Greenhouse gas emissions summary	5
RDG's impact	6
Scope 1	6
Scope 2	6
Scope 3	7
Emissions Intensity Ratio	7
4. Comparison to FY24/25	8
Greenhouse gas emissions comparison	8
Commentary	9
Drivers of emission reduction	9
RDG's Impact	9
Next Steps – Supply Chain decarbonisation	10
5. Limitations of Methodology	10

1. Introduction

This report summarises the Rail Delivery Group's (RDG) carbon footprint for the financial year 2025/26 (the 12-month period from 1st April 2025 – 31st March 2026).

The methodology, key limitations and recommendations for improvement are also outlined, alongside comparison to the previous financial year 2024/25.

The Climate Pledge

As part of RDG's efforts to lower the climate impact of its operations, RDG joined the Climate Pledge on 21st April 2021. The Climate Pledge calls on companies to be net zero across their businesses by 2040, committing signatories to three areas of action²:

1. **Regular reporting** – Measure and report greenhouse gas emissions (GHG) on a regular basis across Scopes 1, 2 and 3. The Climate Pledge requests companies to refer to best practices within their industry, e.g. the GHG Protocol, which is one of the Climate Pledge's recommended methods.
2. **Carbon elimination** – Implement decarbonisation strategies in line with the Paris Agreement through real business changes and innovations, including efficiency improvements, renewable energy, materials reductions and other carbon emission elimination strategies.
3. **Credible offsets** – Neutralise any remaining emissions with additional, quantifiable, real, permanent and socially beneficial offsets to achieve net zero annual carbon emissions by 2040.

As part of its Climate Pledge obligations, RDG commits to reviewing and reporting the organisation's greenhouse gas emissions, accounting for all emissions associated with RDG's operations: The organisation's direct emissions, Scopes 1 and 2, as well as indirect emissions, Scope 3.

RDG completed its first carbon accounting in FY20/21 and has been doing so on a financial yearly basis ever since.

2. Methodology

The methodology followed by RDG to calculate its greenhouse gas emissions is based on the World Resources Institute GHG Protocol – A Corporate Accounting and Reporting Standard and is guided by the Protocol's key principles of relevance, completeness, consistency, transparency and accuracy³.

An operational control approach has been taken, meaning that the inventory covers emissions from all operations that are under RDG's operational control. Emissions are reported in line with the company's financial year. Emission factors were updated prior to the FY25/26 calculations to ensure accuracy. Electricity emission factors are location based.

² The Climate Pledge. *The Pledge*. Available: <https://www.theclimatepledge.com/us/en/the-pledge>

³ WRI GHG Protocol Corporate Standard. Available: <https://ghgprotocol.org/corporate-standard>

To ensure full transparency, calculation methodologies, assumptions and any alternative emission factors are disclosed on 'RDG Carbon Inventory FY25_26' spreadsheet.

This approach is in line with the UK's Competition and Markets Authority (CMA) Green Claims Code⁴, which ensures green claims are truthful, accurate, clear and unambiguous, do not hide or omit important information, consider the full life cycle of a product or service and are substantiated.

3.RDG's Carbon Footprint

Greenhouse gas emissions summary

A summary of RDG's GHG emissions for the 12-month period (1st April 2025 – 31st March 2026) is shown in Table 1. Absolute emissions (total emissions) are reported alongside two intensity ratios, which express greenhouse gas emissions relative to a measure of activity. These ratios are useful for tracking performance and enabling year-on-year comparisons.

Absolute GHG emissions (tCO ₂ e) per financial year	
Scope	FY25/26
Scope 1	-
Scope 2	123.1
Scope 3	9,991.0
Total (Scope 1 and 2)	123.1
Total (Scopes 1, 2 and 3)	10,114.1
% change (year-on-year)	-20%
GHG emission intensity (tCO ₂ e) per financial year	
Budget (£)	£69,185,921
Carbon intensity (tCO₂e per £ million budgets)	146.2
% change	-19%
Average FTEs	432.97
Carbon intensity (per FTEs)	23.36
% change (year-on-year)	-27%

Table 1: RDG greenhouse gas emissions summary (FY25/26)

⁴ HM Government, 2021. *Green Claims Code*. Available: <https://greenclaims.campaign.gov.uk/>

RDG's impact

As illustrated in Figure 1, approximately **99% of RDG's GHG emissions fall under Scope 3**. The remaining **1% of emissions are Scope 2** emissions, resulting from electricity supplied through RDG's landlord.

