Docusign Envelope ID: 209F853F-8716-842F-83B5-82B772EE83C4

Nero Energy Limited

Carbon Reduction Plan

47.1	5.2	2035
tCO2e total footprint (FY25/26)	tCO2e per employee	Scope 1 & 2 Net Zero (50% by 2030)

1. Our Climate Commitment

Nero Energy Limited is committed to measuring, reducing and reporting its greenhouse gas emissions. For its direct emissions (Scope 1 and 2), Nero has set firm targets: a 50% reduction by 2030 and Net Zero by 2035, against its FY25/26 baseline. Its value chain (Scope 3) is the larger and harder part of the footprint and mostly sits with suppliers, so Nero's goal there is to measure and report it annually, to halve the emissions it directly influences (staff commuting and business travel) by 2035 through electrification, and to engage suppliers so that purchased goods and services decarbonise over time, in step with the UK's transition to net zero by 2050. As a building decarbonisation consultancy, cutting its own emissions is integral to Nero's purpose. Targets are proposed and will be confirmed by a competent reviewer.

2. Our Carbon Footprint: Baseline FY25/26

Nero's footprint for FY25/26, by scope and source. Estimates are marked (e).

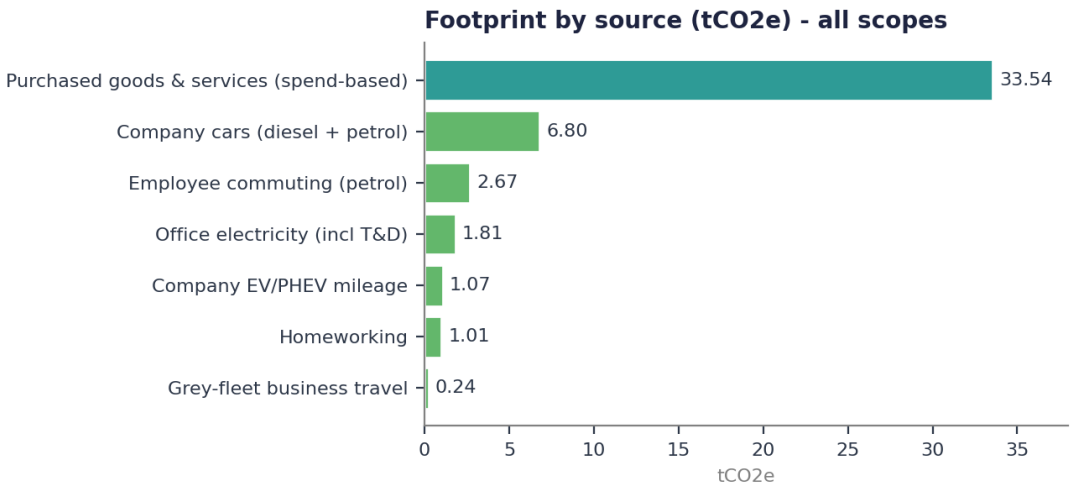
Emissions source	tCO2e
Scope 1: Direct (company cars, diesel + petrol)	**6.80**
Scope 2: Purchased electricity (office, location-based)	**1.64**
Scope 3: Value chain	**38.70**
Purchased goods & services (spend-based estimate)	33.54
Employee commuting, petrol (e)	2.67
Company EV/PHEV electric mileage	1.07
Homeworking (e)	1.01
Grey-fleet business travel	0.24
Electricity transmission & distribution losses	0.17
Total emissions	**47.13**

Purchased goods & services is a spend-based estimate (Scope 3 Category 1) and is less certain than the measured lines; see Methodology.

Intensity: 5.2 tCO2e per employee (FTE) · approximately 257 kgCO2e per m²

Methodology

Prepared to the GHG Protocol Corporate Standard, operational control boundary, base year FY25/26 (financial year, 1 April 2025 to 31 March 2026), using UK Government (DESNZ) 2025 conversion factors on a location-based method. Some source data was compiled on a May-to-April basis, a one-month offset to be aligned next cycle. Office electricity generation is Scope 2 and transmission & distribution losses are Scope 3; company-car fuel is Scope 1; company EV/PHEV electricity is charged off-site on employees' or public bills and reported under Scope 3. Purchased goods & services is an indicative spend-based estimate (DEFRA 2025 spend factors) and is less certain than the measured lines, in line with the GHG Protocol data-quality hierarchy. Nero holds no REGO certificates, so no market-based reduction is claimed. Waste and water are excluded as immaterial; office recycling is in place. Figures are rounded.



Docusign Envelope ID: 209F853F-8716-842F-83B5-82B772EE83C4

3. Where Our Emissions Arise

Our footprint is dominated by purchased goods and services, the emissions embedded in what we buy from suppliers, which is a spend-based estimate and less certain than our measured lines. After that come the company cars, in particular a diesel vehicle since replaced, and staff commuting; office electricity is modest. As a tenant we have limited control over the building's energy, so our biggest controllable levers are the vehicle fleet, how staff travel, and supplier engagement. We are also seeking to relocate to premises we would control, our single biggest structural opportunity on energy.

4. Our Reduction Plan

Progress already made (since the reporting year): the diesel company car was replaced with a hybrid in March 2026, and a further member of staff moved to an electric vehicle in May 2026. Both fall just after year-end, so the next footprint already starts lower.

