

EECO2 Greenhouse Gas Emissions 2025-2026

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Contents

1. INTRODUCTION	4
1.1. Purpose	4
1.2. Rationale for developing a GHG inventory for EECO2	4
2. GHG BACKGROUND	5
2.1. GHG Reporting requirements.....	5
2.2. Main standards and guidance	5
3. EECO2 GHG EMISSION INVENTORY	6
3.1. Boundaries and scope.....	6
3.2. Calculation approaches.....	7
3.3. Selection of scope 3 categories	8
3.4. Composition of EECO2 GHG Emissions	9
4. EMISSIONS REPORTING EXERCISE FOR 2025-26	10
4.1. Scope 1 and 2 emissions	10
4.2. Scope 3 – selected categories	11
4.2.1. Business travel	12
4.2.2. Purchased goods and services	13
4.2.3. Employee commuting	14
4.2.4. Fuel and energy related activities.....	15
4.2.5. Upstream leased assets	15
4.2.6. Waste from operations.....	16
4.2.7. Use of sold products	16
5. EECO2 GHG EMISSION REDUCTION INITIATIVES.....	17
5.1. Renewable Energy Procurement and Use.....	17
5.1.1. Scope 2: REGO backed Renewable Electricity	18
5.2. Company Vehicle Fleet and Electrification Strategy.....	20
5.3. Site Travel Strategy	20
5.4. Supply chain startegy	20
5.5. reduction efforts through offset.....	20
5.5.1. Scope 1 Gas Emissions and Carbon Neutral Gas Coverage	21
5.5.2. Scope 3 Offsets	22
6. EECO2 GHG EMISSIONS INITIATIVES.....	23
6.1.1. Science Based Targets Initiative-SBTi	23
6.1.2. EcoVadis	23
6.1.3. CDP – Carbon Disclosure Project	23

7. INFORMING POLICY AND GHG STRATEGY	24
8. CONCLUSION	25
9. REFERENCES.....	26

Figures

Figure 1: Overview of GHG Protocol emission categories (GHG Protocol, 2011).....	6
Figure 2 Comparison of Scope 1 and 2 emissions, location-based and market-based.....	10
Figure 3: Visualising Scope 3 emission – (a) contribution to overall emissions and (b) estimates for different categories.....	11
Figure 4 Business travel emissions (a) emissions estimate [tCO ₂ e], (b) % contribution by booking category and (c) emissions by booking approach	12
Figure 5: Employee commuting by transport mode (a) percentage of employees using mode (b) emission estimates, including WFH (working from home)	14
Figure 6 Fuel and Energy related activities	15
Figure 7 Manchester Office Emissions	15
Figure 8: Emissions for 'Waste from operations' [tCO ₂ e]	16
Figure 9 Energy Contracts	18
Figure 10 Scope 2: Electricity Emissions Covered by REGO-backed Renewable Electricity	19
Figure 11 Green Energy Certificate - Yu Energy.....	19
Figure 12 Scope 1 Gas Emissions Covered by Yü Energy Carbon Neutral Gas	21
Figure 13 Scope 3 Emission Offsets: Contribution from TravelPerk.....	22
Figure 14 GreenPerk Offsets: Retired Credits.....	22

Table

Table 1 Comparison of data types.....	7
Table 2 Scope 3 categories - Relevance to EECO2 and rationale for selection.....	8
Table 3 Overview of Scope categories, for financial year 2025-26.....	9
Table 4 Overview of the calculated Scope 1 and 2 emissions	10
Table 5 Emissions contribution to Purchased goods and services emissions.....	13
Table 6 EECO2 efforts to reduce and offset emissions	21

1. INTRODUCTION

1.1. PURPOSE

This document provides an overview of rationale, background, guidance for developing a Greenhouse Gas (GHG) Emissions Inventory and GHG reduction efforts for EECO2. It outlines the reporting approach and inventory structure used and provides GHG emission estimates for the financial year 2025-2026, for Scope 1 and 2 as well as selected Scope 3 categories.

