



# Sustainability Report

2025 - 2026



The Change >

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## Introduction by Our Sustainability Partner

This report has been developed by **The Change Impact Group** in partnership with **LCC Group**, continuing a collaboration that began in 2022.

Throughout this period, LCC Group has demonstrated a strong and consistent commitment to sustainability at a time of significant change across the fuels and energy sector. Unlike many operators who have reduced ambition or limited their focus to compliance alone, LCC Group has continued to prioritise its people, its environmental responsibilities and the communities in which it operates. This commitment has translated into tangible improvements in operational efficiency, governance and environmental performance.

The Change works with industrial businesses to support credible, practical and long-term approaches to decarbonisation and impact. In LCC Group, we have found a partner that approaches sustainability with seriousness, openness and a willingness to invest in improvement, even in a challenging and highly regulated operating environment.

This report provides a transparent account of LCC Group's sustainability performance, its carbon reduction strategy and its forward priorities. It reflects both the progress already made and the ambition to continue strengthening performance in the years ahead.

We hope this report offers stakeholders a clear and confident view of LCC Group's sustainability journey as the organisation continues to build towards carbon neutrality and a longer-term net zero future.



Andrew Cuthbert  
Founder of The Change

The Change >

**Introduction to this Report**

LCC Group has been operating since the 1980s, founded by Michael Loughran Snr and still family-run, with a clear focus on quality, reliability, and long-term commitment to customers and communities. Over decades, the Group has evolved from its origins in domestic coal supply into a diversified energy, fuels and materials business operating across solid fuels, liquid fuels, gas, and electricity in Ireland and the United Kingdom.

This report outlines LCC Group’s Environmental, Social and Governance performance and strategy for the 2025–2026 reporting cycle. It builds upon prior sustainability reporting and reflects the Group’s continued transition toward lower-carbon energy systems while maintaining energy security, resilience and industrial capability.

LCC Group recognises that climate change presents material risks and opportunities across global markets. The Group also recognises its responsibility as an energy supplier operating within carbon intensive sectors. Amid volatile global markets, LCC Group has maintained its long-term decarbonisation focus, supported by technical research, capital investment and operational change.

As a family-owned business, LCC Group is positioned to take decisions with a multi-decade perspective. This structure allows the Group to pursue transition investments that may require sustained commitment, even where short-term market conditions are challenging.



**The purpose of this report is to:**

- Provide a transparent overview of environmental performance
- Set out the Group’s Carbon Reduction Plan
- Detail the Group’s social impact and community contribution
- Explain governance structures and oversight mechanisms
- Demonstrate alignment with UK and international climate frameworks



**Leadership Statement**

For more than four decades, LCC Group has played a practical and dependable role in supplying energy and fuel to homes, businesses and industries across Ireland and the UK. Founded in the 1980s by Michael Loughran Snr, the Group has grown from its origins in domestic coal supply into a diversified energy and materials business spanning solid carbon, liquid fuels, gas and electricity.

Our longevity is not accidental. It is rooted in long term thinking, a belief in our people and a strong connection to the communities in which we operate. Many of our colleagues live and work in and around Cookstown, the same community where LCC Group was founded and where we remain proudly headquartered today. We have grown as a business without losing sight of our roots, our relationships, and our responsibilities to the people and places that shaped us.

That closeness brings accountability. We operate among neighbours, friends and family members, and that makes our commitment to safety, environmental stewardship and long-term thinking deeply personal.

For LCC Group, sustainability is not a standalone initiative or a response to external pressure. It is about protecting the community that supports us, strengthening the local economy, and ensuring that the business built in Cookstown can continue to provide opportunity and value for generations to come.

Over recent years, the energy landscape has changed rapidly. In response, we have chosen to evolve rather than retreat. While remaining realistic about the essential role that fuels continue to play in today's economy, we have made deliberate investments to reduce emissions, improve efficiency and

transition our portfolio towards lower carbon and renewable alternatives. This includes a significant shift away from thermal coal for combustion, increased focus on solid carbon as a material, the expansion of sustainable liquid fuels such as HVO and biofuels, and the delivery of renewable electricity to customers through our Go Power business. These decisions reflect our belief that responsibility does not change with market cycles or headlines.

As a family-owned business, we are able to take a longer view, investing through periods of uncertainty and focusing on solutions that deliver genuine progress rather than short term reassurance. Our decarbonisation commitments, including carbon neutrality by 2036 and net zero by 2046, are underpinned by practical action, careful planning and an honest assessment of what can be achieved within the realities of our sector.

Critically, we understand both our capabilities and limitations in making wide-scale positive impact. As such, we view collaboration with our upstream and downstream partners as crucial.

This report sets out where we stand today, the progress we have made since our 2022 baseline, and the direction we intend to take as the transition continues. It reflects the work of our teams across the Group and our ongoing commitment to operate with integrity, transparency and care for the people and places that have supported LCC Group for generations.

As we look ahead, our focus remains clear: to continue strengthening the resilience of the business, supporting our communities and playing a responsible role in the transition to a lower carbon future, ensuring that LCC Group remains a trusted energy partner for decades to come.

**Our Business Today**

LCC Group operates across four principal sectors:



SOLID FUELS & MATERIALS



LIQUID FUELS



GASEOUS FUELS



ELECTRICITY

The Group continues to supply traditional fuels while progressively diversifying into renewable electricity, biofuels, hydrogen, biomethane, sustainable aviation fuels and advanced carbon materials.

Coal processing remains a key part of operations. However, the Group is transitioning from thermal coal for combustion toward carbon materials for industrial and advanced applications.

This transition reflects both environmental objectives and changing market demand.

The Group distributes over one billion litres of liquid fuels annually across Ireland and the United Kingdom and supplies natural gas to residential and commercial customers.

Through its subsidiary Go Power, the Group supplies electricity to industrial and commercial customers, with a growing proportion sourced from renewable generation.

**Our Brands**

LCC Group operates through a portfolio of established brands that reflect the breadth, heritage and evolution of the business. Across solid fuels and materials, liquid fuels, gaseous energy and electricity, these brands serve diverse customer bases ranging from industrial manufacturers and commercial operators to households and public sector clients. While each brand retains its own operational focus and market identity, they operate within a unified Group structure, aligned under common governance, safety standards and strategic direction.

Together, these brands represent the Group's market presence and customer reach across Ireland and the United Kingdom, combining long-standing regional relationships with expanding energy capabilities. As market demands evolve and the energy transition accelerates, the portfolio continues to adapt, supporting both traditional energy needs and the development of lower-carbon alternatives.



**Our ESG Purpose and Vision**

**Our Purpose**

The purpose of **LCC Group** is to provide reliable energy and fuels that support everyday life and industrial activity across Ireland and the United Kingdom, while responsibly managing the transition toward a lower-carbon future.

LCC Group has grown over decades by responding to real energy needs on the ground. From its origins supplying solid fuels to local markets, the Group has evolved into a diversified energy and carbon products business supplying electricity, gas, liquid fuels and solid carbon materials. Throughout this evolution, the Group's purpose has remained grounded in practicality, reliability and long-term stewardship.

As a business deeply rooted in the communities it serves, LCC Group recognises that its role goes beyond supplying energy. The Group sees itself as a long-term custodian of critical infrastructure, skills and supply chains, with a responsibility to ensure that today's decisions do not compromise the ability of future generations to thrive. This requires forward planning, sustained investment and a willingness to adapt as markets, technologies and societal expectations change.

**Our ESG Vision**

LCC Group’s ESG vision is to operate as a responsible energy and fuels supplier that delivers measurable environmental progress, supports people and communities, and is governed with integrity, transparency and accountability.

Environmentally, the Group’s vision is centred on reducing emissions through practical action rather than symbolic commitments. This includes transitioning away from high-emission uses of carbon toward lower-emission materials and products, expanding the supply of renewable electricity and sustainable fuels, and investing in infrastructure that enables customers to reduce their own emissions. The Group recognises that meaningful environmental progress is achieved through sustained change to products, processes and supply chains, not through short-term fixes.

Socially, LCC Group is committed to being a stable and responsible employer, prioritising safety, skills development and wellbeing across its workforce. The Group also seeks to deliver positive social value within the communities where it operates, recognising that long-term business success is inseparable from strong, resilient local communities.

From a governance perspective, LCC Group’s vision is to embed ESG considerations into decision-making at every level of the organisation. This includes clear Board oversight of sustainability and risk, transparent reporting, and a commitment to ethical and accountable business practices. Governance is viewed not as a compliance exercise, but as a framework that supports sound investment decisions and long-term value creation.

Together, this purpose and ESG vision reflect LCC Group’s belief that energy transition must be managed responsibly, balancing environmental ambition with energy security, affordability and community impact. By taking a long-term, investment-led approach to ESG, LCC Group aims to continue serving its customers and communities today, while building a business that remains relevant and resilient for generations to come.

