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Carbon Reduction Plan

Ian Chaplin Group Compliance Version: 1.0 Date: 17/03/2025

Zenergi Ltd - Head Office 5 Benham Road, Benham Campus University of Southampton Science Park Chilworth, Hampshire, SO16 7QJ



Carbon Reduction Plan

Version	Date	Author	Description	Review date
1.0	March 2025	Ian Chaplin	Version 1 published	March 2026

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Commitment to achieving net zero

Zenergi Limited is committed to achieving net zero emissions by 2050.

Baseline emissions footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2022

Additional details relating to the baseline emissions calculations.

The fixed based year period is 1 January to 31 December 2022. This period has been selected to reflect a typical post-COVID-19 operating period for the company and the collection of more accurate scope 3 data.

The base year recalculation policy states that the base year emissions will be retroactively recalculated in the event of significant changes to the company, such as structural changes, changes in methodology or improvements in the accuracy of data. The base year recalculation policy defines the significant threshold as 5% of base year emissions.

In accordance with this policy, the base year has been adjusted to include the full-year emissions of the acquisitions DB Group (Europe) Limited (joined February 2022) and Powerful Allies (joined June 2022).

Baseline year emissions:				
Emissions	Total (tCO ₂ e)			
Scope 1	10			
Scope 2	Location-based: 53			
	Market-based: 39			
	4. Upstream transportation and distribution	3		
	5. Waste generated in operations	1		
Scope 3	6. Business travel	260		
(Included sources)	7. Employee commuting	236		
	9. Downstream transportation and distribution	N/A		
	Total scope 3	500		
Total emissions	Location-based: 563			
	Market-based: 549			

Current emissions reporting

Reporting Year: 2023				
Emissions	Total (tCO ₂ e)			
Scope 1	4			
Scope 2	Location-based: 52			
	Market-based: 32			
	4. Upstream transportation and distribution	3		
	5. Waste generated in operations	1		
Scope 3	6. Business travel	262		
(Included Sources)	7. Employee commuting	196		
	9. Downstream transportation and distribution	N/A		
	Total scope 3	462		
Total emissions	Location-based: 518			
	Market-based: 498			

Emissions reduction targets

The long term 2050 net zero target is split into a near-term combined scope 1 and 2 target and separate scope 3 target. Zenergi is committed to achieving net zero for scope 1 and 2 (market-based) emissions in 2025 and for scope 3 emissions by 2050 against a 2022 base year.

Performance against these targets (up to 2030) is illustrated in figures 1 and 2. For transparency, Figure 2 shows scope 3 performance for the full scope 3 inventory (not required for this plan) and for the partial scope 3 inventory as reported in this plan. The scope 3 emissions not required for this plan but applicable to Zenergi include purchased goods and services, capital goods and fuel- and energy-related activities.

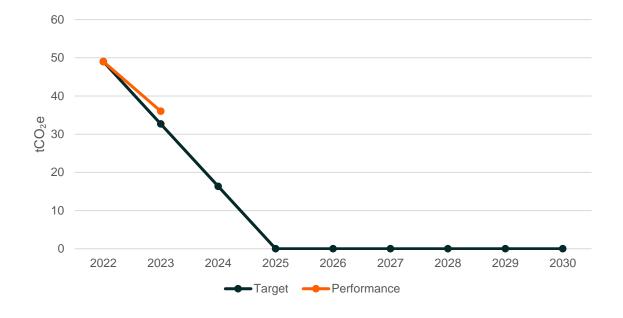


Figure 1. Scope 1 and 2 (market-based) emissions performance against targets

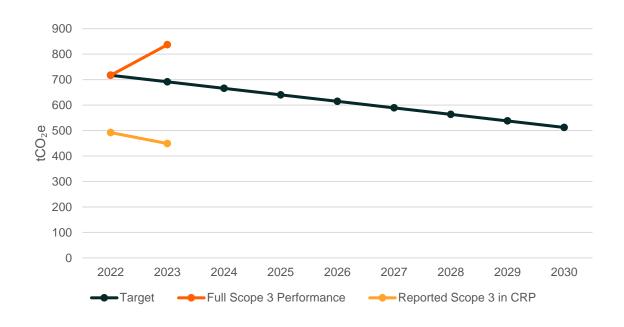


Figure 2. Scope 3 emissions performance against target using both full scope 3 emissions and the partial scope 3 emissions as required for this Carbon Reduction Plan.

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Carbon reduction projects

Completed carbon reduction initiatives

As an energy consultancy, a key focus for us is the decarbonisation of our customers. For example, since September 2022, we have completed 550 Heat Decarbonisation Plans (HDPs) for 102 clients and 134 energy audits for around 43 clients. In our latest Social Value Report that covers April 2023 to March 2024, we have stated that we've supported 350 customers with decarbonisation plans. Nevertheless, we continue to strive towards implementing our own decarbonisation programme, which is outlined covering emission scopes 1, 2 and 3.

Scope 1 & 2 target progress

We have continued to make progress towards the scope 1 and 2 (market-based) net zero target by 2025 with a reduction in total scope 1 and 2 emissions of 24% (-37 tCO₂e), from 48.1 in 2022 to 36.6 tCO₂e in 2023. This reduction is a result of reduced energy usage (electricity reduced by 23,961 kWh and natural gas by 21,594 kWh) caused by a combination of closures to the Colchester and Chorley offices during the year as well as reduced office occupancy levels (Figure 4).

Looking into 2024, scope 2 market-based emissions are set to reduce further with all remaining offices signed up to a 100% renewable energy contract. Further work is needed to decarbonise the heating systems at two offices (Linlithgow and Gloucester), of which options are currently being explored.

Scope 3 target progress

Business travel

For business travel, emissions have remained very similar over the last 2 years, with just a 1 tCO₂e decrease this year. Employee owned vehicles are the largest source of emissions within this category (51% this year) and have reduced by 10% (-12 tCO₂e) compared to 2022. This reduction is balanced out by a 37% (+11 tCO₂e) increase in emissions from flights. Flight emissions are currently quantified using a spend-based approach, therefore, Zenergi will be working to improve the accuracy of data this year to more accurately track business travel emissions.

Employee commuting & homeworking

For commuting and homeworking, we conduct an annual employee commuter survey to understand our emissions and employees habits. Results from this survey show a 17% reduction (-40 tCO₂e) has been achieved this year.

Employees are surveyed annually and asked about the distance, mode and frequency of travel in a typical week. Based on number of responses, results show that petrol and diesel usage has reduced from 88% in 2022 to 68% in 2023. Battery electric vehicle usage has increased from 2% to 9% and bus and rail usage has increased from 6% to 13% this year.

These are positive changes reflecting how employees are beginning to move away from internal combustion engine vehicles as a primary commuter mode of travel. We will work with employees to continue to facilitate and encourage this transition.

Declaration and sign off

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

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).



¹<u>https://ghgprotocol.org/corporate-standard</u>

²<u>https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting</u> ³<u>https://ghgprotocol.org/standards/scope-3-standard</u>