1.2. RATIONALE FOR DEVELOPING A GHG INVENTORY FOR EECO2

ESG – short for Environmental, Social, and Governance – refers to a set of standards used to assess a business's impact on the environment and society, as well as its transparency and accountability. A key component of ESG is the reporting of greenhouse gas (GHG) emissions, which reflects an organisation's environmental footprint. Although it is not currently compulsory for all companies, there is a drive for progressive companies to be transparent about their emissions and reduction plans. Emissions reporting is increasingly required by our clients as they focus on reporting the emissions associated with their operations, including their supply chains.

However, de-carbonising the supply chain and putting reliable reporting in place is a challenging process that requires cooperation from all stakeholders. It is generally recognised that it can be difficult for SMEs to manage. Although, GHG reporting for SMEs is currently not compulsory, companies are encouraged to report at least their Scope 1 and 2 emissions. Despite these challenges, EECO2 remain fully committed to transparent reporting and proactive carbon reduction as part of our broader ESG goals.

The rationale to develop and improve GHG reporting capability despite the challenges is multi-faceted:

- Following our vision to be the go-to partner for quality driven sustainable solutions, EECO2 should respond to the supply chain de-carbonisation challenge and provide a report of Scope 1, 2 and 3 GHG emissions.
- GHG emissions reporting will help identify which areas contribute the most to overall emissions, allowing EECO2 to prioritize high-impact reduction opportunities. This data-driven insight will support the development of a targeted roadmap and the implementation of effective initiatives toward achieving net zero goals.
- EECO2 are already signed up to several ESG reporting schemes like EcoVadis and CDP (Carbon Disclosure Project) and proudly committed to SBTi net zero target. All these schemes require understanding and reporting of GHG emissions as a basis for developing reduction strategies.
- Having our own GHG emission inventory and reporting process in place will serve as a good practice example for clients and other supply chain partners.
- In-depth understanding of the GHG reporting processes and associated challenges and solutions will allow us to support our clients, and potentially their supply chain partners, in their decarbonisation and GHG reporting efforts.
- Future proofing for if/when GHG reporting becomes a mandatory requirement.

EECO2 can build on their expertise regarding industrial sustainability and carbon reduction from consultancy activities, as well as the data capture and analysis capabilities that come with that.

2. GHG BACKGROUND

2.1. GHG REPORTING REQUIREMENTS

- In the UK, large organisations and quoted companies are required to share energy use and carbon emissions information in their annual reports, with Scope 1 and 2 mandatory, and Scope 3 voluntary but strongly recommended. Companies should use independent standards such as the GHG Protocol or ISO14064-1:2018. (UK Gov, 2019)
- Companies that are required to complete Carbon Reduction Plans (i.e. companies bidding for Government contracts) must report on Scope 1, 2 and selected Scope 3 categories (Upstream transportation and distribution, Waste generated in operations, Business travel, Employee commuting, Downstream transportation and distribution (UK Gov, 2021).
- Various initiatives encourage companies to measure, report, and reduce their carbon emissions by setting credible climate targets. Programmes such as the UK Business Climate Hub and SME Climate Hub, alongside commitments to the Science Based Targets initiative (SBTi), are increasing the importance of robust carbon reporting. These initiatives require businesses to undertake detailed emissions assessments aligned with recognised independent standards, such as the Greenhouse Gas (GHG) Protocol.
- For reporting under the GHG protocol, Scope 1 and 2 are mandatory, with Scope 3 voluntary, but a rationale for not reporting (or plans to develop reporting) Scope 3 emission must be given.
- When reporting on Scope 3, companies must report on all categories or justify exclusions: '...should not exclude any activity that is expected to contribute significantly to the company's overall emissions' (GHG Protocol, 2011).