**Material ESG Topics and Stakeholder Engagement**

**Identifying Material ESG Topics**  
LCC Group recognises that effective ESG management depends on understanding which environmental, social and governance issues are most relevant to its business, its stakeholders and the sectors in which it operates. Material ESG topics are those that have the greatest potential to influence LCC Group’s long-term performance, resilience and ability to create value, while also reflecting the issues that matter most to stakeholders.

Materiality is assessed through a combination of internal review and external input. This includes consideration of regulatory requirements, market developments, customer expectations, operational risks, and the environmental and social impacts associated with supplying energy and carbon products. The Group also considers how material topics may evolve over time as the energy transition progresses and as data quality and reporting requirements improve.

The material ESG topics identified by LCC Group reflect the realities of operating across electricity, gas, liquid fuels and solid carbon products, where environmental impacts are significant but where the opportunity to enable emissions reduction at scale is equally substantial.

**Key Environmental Topics**

Climate change and carbon emissions are the most material environmental issues for LCC Group. This includes both direct operational emissions and, more significantly, emissions associated with the downstream use of products supplied to customers. Reducing emissions through fuel substitution, product transition and infrastructure investment is therefore central to the Group's strategy.

Energy transition and fuel diversification are also material topics. This covers the expansion of renewable electricity supply, the development and distribution of sustainable liquid fuels, the transition from thermal coal to carbon as a material, and the diversification of gas toward biomethane and hydrogen.

Resource efficiency and circularity are increasingly important, particularly in relation to solid carbon products and the use of waste-derived or secondary materials within fuel supply chains. Environmental compliance, pollution prevention and responsible site management remain core operational priorities across all business units.

**Key Social Topics**

People and safety are fundamental to LCC Group's operations. The health, safety and wellbeing of employees, contractors and customers is a material consideration across all sites and activities. Maintaining high standards of safety management and investing in training and skills development are essential to sustaining a capable and resilient workforce.

Community impact is of the utmost importance to LCC Group and the leadership team. As a family-owned company, still headquartered in Cookstown, LCC Group's activities are critical to the local community it serves. The Group recognises its responsibility to contribute positively to these communities through employment, local investment and support for social and community initiatives.

Customer engagement and affordability are important social considerations, particularly during a period of energy transition. Ensuring customers have access to reliable energy and realistic pathways to reduce emissions without undue disruption or cost is central to the Group's approach.

**Key Governance Topics**

Strong governance, ethical conduct and regulatory compliance are material governance topics for LCC Group. This includes Board oversight of strategy and risk, transparent reporting, and adherence to ethical standards across operations and supply chains.

Risk management, including climate-related and transition risks, is a core governance priority. Data quality, particularly in relation to emissions reporting and Scope 3 measurement, is also recognised as a material issue, with ongoing work to improve systems, methodologies and assurance over time.

Supplier governance and responsible procurement are increasingly material as LCC Group works to better understand and influence upstream emissions and sustainability performance.

**Review and Continuous Improvement**

Material ESG topics and stakeholder priorities are not static. LCC Group reviews its materiality assessment periodically to reflect changes in regulation, market conditions, stakeholder expectations and the Group's own operations. Stakeholder feedback is used to refine priorities, inform strategy and strengthen governance and reporting over time.

This ongoing approach ensures that LCC Group's ESG strategy remains focused on the issues that matter most, while supporting a responsible and resilient transition toward a lower-carbon future.



ENVIRONMENT

**Environmental Strategy and Transition Overview**

LCC Group operates in sectors that are traditionally carbon intensive. As such, environmental responsibility is not peripheral to the business, but central to its long-term resilience and legitimacy. The Group recognises both the physical risks posed by climate change and the transition risks arising from regulatory change, evolving customer demand, and technological innovation.

The Group’s environmental strategy is therefore structured around three interdependent pillars:

**Transition of product portfolio**

**Reduction of operational emissions**

**Investment in future carbon and renewable technologies**

This approach acknowledges that the transition to a low-carbon economy will not occur uniformly across all sectors. Industrial manufacturing, transport, aviation, heavy goods vehicles and certain grid systems continue to require fuels and carbon inputs. LCC Group’s strategy is therefore designed to reduce emissions while maintaining energy security and industrial capability.

The Group has committed to:

Carbon Neutrality for Scope 1 and 2 emissions by **2036**

Net Zero emissions across Scope 1, 2 and 3 by **2046**

These targets are aligned with UK climate ambition and reflect the Group’s stated intention to lead rather than follow in transition planning.

**Our Transition Pathways**

LCC Group recognises that the transition to a lower-carbon economy will not occur uniformly across all energy sectors. Each of the markets in which we operate presents distinct technological, regulatory and market dynamics. Our Transition Pathways set out how we are progressively adapting each core business segment - solid fuels and materials, liquid fuels, gaseous energy and electricity - to reduce emissions, enhance efficiency and align with long-term climate objectives. These pathways reflect a structured, sector-specific approach that balances decarbonisation ambition with energy security, infrastructure readiness and market realities.

**Transition Pathway for Solid Fuels and Materials**

LCC Group’s Solid Fuels and Materials division is undergoing a deliberate transition. The objective is to progressively reduce reliance on coal as a combustion fuel and increase the focus on solid carbon as a functional material within industrial and advanced manufacturing applications.

This reflects both the operational reality of heavy industry and the direction of travel within global materials markets, where decarbonisation will be delivered through efficiency improvements, alternative inputs, technological innovation, and process optimisation over time.

The activities outlined below represent examples of how LCC Group is repositioning this segment. They are not exhaustive, nor are they presented as the only measures under consideration. Rather, they illustrate the practical steps being taken to align solid carbon operations with long term environmental and industrial transition objectives.

**Investment Spotlight: Milling and Micronisation for Future Industrial Demand**

LCC Group is continuing to invest in a milling and micronisation facility in Mallusk, Northern Ireland to expand capability in controlled carbon material processing. This investment is enabling infrastructure that prepares the Group for future demand across multiple industrial and advanced carbon markets.

Coal based carbon materials are increasingly required as feedstocks for a broad range of higher value carbon products including activated carbon, carbon fibres, carbon nanomaterials, and composite fillers, depending on processing routes and market needs.

For LCC Group, this investment represents a significant, early shift toward more advanced carbon materials. Micronisation and controlled particle engineering is a foundational step for supplying carbon materials into applications where particle size, surface properties and consistency are required.

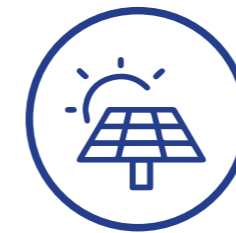
**Non-combustion applications for coal-derived carbon materials:**

**Activated carbon production for water and air purification**, where coal is a recognised carbon rich feedstock for adsorbents.

**Composite and polymer fillers**, where coal-based fillers have been studied for modifying mechanical and thermal properties.

**Coal derived advanced carbon materials**, including nanostructured carbons

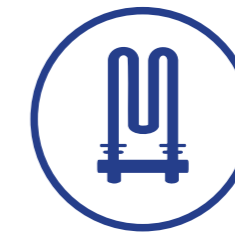
LCC Group's approach is to invest early in processing capability so that the business can respond credibly to emerging industrial demand rather than relying on reactive shifts once markets have already matured.



SOLAR PANELS



EV BATTERIES



HEATING ELEMENTS



LUBRICANTS



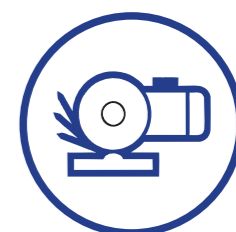
MOBILES



COSMETICS



CERAMICS



CUTTING TOOLS



**Product Spotlight: Carbon Reductant**

A key component of the Group's transition is the continued growth of carbon reductant products, which are being sold in increasing volumes year on year. Carbon reductants play a vital role in ferroalloy and metallurgical processes, where carbon is used as a reducing agent to convert metal oxides into usable metal, while also influencing energy consumption, furnace stability, and product quality.

In submerged arc furnace operations such as ferrosilicon and other ferroalloys, carbonaceous materials including coal derived products provide the carbon needed for carbothermic reduction reactions, with the selection of reductant affecting production performance and operating efficiency.

This product pathway reflects a broader shift away from coal combustion and toward coal as a processed carbon material with defined performance characteristics in industrial supply chains.



**Process Spotlight:  
Cemcor Indirect Firing Upgrade**

Cemcor forms part of LCC Group’s industrial materials portfolio and operates within the cement manufacturing sector, one of the most energy-intensive and carbon-intensive industries globally. As a producer of cement and clinker, Cemcor supports regional construction supply chains and infrastructure development, while operating within a sector that faces inherent decarbonisation challenges.

As part of LCC Group’s commitment to industrial transition, Cemcor has implemented an Indirect Firing system, part funded through the UK Industrial Energy Transformation Fund. This investment modernises the kiln combustion configuration and strengthens both operational performance and fuel flexibility.