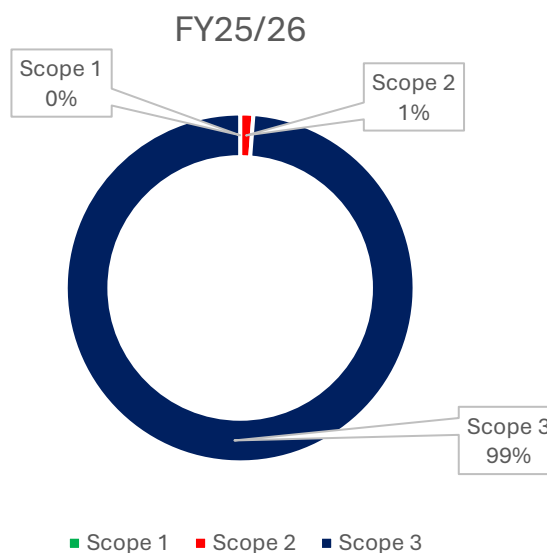


Figure 1: RDG's greenhouse gas emissions by scope (FY25/26)

Scope 1

Scope 1 emissions involve the direct GHG emissions that are released as a result of operations that are controlled or owned by an organisation. There are three major subcategories within Scope 1: stationary combustion (the combustion of fuel within machinery or equipment such as boilers), mobile combustion (the combustion of fuels due to the operation of vehicles owned or leased) and fugitive emissions (emissions from refrigeration systems)⁵. **There are no Scope 1 emissions associated with RDG's operations** as RDG did not operate or maintain any heating or cooling plant and had no company-owned vehicles. Fugitive emissions from refrigerants used in cooling have been accounted for in Scope 3 due to RDG's indirect control.

Scope 2

Scope 2 emissions are caused by the indirect release of GHG emissions that are derived from the purchase of heat, electricity, steam and cooling. RDG's **Scope 2 emissions make up approximately 1% of overall GHG emissions: 123.1 tCO₂e**. RDG's offices do not use natural gas for heating. RDG's only source of scope 2 emissions is therefore from the purchase of electricity.

⁵ US EPA Scope 1 and Scope 2 Inventory Guidance. Available: <https://www.epa.gov/climateleadership/scope-1-and-scope-2-inventory-guidance>

Scope 3

Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in RDG's value chain, including both upstream and downstream emissions⁶. Whilst RDG's operations are predominantly office-based, the reach of the organisation's operations is significant, so are Scope 3 emissions. A breakdown of RDG's Scope 3 emissions, as per the GHG Protocol's fifteen Scope 3 categories is shown in Figure 2. All applicable categories were included in the baseline carbon inventory (FY20/21) for completeness and to assess the materiality of emission sources for future GHG emission calculations.

Within Scope 3, the **purchase of goods and services (S3-1)** accounts for **8,901.4 tCO₂e** and is therefore by far RDG's largest emission source.