2.2. MAIN STANDARDS AND GUIDANCE

A wide range of documents and information sources were used to facilitate this study and inventory development. An overview of the main sources is given here and a comprehensive list of all sources and supporting documents will be included in the inventory documentation.

Corporate accounting and reporting standard (Revised) (GHG Protocol, 2004)

Main document used to understand the GHG Protocol. Explains what organisational and operational boundaries are, and how to set them up in an organisation's GHG Emission Inventory. A step-by-step guide for quantifying and reporting GHG emissions.

Scope 3 Corporate value chain accounting and reporting standard (GHG Protocol, 2011)

Provides requirements and guidance for companies and other organisations to prepare and publicly report a GHG emission inventory that includes indirect emissions resulting from value chain activities (i.e. Scope 3 emissions).

Technical Guidance for Calculating Scope 3 Emissions, 2013 (GHG Protocol, 2013)

This document provides thorough calculations and data collection information about each category and worked examples. Recommended to be used alongside the Scope 3 standard.

UK Government conversion factors for company reporting of GHG emissions (UK Gov, 2025)

Carbon Emission factors supporting GHG emissions calculations

3. EECO2 GHG EMISSION INVENTORY

3.1. BOUNDARIES AND SCOPE

For an emission inventory, there needs to be an organisational boundary established. This determines which aspects of operations are included in the emissions inventory.

The **Operational Control** approach is appropriate as EECO2 has control of all operations, and full authority to introduce and implement operating policies within the main office. See guidance on page 29 in (GHG Protocol, 2011).

For the feasibility study, focus was on operations from the UK office in Macclesfield

An emission inventory also needs operational boundaries in place. These boundaries label which emissions from our operations are direct and indirect, and which scope they are categorised under.

The EECO2 GHG emission inventory covers **Scope 1, 2 and selected Scope 3** category emissions (our operational boundaries). The selection of categories under Scope 3 is outlined in Section 3.3.