**Efficiency Improvements**

The Indirect Firing system separates fuel combustion from the main kiln atmosphere, enabling:

- More precise control of combustion conditions
- Improved temperature stability within the kiln
- Enhanced combustion efficiency
- Reduced heat loss
- Improved process consistency

These improvements contribute to:

- Reduced specific fuel consumption per tonne of clinker
- Lower combustion-related emissions intensity
- Greater operational stability

**Enhanced Capability to Use Alternative Fuels**

A key strategic benefit of the upgrade is increased fuel flexibility. Cement kilns require consistent thermal conditions, particularly when introducing fuels with variable calorific value.

The Indirect Firing configuration improves Cemcor’s ability to manage this variability, enabling controlled integration of alternative fuels without compromising product quality or process stability.

Solid Recovered Fuel has already been introduced into the fuel mix. SRF, derived from processed non-recyclable waste streams, offers several advantages:

- Diversion of waste from landfill
- Reduced reliance on virgin fossil fuels
- Contribution to circular economy objectives
- Potential reduction in lifecycle greenhouse gas intensity compared to conventional fossil fuels

The upgraded system strengthens Cemcor’s ability to progressively increase alternative fuel substitution over time, subject to regulatory and operational constraints.

This investment reflects LCC Group’s broader approach to industrial transition: modernise infrastructure, improve efficiency, and build capability to adopt lower-carbon fuel inputs as markets and technologies evolve. Cemcor’s Indirect Firing upgrade positions the plant for continued emissions intensity reduction while maintaining essential industrial output.

### Transition Pathway for Liquid Fuels

LCC Group distributes over one billion litres of liquid fuels annually across Ireland and the United Kingdom. As a major participant in transport, agriculture, industrial and commercial fuel markets, the Group recognises that liquid fuels remain essential to economic activity. At the same time, decarbonisation of the transport and mobile energy sector is accelerating, driven by regulatory requirements, technological development and customer demand.

Over the past year, LCC Group has continued to shift its liquid fuel portfolio toward lower-carbon alternatives, building on our existing commitments. Rather than relying solely on compliance with biofuel blending mandates, the Group has taken active steps to expand infrastructure, diversify supply and increase availability of renewable and transitional fuels.

#### Key developments during the reporting period include:

- Continued expansion of Hydrotreated Vegetable Oil distribution capability
- Increased engagement with commercial fleet operators transitioning to lower-carbon fuels
- Strengthened biodiesel blending
- Infrastructure upgrades to support alternative fuel storage and handling
- Launch of Sustainable Aviation Fuel supply

While electrification is progressing across passenger vehicle markets, heavy goods vehicles, agricultural machinery, marine transport and aviation will continue to rely on liquid fuels for the foreseeable future. LCC Group's strategy is therefore centred on progressive substitution and lifecycle emissions reduction.

### Product Spotlight: Hydrotreated Vegetable Oil (HVO)

Hydrotreated Vegetable Oil represents one of the most significant lower-carbon developments within LCC Group's liquid fuel portfolio.

HVO is produced through the hydrogenation of vegetable oils, used cooking oils and animal fats. Through hydro processing, triglycerides and unsaturated fatty acids are converted into saturated paraffinic hydrocarbons, resulting in a renewable diesel substitute that is chemically similar to fossil diesel but with materially different environmental characteristics.

Critically, HVO is a drop-in fuel that can be used in most diesel engines without modification. We are thereby able to provide our customers with an instantly viable alternative fuel, enabling immediate emissions reductions without requiring vehicle replacement or infrastructure change.

### Environmental Performance

Lifecycle emissions reductions of HVO compared to conventional diesel are up to 90 percent or more, depending on feedstock source and supply chain configuration. Independent studies have shown significant reductions in:

- Carbon dioxide emissions
- Nitrogen oxides
- Particulate matter
- Aromatic compound emissions

HVO contains negligible levels of aromatic hydrocarbons compared to fossil diesel, which typically contains between 10 and 20 percent aromatics. Lower aromatic content contributes to cleaner combustion characteristics and reduced particulate emissions.

Research comparing hydrotreated vegetable oil with conventional diesel demonstrates improved combustion performance and lower exhaust emissions under comparable operating conditions.

In addition, HVO demonstrates superior cold-weather performance, with stability at temperatures significantly lower than standard diesel cloud points. This makes it suitable for year-round deployment across UK and Irish operating environments.

### Feedstock and Sustainability Considerations

HVO can be produced from a range of renewable feedstocks, including:



Feedstock traceability and sustainability certification remain critical considerations. LCC Group works within regulatory frameworks to ensure compliance with renewable fuel standards and sustainability criteria.

### Market Adoption

Commercial fleets are increasingly adopting HVO as a transitional decarbonisation measure, particularly in sectors where electrification is not yet viable at scale.

HVO allows operators to:

- Reduce fleet emissions immediately
- Avoid vehicle replacement costs
- Maintain operational flexibility
- Comply with environmental procurement standards

This makes it an important transitional solution for logistics, public sector fleets and heavy transport operators.



### Infrastructure Investment: LSS Terminal at Foyle Port

To support growing demand for HVO, LCC Group has invested in expanded storage infrastructure at the LSS Terminal at Foyle Port. The Group has purchased and is installing new storage tanks, significantly increasing HVO storage capacity. This investment strengthens supply security and enables:



ENHANCED FLEXIBILITY IN MANAGING SEASONAL DEMAND



GREATER SUPPLY RELIABILITY



IMPROVED DISTRIBUTION RESILIENCE



LARGER IMPORT VOLUMES

### Benefits of HVO

Benefit Area	HVO Performance Advantage
Lifecycle Emissions	Up to -90% reduction in lifecycle greenhouse gas emissions compared to conventional fossil diesel, depending on feedstock source
Immediate Deployment	Drop-in replacement fuel requiring no engine modification or new infrastructure
Air Quality	Lower particulate matter and reduced aromatic content leading to cleaner combustion
Cold Weather Reliability	Stable at temperatures significantly below standard diesel cloud point
Operational Continuity	Allows fleet decarbonisation without capital investment in new vehicles
Renewable Feedstocks	Produced from renewable and waste-derived oils and fats
Transitional Solution	Supports emissions reduction in hard-to-electrify sectors

**Product Spotlight: Sustainable Aviation Fuel**

During the reporting period, LCC Group began supplying Sustainable Aviation Fuel, marking a significant expansion of its lower-carbon liquid fuel portfolio into the aviation sector.

Aviation remains one of the most difficult sectors to decarbonise. Medium and long-haul commercial aviation accounts for the vast majority of aviation-related greenhouse gas emissions, and electrification or hydrogen solutions remain in early development stages for these applications. As a result, Sustainable Aviation Fuel is widely recognised as the most viable near- to medium-term decarbonisation pathway for commercial aviation.

**What is Sustainable Aviation Fuel**

Sustainable Aviation Fuel is produced from renewable or waste-derived feedstocks and can be blended with conventional jet fuel without requiring modification to aircraft engines or airport infrastructure.

Multiple production pathways are recognised internationally, including:

- Hydroprocessed Esters and Fatty Acids (HEFA)
- Fischer-Tropsch synthesis from syngas
- Alcohol-to-jet pathways using ethanol or methanol
- Power-to-Liquid processes using captured carbon dioxide and renewable hydrogen

The most established pathway globally remains HEFA, which converts lipid-based feedstocks into aviation-grade hydrocarbons. Feedstocks used in SAF production may include:

- Used cooking oil
- Animal fats
- Vegetable oils
- Municipal solid waste
- Agricultural and forestry residues
- Captured carbon dioxide combined with renewable hydrogen

Each feedstock pathway is subject to sustainability certification and lifecycle emissions verification.

**Carbon Reduction Performance**

Sustainable Aviation Fuel must meet strict lifecycle greenhouse gas criteria to qualify under international schemes such as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

Depending on feedstock and production pathway, SAF can deliver:

- Up to 90% reduction in lifecycle greenhouse gas emissions compared to conventional jet fuel
- Substantial reduction in particulate emissions
- Lower sulphur content

Recent lifecycle assessments indicate emissions intensity reductions typically in the range of 50% to 85%, with certain advanced pathways achieving reductions exceeding 90% under qualifying conditions.

The use of SAF therefore represents one of the few currently deployable mechanisms to materially reduce aviation-related carbon intensity without waiting for next-generation propulsion technologies.

**Strategic Importance**

The commencement of SAF supply demonstrates LCC Group’s commitment to expanding its renewable liquid fuels offering into sectors traditionally considered hard to abate.

Supplying SAF:

- Supports aviation sector decarbonisation
- Aligns with evolving UK regulatory mandates
- Strengthens the Group’s renewable fuels portfolio
- Demonstrates infrastructure capability in advanced fuel handling
- Enhances resilience within liquid fuels operations

As SAF production capacity expands globally and blending mandates increase, LCC Group intends to scale supply in line with technological readiness, market demand and regulatory frameworks.



**LCC GROUP NOW SUPPLY SUSTAINABLE AVIATION FUEL**

**Strategic Importance, Energy Security and Reliability**

LCC Group’s approach to liquid fuels is shaped not only by environmental responsibility, but also by national security and strategic supply considerations.