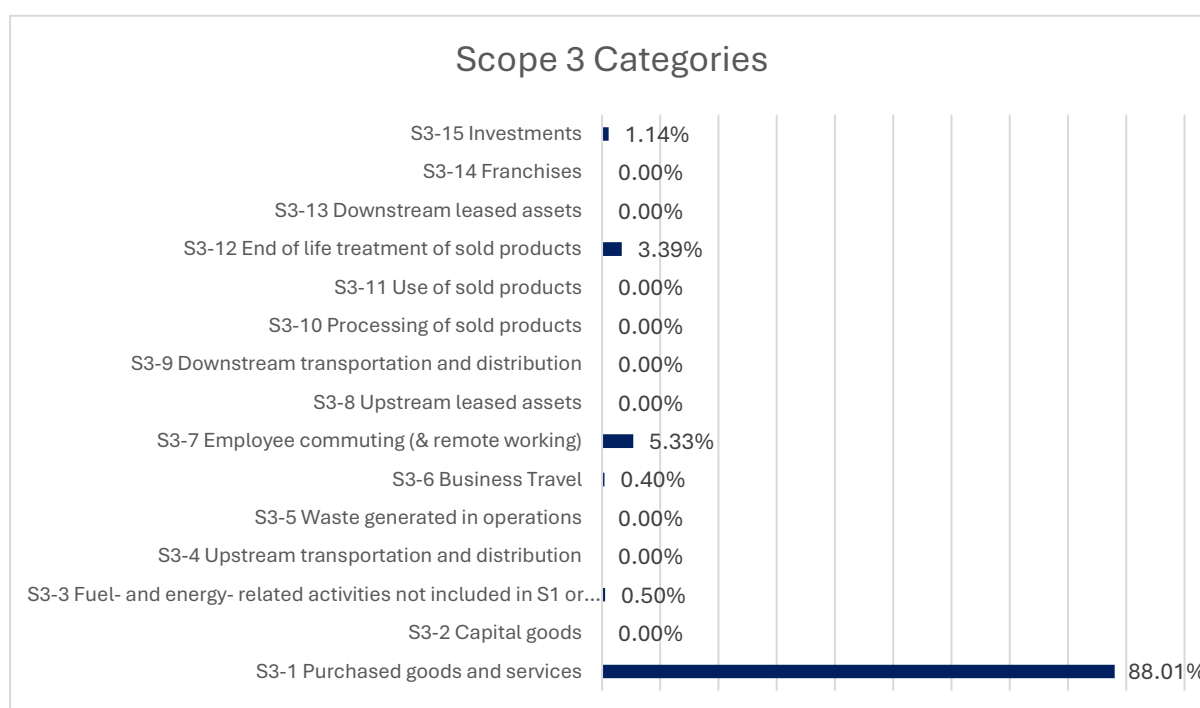


Figure 2: Share of RDG's Scope 3 emissions by category (FY25/26)

Employee commuting and remote working (S3-7) is the second largest emission source accounting for **539.1 tCO₂e**. For the first time since RDG has been reporting its emissions, this year's carbon accounting includes emissions from remote working, which has not been possible previously for methodology reasons. The GHG emissions associated with **end-of-life treatment of sold products (S3-12)**, which for RDG is rail tickets, is the third largest category within Scope 3, accounting for **343.1 tCO₂e**. In fourth place, **RDG's investments (S3-15)**, i.e. pension payments, is also a significant emission sources accounting for **115.7 tCO₂e**.

Emissions Intensity Ratio

Intensity ratios show emissions in relation to a business measure, which make it easier to understand whether emissions are changing because RDG's activities have

⁶ WRI GHG Protocol. FAQ. Available: https://ghgprotocol.org/sites/default/files/standards_supporting/FAQ.pdf

become more or less carbon intensive. To compare RDG's GHG emissions annually, two intensity ratios have been calculated, as shown in Table 2. The carbon emissions per British Pound of budget and per full-time equivalent (FTE) have been calculated.

Emission intensity ratios	
Carbon emissions per £ million budget	146.2 tCO ₂ e
Carbon emissions per FTE	23.36 tCO ₂ e

Table 2: RDG Carbon intensity ratios (FY25/26)

4. Comparison to FY24/25

Greenhouse gas emissions comparison

A summary of RDG's GHG emissions for financial years 24/25 and 25/26 is shown on table 3. Absolute emissions (total emissions) are summarised, as well as the two intensity ratios.

Absolute GHG emissions (tCO ₂ e) per financial year		
Scope	FY24/25	FY25/26
Scope 1	0.0	0.0
Scope 2	139.1	123.1
Scope 3	12,489.2	9,991.0
Total (Scope 1 and 2)	139.1	123.1
Total (Scopes 1, 2 and 3)	12,628.4	10,114.1
% change (year-on-year)	-64%	-20%
GHG emission intensity (tCO ₂ e) per financial year		
Budget (£)	£69,556,683	£69,185,921
Carbon intensity (tCO₂e) per £ million budget)	181.6	146.2
% change	-62%	-19%
Average FTEs	393.03	432.97
Carbon intensity (per FTEs)	32.13	23.36
% change (year-on-year)	-70%	-27%

Table 3: RDG greenhouse gas emissions summary (FY24/25 and FY25/26)

Commentary

Drivers of emission reduction

Prior to carrying on the calculations for the FY25/26, SLR consulting was mandated to review and update RDG's emission factors to ensure the calculations remain up to date and relevant. This is a common exercise that SLR regularly does for RDG on a yearly basis.

