



# Carbon Reduction Plan

Supplier Name: Novatech Ltd.

Publication date: May 2024

## Commitment to achieving Net Zero

Novatech Ltd. is committed to reducing our Scope 1 and 2 emissions to zero by 2030. We are committed to measuring and reducing our scope 3 emissions.

## 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.

<b>Baseline Year: 2019</b>
<b>Additional Details relating to the Baseline Emissions calculations.</b>
<p>Our emissions data is reported in line with the GHG Protocol Corporate Accounting and Reporting Standards. Novatech Ltd is out of scope of the SECR requirements to report scope 1 and scope 2 emissions.</p> <p><b>Baseline Year</b></p> <p>We have chosen 2019 as our base year for reporting. We have reliable data from this year across Scopes 1, 2 and 3. This also represents our typical activities and emissions prior to 2020. 2020 was a year of uncertainty with effects on the organization that are likely to have an impact on our environmental impacts due to increased remote working, increased product demand and disruption throughout our supply chains.</p> <p>Our reporting period will run from January to December of each reporting year.</p> <p><b>Scope 1</b></p> <p>We have identified the following activities relevant to our Scope 1 emissions:</p> <ul style="list-style-type: none"> <li>- Stationary Combustion - Use of gas for heating water and the building (gas heaters, boiler).</li> <li>- Mobile Combustion – Purchase and use of fuel for our leased and owned fleet vehicles.</li> <li>- Fugitive Emissions – Refrigerant emissions from air conditioning and fire suppressions systems.</li> </ul> <p>We have no process emissions.</p> <p><b>Scope 2</b></p> <p>We have identified the following activities relevant to our Scope 2 emissions:</p> <ul style="list-style-type: none"> <li>- Electricity consumption.</li> </ul> <p>We do not purchase heat or steam.</p>

We do not have separate data on the use of electricity for electric vehicles at this time, however future initiatives will include increased charging points for EVs including smart monitoring.

Our calculations are location-based.

**Scope 3**

We have defined our Scope 3 emissions according to the categories determined in the GHG Protocol Standards.

Our Scope 3 emissions for our baseline include:

- Category 3: Fuel and energy related activities not included in scope 1 or 2,
- Category 5: Waste generated in operations,
- Category 7: Employee commuting (including remote working).

We are committed to measuring and reducing our scope 3 emissions and will extend our calculations to encompass:

- Category 1: Purchased goods and services,
- Category 2: Capital goods,
- Category 4: Upstream transportation and distribution (reported in current year, not baseline year),
- Category 6: Business travel (reported in current year, not baseline year),
- Category 11: Use of sold products,
- Category 12: End-of-life treatment of sold products,
- Category 13: Downstream leased assets.

The following fall out of scope of emissions calculations:

- Category 8: Upstream leased assets,
- Category 9: Downstream transportation and distribution,
- Category 10: Processing of sold products,
- Category 14: Franchises,
- Category 15: Investments.

Category 9: Downstream transportation and distribution of products is out of scope due to the transportation and distribution of products being purchased via Novatech’s chosen service providers which will be included in Category 4.

**Baseline year emissions:**

<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>38</b>
<b>Scope 2</b>	<b>75</b>
<b>Scope 3 (categories 3, 5 and 7)</b>	<b>97</b>
<b>Total Emissions</b>	<b>210</b>

# Current Emissions Reporting

**Additional Details relating to the Current Emissions calculations.**

Our head count has reduced from 97 year ending 2019 to 84 year-ending 2023. Our site size has not changed.

We lease a small area of our office space; our category 13 Downstream leased assets comprise attributed purchased electricity based on total employees.

**Scope 3**

We have defined our Scope 3 emissions according to the categories determined in the GHG Protocol Standards.

Our Scope 3 emissions for our current year include:

- Category 3: Fuel and energy related activities not included in scope 1 or 2,
- Category 4: Upstream transportation and distribution (reported in current year, not baseline year),
- Category 5: Waste generated in operations,
- Category 6: Business travel (reported in 2022 and current year, not baseline year),
- Category 7: Employee commuting (including remote working),
- Category 13: Downstream leased assets.