In recent years, global energy markets have experienced significant volatility. Geopolitical disruption, supply chain instability and shifts in global energy trade flows, has highlighted the vulnerability of fuel supply systems and the importance of trusted domestic infrastructure.

Energy security remains a foundational public interest priority.

LCC Group plays a critical role in supporting that stability. The Group is entrusted by national authorities to hold oil reserves on behalf of the country, contributing to strategic stockholding obligations and ensuring continuity of supply during periods of disruption. This responsibility reflects long-standing trust in the Group’s operational capability, storage infrastructure and governance standards.

As a storage and distribution operator, LCC Group prioritises:

- Reliability of supply
- Fuel and service quality
- Infrastructure resilience
- Distribution continuity

The Group’s investments in terminal capacity, tank infrastructure and logistics networks are therefore not only commercial decisions but contributions to national resilience.

Importantly, the Group’s commitment to energy security does not conflict with its decarbonisation objectives. Rather, it informs the structure of its transition strategy. Abrupt withdrawal from established supply chains would risk instability, economic disruption and increased reliance on less regulated international markets.

LCC Group’s approach is deliberately measured:

- Maintain secure supply
- Invest in lower-carbon alternatives
- Modernise infrastructure
- Enhance fuel flexibility
- Support gradual, durable transition

This balance between reliability and transition is central to the Group’s long-term strategy. In an era of geopolitical uncertainty and accelerating climate policy, trusted energy suppliers play a vital role in ensuring both stability and progress.

LCC Group’s reputation for operational reliability, regulatory compliance and infrastructure capability positions it as a dependable partner to governments, customers and industry stakeholders alike.



### Transition Pathway for Gaseous Products

LCC Group’s gaseous energy operations sit at the intersection of energy security, affordability and decarbonisation. Natural gas continues to play a central role in heating, industrial processes and electricity generation across the UK and Ireland. At the same time, regulatory and market pressures are accelerating the shift toward lower-carbon gas alternatives.

The Group’s approach recognises some key realities:

**Gas remains essential for energy system stability.**

**Decarbonisation of gas will be progressive rather than immediate.**

**Infrastructure built today must be compatible with future renewable gases.**

Rather than viewing gas as a static fuel category, LCC Group is positioning its gaseous energy segment as a platform for transition.

### Market Context

Natural gas currently accounts for a significant share of heating and dispatchable power generation in the UK and Ireland. It plays a critical role in:

- Residential heating**
- Commercial and industrial heat processes**
- Flexible power generation to balance renewable electricity**
- Backup capacity during peak demand**

The volatility of global gas markets in recent years, particularly following geopolitical disruption linked to Russia and Ukraine, has reinforced the importance of secure, diversified and well-managed gas supply chains. At the same time, UK and EU policy frameworks are placing increasing emphasis on:

- Methane emissions reduction**
- Biomethane injection into gas networks**
- Hydrogen blending and long-term hydrogen networks**
- Electrification of heat where feasible**

LCC Group operates within this evolving environment, balancing near-term supply stability with longer-term decarbonisation.

### Our Approach

LCC Group’s gaseous transition pathway focuses on enabling lower-carbon gas supply while maintaining infrastructure resilience.

#### Biomethane Integration

Biomethane, produced through anaerobic digestion of organic waste and agricultural residues, offers a renewable substitute for natural gas.

When upgraded to grid quality, biomethane can be injected directly into existing gas networks without modification to downstream appliances.

Benefits include:

- Reduced lifecycle greenhouse gas emissions**
- Diversion of organic waste from landfill**
- Support for circular economy principles**
- Compatibility with existing infrastructure**

However, scaling biomethane presents challenges, including feedstock availability, plant capacity and supply consistency.

LCC Group is exploring opportunities to source biomethane and participate in renewable gas supply mechanisms as they mature.

### Hydrogen Readiness

Hydrogen is widely recognised as a key component of long-term decarbonisation strategies, particularly for:

- High-temperature industrial heat**
- Heavy transport**
- Energy storage**
- Grid balancing**

Two principal hydrogen pathways are currently relevant:

Green hydrogen produced via electrolysis powered by renewable electricity  
Blue hydrogen produced via natural gas reforming combined with carbon capture

While hydrogen infrastructure remains at early stages of development in many regions, future gas networks are expected to accommodate hydrogen blending or conversion.

LCC Group’s infrastructure and supply planning consider hydrogen compatibility and the evolving regulatory framework governing hydrogen injection and transport.

The Group has conducted several feasibility assessments for hydrogen production in various forms and is monitoring pilot projects and feasibility developments across the UK and Ireland to assess long-term integration potential.

**Methane Reduction and Supply Chain Collaboration**

Methane emissions represent one of the most significant near-term climate challenges within global energy systems. While methane has a shorter atmospheric lifetime than carbon dioxide, it has a substantially higher global warming potential over a twenty-year period. Addressing methane emissions therefore offers an opportunity to deliver accelerated climate impact.

Although LCC Group does not operate upstream extraction assets, the Group recognises that meaningful decarbonisation requires engagement across the wider value chain. As part of its gaseous energy transition pathway, LCC Group is partnering with upstream supply chain participants to investigate the feasibility of methane reduction and utilisation technologies.

These investigations include consideration of:

**Ventilation Air Methane destruction technologies**

**Methane capture and controlled oxidation systems**

**Conversion of methane into derivative products such as methanol**

**Utilisation of recovered methane for process heat or electricity generation**

Ventilation Air Methane technologies, for example, are designed to oxidise low-concentration methane streams that would otherwise be released to atmosphere, converting methane into carbon dioxide and thereby significantly reducing overall global warming impact. Similarly, methane-to-methanol pathways offer the potential to transform fugitive methane into a transportable chemical feedstock with commercial value.

LCC Group’s engagement in these feasibility assessments reflects an understanding that Scope 3 emissions within energy supply chains cannot be addressed solely through downstream substitution.

Reducing upstream methane leakage and exploring productive utilisation pathways can materially improve the lifecycle emissions profile of supplied gas.

At this stage, these activities are exploratory and feasibility focused. However, they demonstrate LCC Group’s willingness to collaborate beyond its immediate operational boundary to strengthen the environmental performance of its supply chain partners.

Future reporting will provide updates as technical assessments, pilot projects or partnership frameworks progress.

**Role of Gas in Energy Security**

Natural gas plays a critical balancing role within electricity systems that are increasingly reliant on intermittent renewables.

Flexible gas generation provides:

**Peak demand coverage**

**Backup during low wind or solar output**

**Frequency stability**

Abrupt displacement of gas without equivalent storage and grid reinforcement would risk supply instability.

LCC Group therefore views gas as part of a managed transition, supporting:

**Grid resilience**

**Affordable heating**

**Industrial continuity**

while progressively integrating renewable gas alternatives.

**Strategic Positioning**

The Group’s gaseous energy pathway is based on:

**Maintaining secure supply**

**Enabling renewable gas integration**

**Preparing for hydrogen evolution**

**Supporting customers in managing emissions**

This approach ensures that LCC Group remains aligned with climate objectives while continuing to provide reliable and affordable energy to customers.

The transition of gaseous energy will unfold over decades rather than years. LCC Group’s role is to ensure that its infrastructure, procurement strategy and customer engagement model are positioned for that evolution.



# 100% CERTIFIED RENEWABLE ELECTRICITY SUPPLY

## Spotlight: 100% Certified Renewable Electricity Supply in 2025

In 2025, Go Power achieved a significant milestone: All electricity supplied to customers in both Northern Ireland and the Republic of Ireland was certified renewable.

This represents a major progression within LCC Group's transition strategy and reflects deliberate procurement, structured market participation and sustained focus on renewable sourcing.

Certification is supported through recognised Guarantees of Origin mechanisms within the Single Electricity Market and applicable regulatory frameworks.

The achievement demonstrates that LCC Group is not only preparing for transition, it is actively delivering measurable decarbonisation outcomes within its electricity portfolio.



## Transition Pathway for Electricity

### Market Context

Electricity markets across the island of Ireland continue to experience rapid renewable capacity growth, driven primarily by onshore wind, offshore wind and increasing solar deployment.

At the same time, grid stability, interconnection, storage and dispatchable capacity remain critical considerations. Renewable generation is inherently weather dependent, and system operators continue to rely on flexible generation to maintain stability.

Against this evolving backdrop, achieving 100% certified renewable electricity supply represents a strategic procurement accomplishment rather than a passive outcome of grid evolution.

### Procurement Strategy and Delivery

The transition to fully renewable certified electricity supply has been enabled through:

**Active engagement in wholesale electricity markets**

**Structured renewable procurement strategy**

**Participation in renewable certification frameworks**

**Portfolio management aligned with decarbonisation objectives**

This approach balances environmental ambition with commercial discipline.