Travel and fleet (our largest controllable lever)

- **Electrify the fleet:** complete the fleet electrification already under way; target a 100% zero-emission fleet by 2030.
- **Decarbonise commuting:** offer an EV salary-sacrifice scheme to all staff to decarbonise commuting (a switch one member of staff has already made).
- **Travel smarter:** default to virtual meetings where a site visit is not essential, consolidate trips, prefer rail for longer journeys, and car-share site visits.
- **Keep hybrid working:** retain hybrid working (at least one day a week from home).

Office energy: now (rented space) and on relocation

- **Renewable supply:** engage the landlord and managing agent to move the building onto a REGO-backed renewable electricity contract and secure pass-through.
- **Choose a low-carbon office:** on relocation, make low-carbon performance a primary criterion: high EPC rating, heat-pump heating, on-site solar PV, a renewable electricity contract under Nero's control, EV charging and good fabric.

Procurement, supply chain and governance

- **Supplier engagement:** our value chain is the largest part of our total, so engage suppliers, favour those with credible climate commitments, and buy sustainable, longer-life IT.
- **Measure and report:** adopt FY25/26 as the base year and publish this plan annually; improve data quality next year by moving vehicles onto actual fuel and charging data, securing a dedicated electricity meter, and running an annual commuting survey; and move towards science-based-aligned targets.
- **Residual emissions:** after maximising reductions, address residual emissions through high-quality, verified carbon removals, never as a substitute for cutting emissions.

5. How We Get There

Our plan is led by the actions we control, supported by the national shift to clean power and electric vehicles, with a small residual neutralised at the end.

Our own actions

We are electrifying the fleet and incentivising EV commuting, which cut our largest measured sources. We are pursuing a renewable electricity supply and, on relocation, a building we control with on-site solar. And we are engaging suppliers and buying more sustainably to address purchased goods and services, our largest value-chain line.

Supporting national shift

Our own effort is helped by the wider transition: the UK grid is decarbonising (targeted below 50 gCO2e/kWh by 2030) and new petrol and diesel car sales end in 2030. We do not rely on this alone, and we are clear about which reductions are ours and which come from the grid.

Residual and confidence

For Scope 1 and 2, the final step to zero by 2035 comes from a renewable electricity contract on relocation, with any small residual neutralised by high-quality, verified carbon removals. Scope 3 falls more slowly because it depends on suppliers and the wider economy. We will measure and report progress every year.

Context: the UK Clean Power 2030 grid target and the 2030 phase-out of new petrol and diesel car sales. References to be verified before publication.

Docusign Envelope ID: 209F853F-8716-842F-83B5-82B772EE83C4

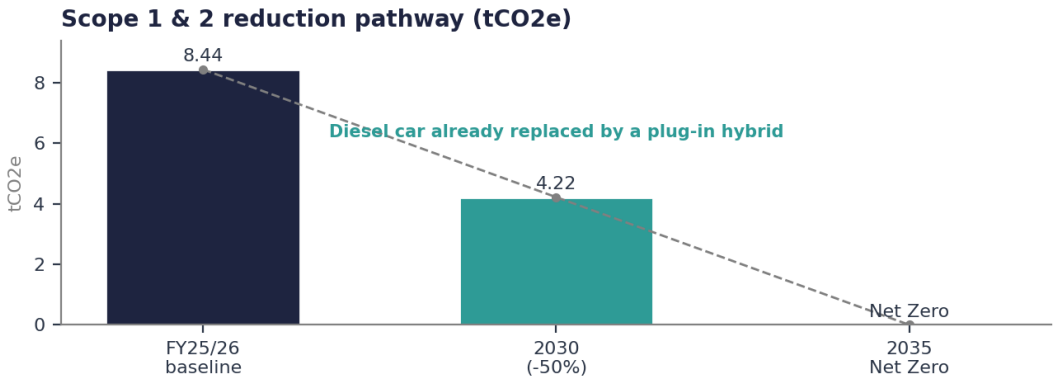
6. Targets and Goals (Proposed)

Scope 1 and 2 (firm targets)

- 2030: 50% reduction in Scope 1 and 2 against the FY25/26 baseline.
- 2035: Net Zero for Scope 1 and 2 (100% reduction), using a renewable electricity contract on relocation with any small residual neutralised by verified carbon removals.

Scope 3 (our goal)

- Measure and report our Scope 3 emissions every year, including the spend-based purchased goods & services estimate.
- By 2035, halve the Scope 3 we directly influence (staff commuting and business travel), through fleet and commute electrification.
- Engage suppliers so that purchased goods and services decarbonise over time, in step with the UK's transition to net zero by 2050.
- By end of FY26/27, obtain actual emissions data (or confirmed climate targets) from our top 10 suppliers, approximately half of purchased-goods spend, and replace their spend-based estimate with supplier-specific data in next year's footprint.



7. Declaration

This Carbon Reduction Plan has been prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the latest UK Government environmental reporting guidance. It will be reviewed and reissued annually and published on Nero Energy's website.

Signed on behalf of Nero Energy Limited

Name: Ashley Bullock

Position: Director

Signature: Signed by: Ashley Bullock B0A4EC577E8244F...

Date: 6/23/2026