We are committed to measuring and reducing our scope 3 emissions and will extend our calculations to encompass:

- Category 1: Purchased goods and services,
- Category 2: Capital goods,
- Category 11: Use of sold products,
- Category 12: End-of-life treatment of sold products.

**Reporting Year: 2023**

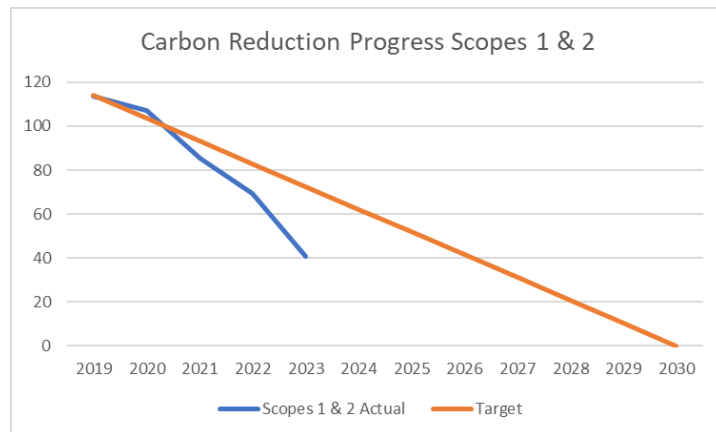
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	13
Scope 2	26
Scope 3 (categories 3, 4, 5, 6, 7 and 13)	109
<b>Total Emissions</b>	<b>148</b>

## Emissions Reduction Targets

This is Novatech’s third carbon footprint calculation.

Our climate strategy applies the principles of the 1.5C Business Playbook. Our first target is focused on reducing our own emissions (Scopes 1 and 2). We aim to reduce our Scope 1 and 2 emissions to zero by 2030.

Novatech’s near-term target plans to reduce scope 1 and scope 2 emissions from the 2019 baseline of 113 tCO<sub>2</sub>e to zero by 2030. From baseline to 2021, Novatech has reduced scope 1 and scope 2 emissions by 36% and are on track to meet this target. Progress against our target can be seen in the graph below.



## Carbon Reduction Projects

### Previous Projects

Novatech Ltd have implemented and maintain an environmental management system certified to ISO 14001 Standards and are committed to continual improvement and seeking opportunities to reduce our environmental impact and carbon footprint.

Prior to our baseline emissions calculations, we:

- replaced lighting with energy efficient LED bulbs,
- installed motion sensors for lighting in infrequently occupied areas,
- provided a cycle to work scheme for all employees, and invested in bike storage and changing / showering facilities to encourage employees to use sustainable transport methods,
- introduced waste management processes which enable us to divert all operational waste from landfill and maximise reuse opportunities.

**Completed Carbon Reduction Initiatives**

The following environmental management measures and projects have been implemented since the 2019 baseline. The carbon emission reduction achieved by these schemes equates to 73 tCO<sub>2</sub>e, a 36% reduction against the 2019 baseline and the measures will be in effect when performing the contract.

**Scope 1 Projects**

**Stationary Combustion**

- 2020: we made improvements to our existing roof structure, including additional vapour barrier and 100mm insulation to prevent heat loss. We expect to see continued reductions in emissions from stationary combustion.
- 2023: removed our gas boiler; this was replaced by thermal storage technology,
- 2023: installed air source heat pumps throughout our ground floor and no longer require the use of gas in our building. The air source heat pumps are controlled with a central Building Management System.