While certification confirms renewable sourcing, LCC Group recognises that the broader electricity system remains mixed. Gas-fired generation continues to provide essential balancing capacity during periods of low renewable output. Therefore, the Group's achievement should be understood within the context of wider system transition.

## Customer and Market Impact

Supplying fully renewable electricity provides customers with:

**Lower indirect emissions profiles**

**Alignment with corporate sustainability targets**

**Support for public procurement environmental criteria**

**Contribution to net zero reporting obligations**

For commercial and industrial customers, renewable electricity supply forms a foundational element of decarbonisation strategy.

### Strategic Outlook

Achieving 100% certified renewable electricity supply in 2025 marks a defining point in LCC Group's transition journey.

However, the pathway does not end here.

Future focus areas include:

**Maintaining renewable certification integrity**

**Exploring longer-term renewable contracting mechanisms**

**Monitoring grid decarbonisation trends**

**Supporting electrification across transport and heating sectors**

Electricity remains the most rapidly decarbonising component of the Group's portfolio. The 2025 milestone demonstrates that structured transition, when supported by procurement discipline and market engagement, can deliver tangible results.

## Carbon Reduction Plan

### Purpose and Strategic Intent

LCC Group is committed to reducing greenhouse gas emissions across Scope 1, Scope 2 and Scope 3 while continuing to supply energy and carbon materials that underpin economic activity across the United Kingdom, Ireland and international markets.

As a distributor of electricity, gas, liquid fuels and solid carbon products, the Group recognises that the majority of emissions associated with its activities arise downstream through customer use of supplied products. Accordingly, the Carbon Reduction Plan prioritises transformation of product mix, infrastructure investment, supply chain engagement and customer transition alongside improvements in operational efficiency.

This Plan sets out:

**Baseline year and emissions profile**

**Reduction targets**

**Delivery mechanisms across all four divisions**

**Actions implemented to date**

**Forward strategy and constraints**

**Reporting boundary considerations**

### Baseline Year and Emissions Profile

LCC Group has defined 2022 as its baseline year for greenhouse gas emissions. This represents the first year in which consistent emissions data was compiled across Group operations and supply activities.

Emissions are reported across:

**Scope 1**

Direct emissions from fuel use within LCC Group operations, including fleet fuel consumption and on-site heating.

**Scope 2**

Indirect emissions associated with purchased electricity used across offices, terminals, depots and operational facilities.

**Scope 3**

Downstream emissions associated with products supplied, including electricity, liquid fuels, gaseous products and solid carbon materials and estimates for upstream emissions associated with each division of the Group.

As an energy and carbon supplier, Scope 3 emissions represent the most significant proportion of the Group's overall footprint.

While growth was anticipated to increase emissions following the baseline year, emissions decreased due to a structural shift in product demand. In particular, the reduction in thermal coal processing and the expansion of carbon materials significantly reduced downstream emissions associated with combustion.

### Carbon Reduction Targets

LCC Group has adopted the following targets:

**Carbon neutrality across Scope 1 and Scope 2 by 2036**

**Net zero across Scope 1, Scope 2 and Scope 3 by 2046**

These targets reflect both ambition and the practical realities of the sectors served.

Delivery of net zero across Scope 3 depends on:

**Customer adoption of lower-carbon alternatives**

**Availability of renewable fuels and gases**

**Infrastructure readiness**

**Supply chain collaboration**

The Group has also articulated internal mission statements reflecting earlier ambition to drive organisational momentum toward these public commitments.

### Scope 1 and Scope 2 Emissions Strategy

Scope 1 emissions arise from:

- Diesel used in fleet and delivery vehicles
- Diesel used in inter-site haulage
- Heating oil or kerosene used at operational facilities
- Scope 2 emissions arise from electricity consumption across operational sites.

In 2025, Go Power achieved 100% certified renewable electricity supply across both Northern Ireland and the Republic of Ireland. This milestone materially reduces Scope 2 emissions associated with purchased electricity and strengthens Scope 3 performance linked to electricity supplied to customers.

The long-term Scope 1 and 2 strategy includes:

- Fleet renewal aligned with asset lifecycle
- Improved route optimisation
- Replacement of fossil heating fuels where feasible
- Continued renewable electricity procurement
- Integration of renewable and synthetic fuels into operations

While short-term fluctuations may occur due to business growth, the long-term objective remains a sustained reduction in operational emissions intensity and full elimination or substitution of fossil fuels within Group-controlled activities.

### Scope 3 Emissions and Reduction Strategy

Scope 3 emissions include downstream emissions associated with:

- Solid carbon and thermal coal
- Electricity supplied
- Liquid fuels supplied
- Gaseous energy supplied

Scope 3 remains the most material emissions category due to the combustion of distributed fuels.

Scope 3 reduction is being delivered structurally across all four divisions:

**Electricity**

100 percent certified renewable electricity supply achieved in 2025.

**Liquid Fuels**

Expansion of Hydrotreated Vegetable Oil, ethanol blending and biodiesel integration. Investment in storage infrastructure at the LSS Terminal and other facilities supports scaling of renewable fuel supply.

**Solid Fuels and Materials**

Transition from coal for calorific combustion toward carbon materials, reductants and industrial inputs. Investment in milling and micronisation supports non-thermal applications.

**Gaseous Products**

Exploration of biomethane integration, hydrogen readiness and collaboration with upstream partners to assess methane reduction technologies.

Scope 3 reporting currently relies on recognised emissions factors and certification frameworks. Ethanol, FAME and HVO are not treated as direct CO<sub>2</sub> emitters within current Scope 3 methodology. As data quality improves and reporting boundaries expand, total reported emissions may increase even where emissions intensity declines.

The Group continues to follow GHG Protocol guidance to enhance Scope 3 completeness over time.

**Carbon Reduction Across Liquid Fuels**

Liquid fuels remain essential in transport, logistics, construction, agriculture and aviation.

The Group’s approach focuses on emissions intensity reduction through substitution and blending rather than abrupt displacement.

Key actions include:

- Blending ethanol into petrol
- Blending FAME biodiesel into diesel and gas oil
- Expansion of Hydrotreated Vegetable Oil availability
- Investment in renewable fuel storage capacity
- Supply of Sustainable Aviation Fuel (SAF)

HVO demand has increased as customers seek immediate emissions reductions without changes to vehicles or machinery. The Group continues expanding HVO infrastructure to support scaling across its network.

Blending levels such as E10 petrol and B7 diesel are governed by regulation and technical compatibility. Increases beyond mandated levels depend on market readiness and vehicle standards.

**Carbon Reduction Across Solid Fuels and Materials**

The transition away from thermal coal toward carbon materials has been a significant driver of emissions reduction since the baseline year.

Coal is increasingly supplied as:

- **Carbon reductant**
- **Industrial additive**
- **Filtration media**
- **Advanced carbon precursor**

Investment in milling and micronisation capability supports higher-value, lower-emissions applications.

This structural repositioning reduces downstream combustion emissions while maintaining industrial supply capability.

**Carbon Reduction Across Gaseous Products**

Natural gas remains essential for heating and industrial processes. However, LCC Group is progressively repositioning this segment.

Actions include:

- **Evaluation of biomethane sourcing**
- **Assessment of hydrogen integration pathways**
- **Collaboration with upstream partners to investigate methane reduction technologies**





**Constraints and External Factors**

Progress toward carbon neutrality and net zero is influenced by:

- **Grid capacity limitations**
- **Availability of renewable fuel feedstocks**
- **Fleet compatibility constraints**
- **Price differentials between fossil and renewable fuels**
- **Hydrogen infrastructure readiness**
- **Data availability across supply chains**

Emissions totals may increase in future years due to business growth or expanded reporting boundaries, even where emissions intensity improves.

**Customer and Supplier Engagement**

Reducing Scope 3 emissions depends on collaboration.

The Group engages customers through:

- **Product availability**
- **Education and advisory**
- **Carbon saving documentation for renewable fuel adoption**

Supplier engagement focuses on:

- **Improved upstream emissions data**
- **Methane reduction collaboration**
- **Renewable fuel traceability**

**Outlook**

LCC Group recognises that achieving carbon neutrality and net zero requires sustained investment, structured transition and collaboration across the energy ecosystem.

With full renewable electricity supply achieved, expansion of sustainable liquid fuels underway, repositioning of solid carbon operations, and gaseous transition in development, the Group remains committed to delivering emissions reduction while maintaining reliability, quality and security of supply.

## Carbon Emissions Report 2025

### Introduction and Baseline Year

LCC Group has defined 2022 as its baseline year for greenhouse gas emissions. This represents the first year in which consistent and consolidated emissions data was available across the Group's core operations.

This report presents Scope 1 and Scope 2 emissions for the reporting year 2025 and compares performance against the 2022 baseline. Scope 3 emissions are currently being finalised for the 2025 reporting period.

### Reporting Boundaries

This emissions report covers the operational activities of LCC Group entities included within the Group's consolidated reporting boundary.