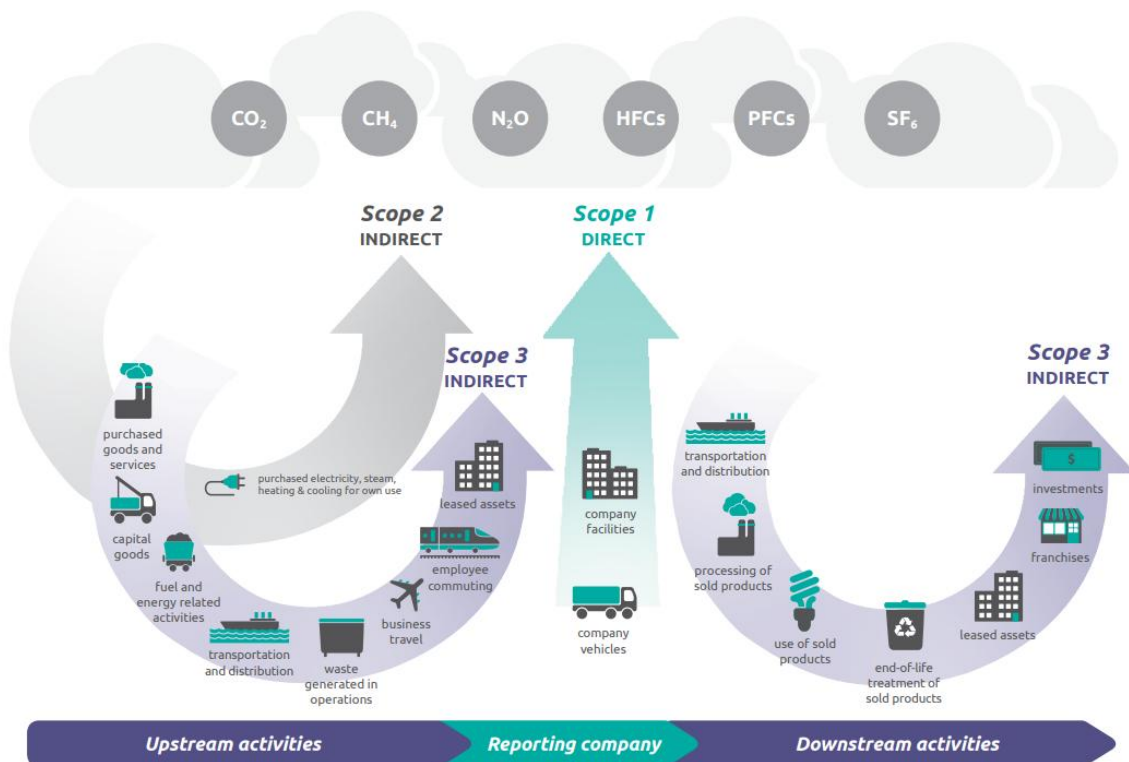


Figure 1: Overview of GHG Protocol emission categories (GHG Protocol, 2011)

3.2. CALCULATION APPROACHES

The emissions for the different Scope 1,2 and 3 are estimated by multiplying relevant activity data with an emission factor, e.g. electricity consumption [kWh] * emission factor [kgCO₂e/kWh].

The accuracy of the estimate will depend on the type of data used - primary or secondary data. A combination of approaches can be used across categories in order to balance accuracy of the emission estimate with the effort required for data collection and processing.

Best practice: Using data regarding emission generating activities that can be linked to specific emission factors, like provided by supplier, e.g. energy bills, mileage claims, type/volume of products bought.

Alternative: Where this is not available, a spend-based approach can be used to derive a rough estimate of emissions, e.g. using DEFRA emission factors for industry categories (Department for Environment Food & Rural Affairs, 2026) or other region based spend emission factors available.

Table 1 Comparison of data types

	Primary data (e.g. supplier-specific)	Secondary data (e.g. industry average data)
Definition	Data from specific activities within a company's value chain	Data that is not from specific activities within a company's value chain
Example	Electricity use from bills: kWh consumed * supplier-specific emission factor [kgCO ₂ e/kWh]	Spend-based analysis of purchased goods: £ spend on product * industry average emission (DEFRA) [kgCO ₂ e/£]
Advantages	- Emission estimates are more accurate - Better representation of the company's specific value chain activities - Enables performance tracking and benchmarking of individual value chain partners - Allows better tracking of progress towards reduction targets	- Can be more cost-effective and easier to collect (i.e. from existing company systems) - It is one way of determining rough emissions estimate for a category. - Provides understanding of the relative magnitude of various scope 3 activities - Can help to identify hot spots (e.g. main suppliers, product categories), and thus to prioritize efforts in primary data collection, supplier engagement, and GHG reduction efforts
Disadvantages	- May be difficult/costly to collect - May be difficult to determine or verify the source and quality of data supplied by value chain partners	- Data may not be representative of the company's specific activities - Does not reflect operational changes undertaken by value chain partners to reduce emissions - Could be difficult to quantify GHG reductions from actions taken - May limit the ability to track progress toward GHG reduction targets - Spend-based analysis using industry average: linear relationship between spend and emissions means that the more money is spent, the higher the emissions, regardless of actual product choice.

A mix of approaches and data types was used to compile the EECO2 GHG emissions inventory, responding to data availability and analysis efforts required.

3.3. SELECTION OF SCOPE 3 CATEGORIES

The GHG Protocol defines fifteen Scope 3 categories covering indirect emissions related to upstream and downstream activities. Companies should focus on those categories that are expected to have the most significant GHG emissions, offer the most significant GHG reduction opportunities and are most relevant to the company's business goals.

Companies must report on all categories or justify exclusions. They '*...should not exclude any activity that is expected to contribute significantly to the company's overall emissions*' (GHG Protocol, 2011). However, given the challenges of gathering relevant data to allow a meaningful analysis, the decisions on what to include will also depend on data availability. Companies are advised to start with a screening process using rough estimates to determine the size of emission in each category and then refine the estimates using specific activity data and emission factors.