**Mobile Combustion**

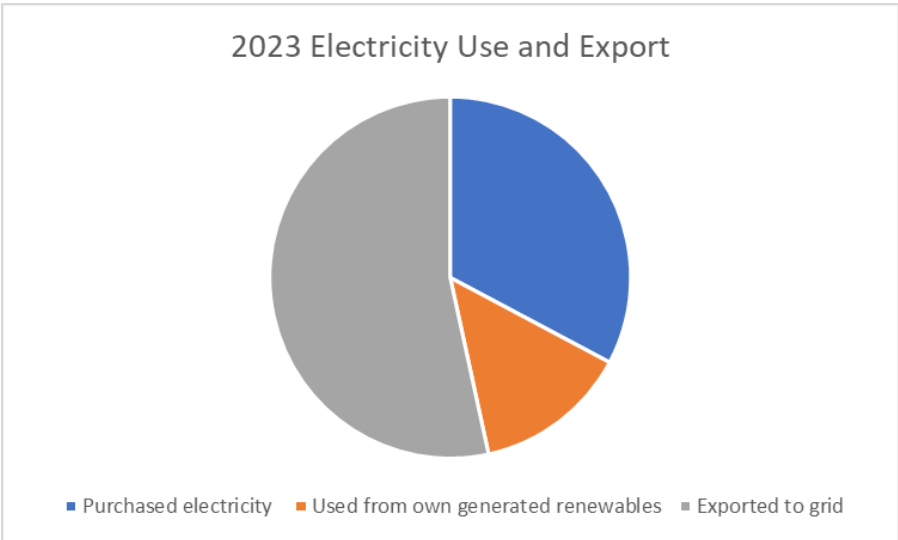
- Since 2019: invested in electric vehicles. Our current fleet consists of 75% electric vehicles.

**Scope 2 Projects**

**Purchased Electricity**

- 2022: installed a 400kw solar panel array for our Harbour House location.
- 2022: installed an electric vehicle charging point which has the function to measure the provision of electricity for charging, this will provide us with further data on our use of electricity.
- purchase zero carbon energy plans, however the reductions achieved are not reflected in our figures above as we use location-based emissions data.

We export electricity to the grid that we have not used and aim to be a net exporter to the National Grid. In 2023 we exported more electricity than we used, equivalent to 44 tCO<sub>2</sub>e.



The removal of gas and installation of solar panels has contributed to our building being rated as A+ for our recent energy performance certificate.

## Scope 3 Projects

### Employee Commuting

- 2023: introduced a salary sacrifice Electric Vehicle (EV) scheme for qualifying employees.

### Waste Generated in Operations

- 2019: recycled 87% of our waste and sent 13% for energy recovery,
- 2019 – 2021: increased recycling rates to 88% and sent 12% for energy recovery,
- 2022: recycled 91% of waste generated and sent the remainder for energy recovery,
- 2023: maintained our recycling rate of 91% of our waste generated and sent the remainder for energy recovery.
- 2023: reduced our total waste produced by 23% compared to 2022 figures.

## Future Carbon Reduction Opportunities

In the future we hope to implement further measures to reduce our emissions, to include the following:

### Scope 1

#### Stationary Combustion

Our investments mean that Novatech no longer uses gas in our operations.

#### Mobile Combustion

Continue to purchase / lease electric vehicles for our fleet rather than diesel. We are aiming for a 100% renewable fleet.

### Scope 2

#### Purchased Electricity

Ensure that replacement of existing heating and cooling systems are compatible with and controlled by our BMS. Retrospectively add existing heating and cooling systems to our BMS as far as this is supported.

Explore further opportunities for renewable electricity.

### Scope 3

#### Categories 1, 2, 11 and 12

Calculate our emissions from these categories to understand the impact and determine reduction opportunities.

#### Category 5: Waste generated in operations.

Continue with efforts to reduce our waste for energy recovery and maximize reuse and recycling opportunities.

#### Category 7: Employee commuting

Continue to look for ways to promote and incentivise sustainable transport to work.

Provide electric vehicle charging points usable by employees.

## 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 standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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) Standard<sup>3</sup>.

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

Signed on behalf of supplier: David Furby  
David Furby (May 21, 2024 11:16 GMT+1)

Date: 21/05/24

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

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>