Scope 1 and Scope 2 emissions reported here relate to internal operational activities across:

- Coal processing and storage sites
- GO stations
- Offices and administrative premises
- Operational vehicles and haulage activities

Cemcor Limited, as a separate legal entity, reports its greenhouse gas emissions independently through its own regulatory disclosures, including Streamlined Energy and Carbon Reporting (SECR). To avoid double counting and to ensure consistency in year-on-year reporting, Cemcor Limited's emissions are excluded from this LCC Group internal emissions report.

This approach ensures clarity of reporting boundary and comparability against the 2022 baseline.

## Scope 1 and Scope 2 Emissions

In this report, Scope 1 and Scope 2 emissions are considered the Group's internal emissions, reflecting emissions arising directly from operational control.

### Scope 1: Direct Emissions

Scope 1 emissions arise from fuel combustion within LCC Group's direct control, including:

- Diesel used in lorries and haulage vehicles
- Fuel used in company cars and operational vehicles
- Heating fuels used at operational and office sites
- On-site fuel usage across coal yards and distribution facilities

Scope 1 emissions reflect operational activity levels and may fluctuate year-on-year depending on business volumes, logistics patterns and site activity.

### Scope 2: Indirect Emissions from Purchased Electricity

Scope 2 emissions relate to purchased electricity consumed across all operational sites and offices.

This includes electricity used at:

- Coal yards and processing facilities
- GO stations
- Fuel terminals
- Administrative offices

For the 2025 reporting year, purchased electricity supplied through Go Power was certified renewable. As a result, Scope 2 emissions for 2025 are reported as zero, based on verified renewable certification and appropriate emission factors.

## Methodology

Emissions have been calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

Where source-specific data is available, for example, certified renewable electricity supplied through Go Power, emissions factors reflecting the verified source have been applied.

In all other instances, emissions have been calculated using the UK Government Greenhouse Gas Conversion Factors for Company Reporting 2025.

Scope 1 emissions have been calculated using fuel consumption data multiplied by relevant conversion factors.

Scope 2 emissions have been calculated using location-based or market-based factors as appropriate, with renewable certification applied where verified. All data has been compiled from internal fuel usage records, electricity consumption data and supplier documentation.

### Emissions Summary: Reporting Year 2025

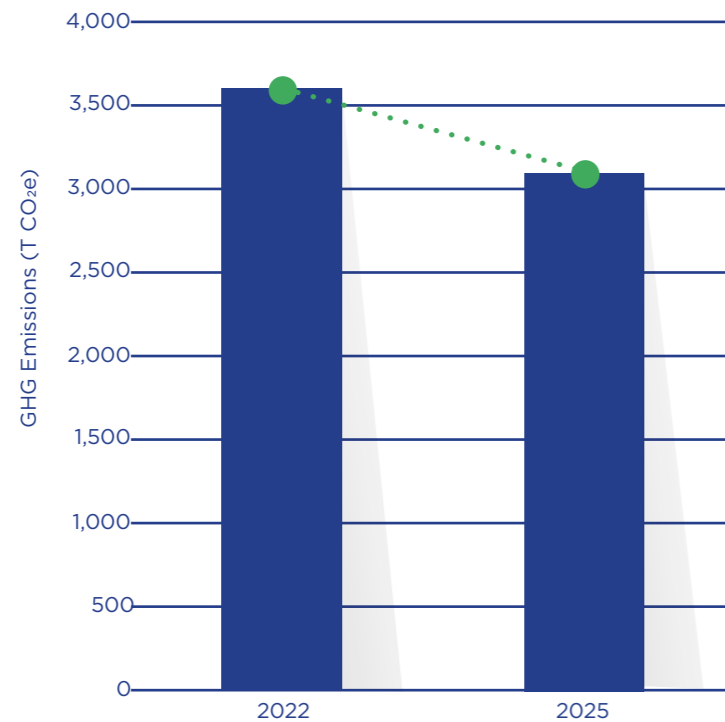
The table below presents LCC Group's Scope 1 and Scope 2 emissions for the baseline year (2022) and the 2025 reporting year. These figures represent emissions arising from internal operational activities across the Group's sites and controlled operations.

Table: LCC Group Scope 1 & 2 Emissions Summary 2025

Emmissions tCO <sub>2</sub> e	2022 - BASELINE YEAR	2025 - REPORTING YEAR
<b>Scope 1</b>		
Kerosene	67	54
Diesel (lorries)	2249	2257
Diesel (Haulage)	241	738
Diesel (Company Cars)	56	54
<b>Scope 2</b>		
Electricity	990	0
<b>Total Scope 1 &amp; Scope 2</b>	<b>3603</b>	<b>3103</b>

The following bar graph provides a visual comparison of internal emissions across the two reporting years.

Figure: Comparison of Internal Emissions, 2022 vs 2025



Overall, Scope 1 emissions in 2025 reflect operational activity levels across haulage, site operations and heating requirements. While operational activity has evolved since the baseline year, the Group's transition to certified renewable electricity in 2025 eliminated Scope 2 emissions. As a result, total combined Scope 1 and Scope 2 emissions, those directly within the Group's operational control, decreased from 3,602 tCO<sub>2</sub>e in 2022 to 3,104 tCO<sub>2</sub>e in 2025. This represents an approximate 14% reduction in internal emissions since the baseline year.

This reduction demonstrates the material impact of structural energy sourcing decisions on overall carbon performance and supports the Group's pathway toward carbon neutrality across Scope 1 and Scope 2 emissions by 2036.

### Alignment with Carbon Reduction Targets

LCC Group has committed to:

- Achieving carbon neutrality across Scope 1 and Scope 2 emissions by 2036
- Achieving net zero across Scope 1, Scope 2 and Scope 3 emissions by 2046

The elimination of Scope 2 emissions in 2025 represents a significant milestone toward the 2036 carbon neutrality objective.

Continued focus will be placed on reducing Scope 1 emissions through:

- Transition to renewable and synthetic fuels where feasible
- Fleet efficiency improvements
- Logistics optimisation
- Operational energy efficiency





SOCIAL

## Our People and Social Impact

### Social Impact at LCC Group

LCC Group remains headquartered in Cookstown, at the centre of the community where the business was built. That decision has shaped how we think about responsibility. Our workforce is local. Many of our suppliers are local. The schools and organisations we engage with are local.

Social impact is therefore not separate from our operations. It is embedded in how we employ, develop, procure, invest and engage.

LCC Group’s social impact is rooted in the belief that responsible business contributes to resilient communities, a thriving workforce, and meaningful stakeholder relationships. Our activities span people development, safety and wellbeing, inclusive employment, community engagement, charitable support, sports partnerships, education initiatives and diversity programmes, all positioned within a framework that supports long-term social value alongside sustainable growth.

### Investing in Our People

LCC Group employs over 320 talented people across the UK and Ireland. We believe our long-term success depends on attracting, developing and retaining highly capable individuals and fostering a culture where people feel valued, supported and empowered.

## Culture, Communication and Engagement

To support this, we invest in a supportive work environment characterised by:

- **Clear two-way communication** through team meetings, newsletters and structured updates
- **Employee involvement** in decision-making where practical
- **Open, honest and consistent information sharing** about business objectives and performance
- **Regular feedback and development planning** aligned with individual and organisational goals

This approach fosters transparency and ensures staff are equipped with the information and resources needed to deliver effectively.

## Diversity, Inclusion and Equal Opportunity

LCC Group recognises that a diverse workforce drives resilience, innovation and broad perspectives. Our approach to Diversity and Inclusion focuses on creating an environment where everyone is treated fairly and respectfully, regardless of background or personal characteristics.

Our activities include:

- Inclusive recruitment practices
- Supporting visible and invisible differences
- Ongoing training to reinforce inclusive behaviours
- Monitoring diversity indicators to inform people strategies

We continue to enhance workforce inclusivity across gender, cultural background, thought diversity and accessibility.



## Employee Development and Future-Ready Skills

Continuous learning is central to workforce resilience. LCC Group supports development through:

- Training programmes tailored to individual and organisational needs
- Structured performance and coaching conversations
- Identification of future leaders through succession planning
- Support for digital capability and remote working competencies

This focus strengthens retention, deepens talent pools and ensures our workforce is prepared for industry evolution.

## Safety, Health and Wellbeing

Safety, health and wellbeing are central to LCC Group's social licence to operate. Across all operational sites, including fuel handling, storage, distribution and energy supply, we implement robust safety management systems aligned with ISO 45001:2018 standards.

Our approach includes:

- Regular health and safety performance reviews
- Hazard identification and risk assessments
- Investment in protective equipment and systems
- Operational safety training and on-the-job coaching
- Monitoring of environmental exposures (noise, dust, fumes)

We also recognise that physical health must be accompanied by psychological wellbeing. LCC Group actively encourages mental health awareness and provides programmes that reduce stigma and offer support, including:

- Mental health first aid training
- Wellbeing communications and programmes
- Ergonomic and occupational hygiene initiatives
- Access to health screening and support resources

Our commitment extends to ensuring that contractors and supply chain partners meet the same rigorous safety standards when operating on LCC Group sites.