In FY25/26, the GHG emissions **decreased by 20%** while the **FTE intensity and the carbon intensity per £million fell by 19% and 27% respectively**. The emission reduction comes from a decrease in various sources of emissions including purchased goods and services, business travel, the end-of-life treatment of sold products and investments.

RDG's Impact

Scope 1

Scope 1 is out of scope.

Scope 2

RDG's Scope 2 emissions **decreased by 11.5%** in FY25/26 compared to FY24/25. Just like on the previous year, this year Scope 2 emissions includes the energy consumption of RDG's 200 Aldersgate Street office. This year decrease is driven by a lower emission factor to last year due to RDG's electricity procurement being less carbon intensive.

Scope 3

Purchased goods and services remained the **largest source of emission with 8,901.4 tCO₂e in FY25/26**. This source **decreased by 22.8%** by comparison to FY24/25 despite the total spent being higher. This decrease is mostly attributed to the emission factors having been updated in favour of lower ones. In addition, thanks to prior work, RDG has been collecting emission specific emissions factors from its top suppliers, nine of which have been used in the calculations of the FY25/26. We expect to use more supplier specific emissions over time – rather than spent base emissions – as we collect additional data.

Employee commuting and remote working is the **second largest source of emissions in FY25/26 with 539.1 tCO₂e**. For the first time, this category not only account for employees commuting, but also includes the emissions from remote working – accounting for the energy consumption of remote workers.

The end-of-life treatment of sold products was RDG's third-largest emissions category. This includes rail tickets sold on behalf of the industry. This category continues the decreasing trend observed in FY24/25, with emissions reducing by **14.95% in FY25/26**, reaching **343.1 tCO₂e**. This is explained by a **10.6%** reduction in the number of tickets sold.

Finally, in FY25/26, emissions from business travel decreased, reaching their lowest level in the past 4 years (**41.0 tCO₂e**) and emissions from investments decreased slightly with **115.7 tCO₂e**.

Next Steps – Supply Chain decarbonisation

Having quantified Scope 1, 2 and 3 emissions for FY25/26, RDG's next step will be to set a decarbonisation plan for the year ahead.

With Scope 3 emissions from purchased goods and services constituting the bulk of RDG's emissions, we have already started to work on supply chain decarbonisation plan. RDG has commissioned Schneider Electric to collect emission data from its suppliers; the same data that have been used in the calculation of emissions from purchased goods and services. In addition, Schneider Electric has developed a questionnaire that RDG has been sending to its top suppliers (in terms of spent) to collect additional data and assess suppliers' decarbonisation maturity. The next step will be to set a strategy with the procurement team and incorporating a carbon questionnaire into future procurement strategies.

In addition, acknowledging that this is a challenging source of emission to decarbonise, RDG continues to offset its emissions from travel for work.

5. Limitations of Methodology

As with all GHG emissions inventories, there are limitations to the methodology applied and certain assumptions had to be made in the absence of suitably quantified data. A summary of some key limitations and recommendations for improvement in subsequent years is shown below:

Spend based emission calculations

Emissions are based on the best available data at the time of calculation. Primary data was provided for emission categories where available. In some cases, primary data was based on expenditure instead of weight/volume, which reduces the accuracy of emissions calculations.

Assumptions/benchmarks used in place of some primary data source

Neither primary or spend data was available for some 'in-scope' categories. In these instances, calculations are based on benchmarked data or assumptions. These assumptions have been noted within the extended methodology report and within the GHG inventory.

Limitations are inherent in greenhouse gas (GHG) reporting. Although RDG makes efforts annually to address these, it must be recognised that certain limitations are systemic and that a GHG report will always involve elements of subjectivity. However, it is acknowledged that as more accurate data emerges, the calculation methodologies and data sources will continue to advance and improve. Where assumptions have been made, a 'worst case scenario' has been chosen, to ensure emissions are not underestimated.