In line with EECO2 values, the aim is to review inclusion of all relevant emissions from Scope 3 categories, where possible, to facilitate comprehensive reporting of GHG emissions and progress towards targets. *Table 2* provides an overview of the Scope 3 categories and the rationale for inclusion or not in the EECO2 emission inventory.

Table 2 Scope 3 categories - Relevance to EECO2 and rationale for selection

Scope 3 Category	Relevant to EECO2?	Included in 2025-2026 inventory?	Reasoning:
1. Purchased Goods and Services	Y	Y	One of the major contributors to EECO2 emissions. Emissions estimates were derived with spend-based analysis.
2. Capital Goods	Y	N	Included in purchased goods and services.
3. Fuel and Energy-Related Activities	Y	Y	Estimated from gas and electricity consumption data, which is readily available.
4. Upstream Transportation and Distribution	Y	N	Likely to be small contribution to emissions. Currently no data collected.
5. Waste Generated from Operations	Y	Y	Estimated from bill data and bin size.
6. Business Travel	Y	Y	One of largest component of EECO2 emissions. Perk data included emissions; remainder was estimated with travel spend data (QuickBooks)
7. Employee Commuting	Y	Y	This category is applicable, and data has been collected via a questionnaire
8. Upstream Leased Assets	Y	Y	Our company operates leased office space. Emissions were estimated from provided consumption data.
9. Downstream Transportation and Distribution	Y	N	Likely to make a small contribution. Currently, we do not have the required data.
10. Processing of Sold Products	N	N	Not applicable.
11. Use of Sold Products	Y	N	No certified products were installed during the reporting year
12. End-of-Life Treatment of Sold Product	Y	N	Likely to be small contribution. Currently, we do not have the required data.
13. Downstream Leased Assets	N	N	Not leasing anything to companies or associates.
14. Franchises	N	N	Do not have any franchises.
15. Investments	N	N	No investments to consider.

3.4. COMPOSITION OF EECO2 GHG EMISSIONS

Table 3 Overview of Scope categories, for financial year 2025-26

Category	Emissions estimate Financial year 2025 (tCO ₂ e)	Percent of total calculated emissions Financial year 2025	Activity data used	Emissions factor used
Scope 1	7.1	2.7%	Primary data – Gas consumption, company car mileage data.	UK Gov's GHG emission factors
Scope 2	5.4	2.5%	Primary data – Electricity consumption, company car electricity use.	UK Gov's GHG emission factors, electricity supplier-specific emission factors
Scope 3.1 – Purchased Goods and Services	141.0	53%	Primary Data – QuickBooks purchases records.	DEFRA's conversion factors
Scope 3.3 – Fuel- and Energy-Related Activities not in Scope 1 and 2	3.9	1.5%	Primary data – Gas and electricity consumption data from utility bills.	UK Gov's GHG emission factors
Scope 3.5 – Waste Generated from Operations	0.7	0.3%	Primary – bin details, collection frequency, annual confidential waste weight, annual wastewater spend amount. Secondary data – maximum weight of our general waste and recycling bins.	UK Gov's GHG emission factors, DEFRA's conversion factors
Scope 3.6 – Business Travel	92.5	35%	Primary data – Data entries in TravelPerk, Pleo and QuickBooks.	UK Gov's GHG emission factors, EXIOBASE Emission factors and USD supply chain emission factors
Scope 3.7 – Employee Commuting	14.5	5.4%	Primary data – Employee questionnaire.	UK Gov's GHG emission factors
Scope 3.8 – Upstream Leased Assets	0.1	0.0%	Primary data – Company car usage. Primary data – Manchester office ESG Report for old office and consumption data provided for new one	UK Gov's GHG emission factors.
Scope 3.11 – Use of Sold Products	0	0.0%	-	-

4. EMISSIONS REPORTING EXERCISE FOR 2025-26

4.1. SCOPE 1 AND 2 EMISSIONS

Scope 1 and 2 emissions were calculated using standard UK emission factors and supplier specific emission factors to derive location-based and market-based estimates, respectively. It is standard that the location-based emissions are used for GHG emission disclosure; with market-based emissions reported as additional information for scope 2 emissions.