## Community Engagement and Social Value

LCC Group's community engagement spans charitable support, education, sports partnerships and initiatives that strengthen local resilience.

We structure our community contributions around three pillars:

- Vulnerable communities support
- Education and local infrastructure investment
- Sport and social inclusion programmes

Each pillar is designed to deliver sustainable social value aligned with stakeholder expectations and community needs.

## Charitable Support

LCC Group supports a range of charities that deliver essential services to vulnerable populations. Our contributions are focused on organisations that address immediate social needs and long-term wellbeing.

Notable supported charities include:

### Charis Cancer Care

Charis Cancer Care provides free support services to individuals and families affected by cancer across Northern Ireland. Services include counselling, complementary therapies and healthy eating programmes. The charity delivers over **8,000 free services per year**, significantly improving quality of life for local communities facing health challenges.

### Asthma + Lung UK

As part of our commitment to community health, LCC Group supports Asthma + Lung UK's work to improve respiratory health outcomes and fund research. Lung health is one of the leading public health challenges across the UK, particularly in children and vulnerable groups.

### Society of St. Vincent de Paul (SVP)

SVP provides holistic support to individuals and families experiencing hardship, including fuel cost assistance, food and financial aid. In recent years, as the cost-of-living pressures increased, SVP's frontline services have delivered vital relief for thousands of families, reinforcing their role as a critical social safety net.

Our support helps ensure these organisations can extend reach and impact across the communities we serve.

## Education and Local Infrastructure Investment

Education is a key enabler of long-term community resilience and socioeconomic mobility. LCC Group supports education through strategic contributions to local institutions.

### Spotlight: Holy Trinity College, Cookstown

LCC Group has made significant contributions to Holy Trinity College, a major educational initiative in Cookstown. As one of the region's flagship secondary schools, the facility supports over 1,300 pupils and features modern learning spaces, a multi-purpose hall and community-integrated facilities.

This investment holds special significance given that **Michael Loughran Senior, the Group's founder, previously taught at Holy Trinity College**, strengthening the historical and personal connection between the Group and local educational advancement.

**WE INVEST TO DELIVER LASTING SOCIAL IMPACT ACROSS THE COMMUNITIES WE SERVE.**

### Sports Partnerships and Community Impact

LCC Group recognises sport as a powerful vehicle for social cohesion, physical wellbeing and cross-community engagement. Our sponsorships are designed to support grassroots development and inspire broader participation.



Ulster's Robert Baloucoune



### Spotlight: Ulster Rugby Partnership

Go Power's ongoing sponsorship of Ulster Rugby reflects a strategic commitment to community engagement through sport. Ulster Rugby serves both professional and grassroots communities, using sport to foster connection and personal development across Northern Ireland.

Several stars of the **Irish Six Nations squad for 2026**, including **Stuart McCloskey** and **Robert Baloucoune**, are products of the Ulster Rugby system, further reinforcing the social value of this partnership.

The partnership delivers:

- Brand visibility at elite sporting events
- Support for youth engagement programmes
- Visibility of community outreach initiatives
- Enhanced social cohesion through cross-community rugby programmes

This collaboration aligns with LCC Group's strategic priorities in social inclusion and community pride.

Supporting Inclusive Participation in Sport Beyond elite partnerships, LCC Group supports a broad range of grassroots sporting organisations that provide inclusive opportunities for people of all ages and abilities. These include soccer academies, Gaelic club initiatives, wheelchair basketball and community competitions, all of which foster physical health, teamwork and social connectivity across regions.

Spotlight partnerships include:

- Maiden City Soccer Academy, enabling affordable football access for youth and cross-community engagement
- Support for regional bowls and disability sport hubs, strengthening inclusive participation
- Rugby and Gaelic sport collaborations that promote equality and local identity

### Disability Inclusion and Employability

LCC Group actively supports initiatives that promote equal opportunity for people with disabilities and neurodiverse conditions.

#### Partnership: NOW Group

Through support of the NOW Group in Northern Ireland, LCC Group contributes to inclusive employment pathways. The NOW Group provides:

- Training and mentoring
- Employability support for individuals with learning difficulties and autism
- Advocacy for inclusive hiring practices

This partnership helps reduce employment barriers, fosters workplace diversity and strengthens social equity across local communities.

### Social Risk Management, Impact Monitoring and Strategic Alignment

LCC Group recognises that social impact is not static, it must be measurable, governed and integrated within broader ESG strategy. Our approach emphasises:

- Structured tracking of initiatives, including community, education and wellbeing programmes
- Quantitative and qualitative metrics to measure outcomes and inform future investment
- Alignment with operational priorities, including safety, governance and transition planning
- Risk management integration to assess social licence to operate and community relations

This ensures that social value delivery is systematic, credible and aligned with stakeholder expectations.

### Outlook

LCC Group remains committed to enhancing social value as part of its long-term ESG strategy. This includes:

- Continued investment in workforce wellbeing
- Expanded community partnerships
- Strategic education and sport sponsorships
- Deepening engagement on diversity and inclusion
- Enhanced transparency in impact measurement

By embedding social impact into governance, risk management and strategic planning, LCC Group seeks to reinforce community resilience, stakeholder trust and sustainable development across the regions where it operates.





**Governance, Ethics and Oversight**

**Governance Structure and Accountability**

LCC Group operates under a defined governance framework designed to support responsible growth across regulated energy, infrastructure and carbon related markets. The Group’s structure ensures that strategic oversight, operational delivery and risk management are clearly delineated while remaining integrated across all divisions.

The Board of Directors retains ultimate accountability for governance, sustainability strategy and enterprise risk oversight. The Board comprises Executive and Non-Executive Directors and operates as the primary decision-making body for long term strategic direction, capital allocation and risk appetite.

Each division operates within its own operational remit while functioning as part of a unified Group structure. This enables consistency in governance standards while maintaining divisional accountability.

The company’s sustainability and ethical standards apply to all employees and directors. All staff formally acknowledge and certify their adherence to Group policies as part of their contractual terms. Governance documents including the Code of Conduct, Disciplinary Code and Health and Safety Statement are embedded within staff induction and ongoing training programmes.

**Role of the Board of Directors**

The Board’s responsibilities extend beyond oversight to active stewardship of the Group’s strategic and risk landscape. These responsibilities include:

- Setting and approving Group strategy and long-term objectives
- Overseeing implementation of strategic and business plans
- Reviewing capital allocation and resource prioritisation
- Monitoring financial and operational performance against agreed targets
- Reviewing principal risks and mitigation measures
- Approving sustainability policies, emissions targets and climate related commitments
- Ensuring regulatory compliance across jurisdictions
- Maintaining standards of ethical conduct and transparency

Sustainability and climate related matters are reviewed at Board level as part of regular strategic oversight. This includes monitoring decarbonisation initiatives, energy market exposure and regulatory developments that may materially affect the Group.

During the reporting period, the Board oversaw the achievement of 100% certified renewable electricity supply across both Northern Ireland and the Republic of Ireland, representing a significant milestone in the Group’s decarbonisation strategy. The Board continues to monitor performance against Scope 1, Scope 2 and Scope 3 targets.

**LCC GROUP BOARD OF DIRECTORS**

Name	Position	Name	Position
Michael Loughran Snr.	Director	Laura Loughran	Director
Daniel Loughran	Director	Geraldine Quinn	Finance Director
Michael Loughran Jnr.	Director	Andrew Cuthbert	Board Advisor on Sustainability

**Sustainability Governance Structure and Implementation**

LCC Group’s sustainability governance framework operates across multiple organisational levels to ensure that strategic direction, implementation and operational delivery remain aligned.

While the Board of Directors retains ultimate accountability for sustainability strategy and risk oversight, delivery of environmental and social objectives is embedded throughout the organisation.

The Group’s sustainability governance structure reflects a cascading model of accountability, as illustrated in the organisational chart below.

**Board of Directors**

The Board provides strategic oversight, approves sustainability policies and emissions targets, and reviews progress against the Carbon Reduction Plan. The Board sets the tone at the top and ensures that sustainability considerations are integrated into long-term strategic planning and capital allocation.

**Advisor of Sustainability Strategy**

The Group works with an external Advisor of Sustainability Strategy to provide independent expertise, technical guidance and structured support in the development and refinement of sustainability frameworks.

The Advisor supports:

- Development of the Carbon Reduction Plan
- Emissions reporting methodology
- Alignment with recognised standards and frameworks
- Strategic interpretation of regulatory developments

This external advisory role strengthens governance by providing technical oversight and independent challenge where appropriate.

**LCC Management Committee**

The LCC Management Committee is responsible for the implementation of sustainability strategy across divisions.

Operating directly beneath the Board, the Management Committee translates strategic objectives into operational delivery. Responsibilities include:

- Coordinating sustainability initiatives across divisions
- Monitoring emissions performance and operational KPIs
- Allocating resources to support transition projects
- Reviewing risk register updates
- Ensuring divisional alignment with Group-wide ESG objectives

The Committee meets regularly and carries collegiate responsibility for cross-organisational sustainability performance.