Location based: Emissions estimate based on regional or local emission factors, i.e. UK. The UK Government's 2025 emissions factors were used to determine location-based emissions.

Market based: Emissions estimate based on detailed information regarding energy supply. Emission factors from energy suppliers' fuel mix disclosures (utility bill or website) were used; the emission factors usually differ for each supplier.

These scopes include directly emitted emissions from gas and fuel use and indirect emission from electricity use. Company car use from petrol and electricity was estimated based on mileage claims and added to Scope 1 and 2 respectively. No refrigerant leaks were reported during the reporting period. For the market-based emission factors which couldn't be obtained from supplier directly or their website were assumed to be the same as location based.

Table 4 Overview of the calculated Scope 1 and 2 emissions

Source data		tCO ₂ e Location-based	tCO ₂ e Market- based
Scope 1 - Gas	Utility bills, QuickBooks	6.1	7.2
Scope 1 - Fuel from car use	Pleo mileage claims	1.0	1.0
Total - Scope 1		7.1	8.2
Scope 2 - Electricity (office)	Utility bills, QuickBooks	6.2	4.9
Scope 2 - Electricity (car use)	Pleo mileage claims	0.5	0.5
Total - Scope 2		6.7	5.4
Total - Scope 1 & 2		14	12.5

Scope 1 and 2 contribute on a very similar scale. Most of the emissions come from natural gas and electricity use in office. Market based emissions are slightly lower than location-based emissions due to use of renewable electricity as shown in *Figure 2*. Currently, EECO2 procure green electricity from Yu energy via a bionic contract.

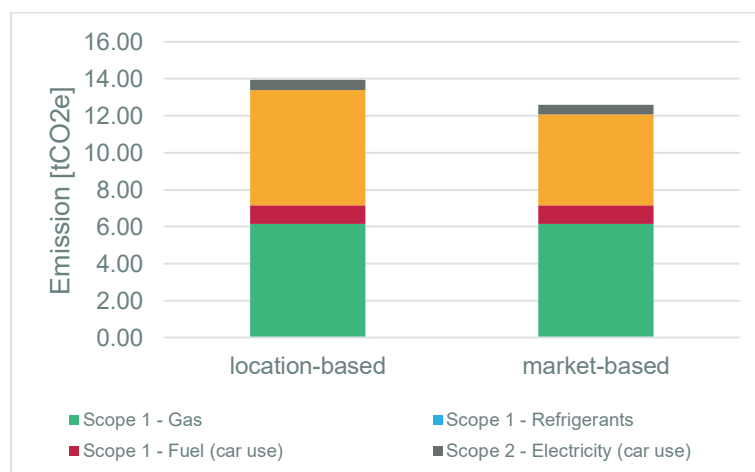


Figure 2 Comparison of Scope 1 and 2 emissions, location-based and market-based

4.2. SCOPE 3 – SELECTED CATEGORIES

As noted above, only selected Scope 3 categories are included in the inventory, based on their relevance to ECCO2 operations, materiality and data availability see *Table 2*.

- Purchased Goods and Services
- Fuel and energy related activities
- Waste generated from operations
- Business travel
- Employee commuting
- Upstream leased assets
- Use of sold product

The calculation approach, activity data, emission factors and emissions estimate for the different categories are summarised in *Table 3*.

Overall, the emissions estimate for 2025-2026 for the Scope 3 categories add up to 253tCO₂e, accounting for approximately 94% of ECCO2's overall emissions as shown in *Figure 3*.

The Scope 3 categories with the largest contribution to overall emissions are Business travel and purchased Goods and services, with approximately 34% and 52%, respectively, whilst Employee commuting contributes around 6%.