**Facility Officers**

Facility Officers are responsible for on-site sustainability implementation, monitoring and reporting.

Their role includes:

- Operational compliance with environmental standards
- Monitoring fuel use and efficiency measures
- Supporting emissions data collection
- Implementing site-level efficiency initiatives
- Reporting progress to divisional and Group management

This level ensures that sustainability is embedded within day-to-day operational practice rather than remaining purely strategic.

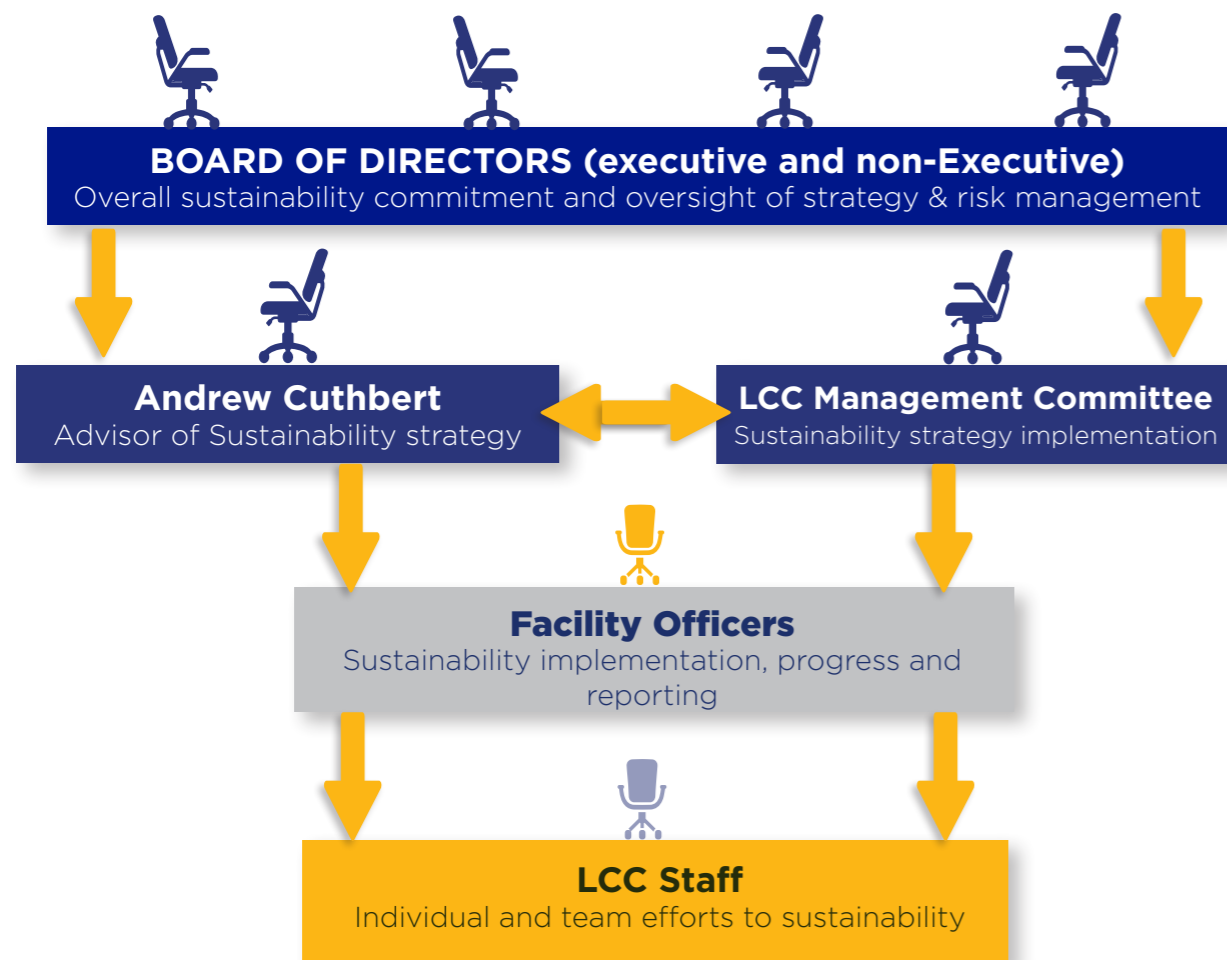
**LCC Staff**

All employees contribute to sustainability through individual and team efforts.

Staff engagement includes:

- Adherence to governance and environmental policies
- Operational efficiency practices
- Health and safety compliance
- Participation in sustainability initiatives
- Responsible conduct in customer and supplier interactions

Embedding sustainability across the workforce ensures that environmental and ethical standards are upheld consistently across the Group.



### Integrating ESG into Risk Management

Environmental, social and governance considerations are integrated within LCC Group’s enterprise risk management framework rather than treated as standalone topics.

The Group risk register includes:

- Climate related transition risks
- Regulatory exposure in energy and carbon markets
- Physical climate risks affecting operations
- Supply chain and market volatility risks
- Reputational and stakeholder risks

Risk identification is led by the Senior Management Team, with oversight from the Board. Risks are assessed based on likelihood and potential impact, with mitigation actions assigned and monitored.

The expansion of operational boundaries, including the integration of industrial materials operations where applicable, is subject to Board-level oversight to ensure consistency in reporting and risk assessment.

Climate and sustainability risks are considered in strategic planning, capital investment decisions and long-term business modelling.

### Sustainability Governance and Performance Monitoring

Sustainability performance is monitored through structured reporting and performance review processes. The Board receives periodic updates on:

- Emissions performance
- Progress against decarbonisation plans
- Energy efficiency initiatives
- Regulatory developments
- Stakeholder engagement outcomes

Sustainability targets are embedded within business planning cycles to ensure alignment between environmental objectives and operational delivery.

### Ethics, Conduct and Compliance

Ethical conduct forms the foundation of LCC Group’s governance framework. The Group operates according to principles of integrity, transparency and accountability.

Key elements include:

- Code of Conduct applicable to all employees and directors
- Anti bribery and corruption protocols
- Procurement and supplier standards
- Health and Safety governance
- Disciplinary and grievance procedures

Ethical standards are reinforced through staff induction, policy acknowledgement and ongoing communication. The Group encourages responsible behaviour across all divisions and supply chain relationships.

### Regulatory Compliance and Forward Oversight

Operating in regulated energy and infrastructure markets requires ongoing monitoring of legal and regulatory developments across Northern Ireland, the UK and relevant European frameworks.

The Board maintains oversight of:

- Environmental and emissions reporting obligations
- Energy market compliance requirements
- Health and safety regulation
- Emerging sustainability regulation

Compliance is treated as the minimum expectation. The Group seeks to proactively align with evolving regulatory and stakeholder expectations where proportionate and appropriate.

### Stakeholder Engagement Approach

LCC Group engages with a broad range of stakeholders to inform decision-making, identify emerging risks and opportunities, and support the delivery of its ESG objectives. Engagement is ongoing and tailored to the needs and expectations of different stakeholder groups.

Stakeholders include employees, customers, suppliers, regulators, local communities, industry bodies and sustainability partners. Engagement takes place through a range of formal and informal channels, including regular operational interaction, structured consultations, contractual relationships, reporting disclosures and targeted engagement on specific initiatives.

### Engagement with Employees

Employees are central to the successful delivery of LCC Group’s ESG commitments. Engagement with employees includes regular communication on business performance, safety, sustainability priorities and operational changes. Training and development programmes support skills growth and awareness of environmental and ethical responsibilities, while consultation mechanisms provide opportunities for feedback and continuous improvement.

### Engagement with Customers

Customer engagement focuses on enabling practical emissions reduction and supporting informed decision-making. This includes providing access to lower-carbon products such as renewable electricity and sustainable fuels, sharing information on carbon impacts, and offering tools such as carbon saving certificates to demonstrate the benefits of switching to alternative products.

LCC Group recognises that customer adoption is critical to Scope 3 emissions reduction and therefore prioritises collaboration, education and transparency over prescriptive approaches.

**Engagement with Suppliers and Partners**

Suppliers and partners play a key role in LCC Group’s ability to manage upstream emissions and deliver more sustainable products. Engagement includes setting expectations around ethical conduct, quality and compliance, as well as working collaboratively to improve data availability and reduce emissions across supply chains.

As part of its longer-term net zero ambition, LCC Group is progressing work to better map and categorise supply chain emissions, supporting more informed procurement and engagement decisions over time.

**Engagement with Communities and Regulators**

LCC Group maintains ongoing dialogue with regulators to ensure compliance with evolving environmental and energy policy frameworks. Constructive engagement supports regulatory alignment, risk management and informed investment planning.

The Group also engages with local communities where it operates, recognising the importance of trust, transparency and long-term relationships. Community engagement includes support for local initiatives, participation in industry and cross-sector programmes, and contributions to organisations that promote sustainability and social wellbeing.





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