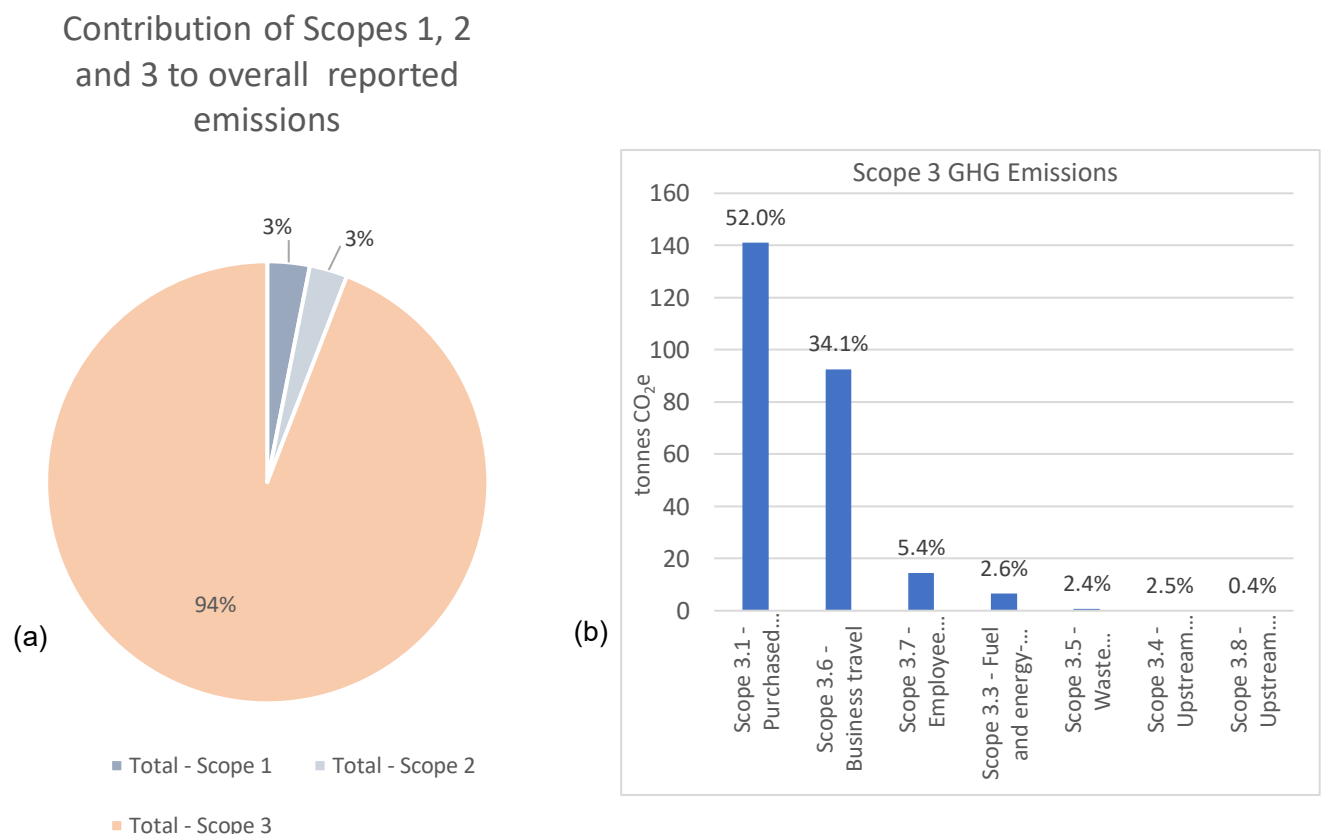


Figure 3: Visualising Scope 3 emission – (a) contribution to overall emissions and (b) estimates for different categories.

The following sections provide an overview of the results the included Scope 3 categories in order of importance, i.e. % contribution to overall emissions.

4.2.1. Business travel

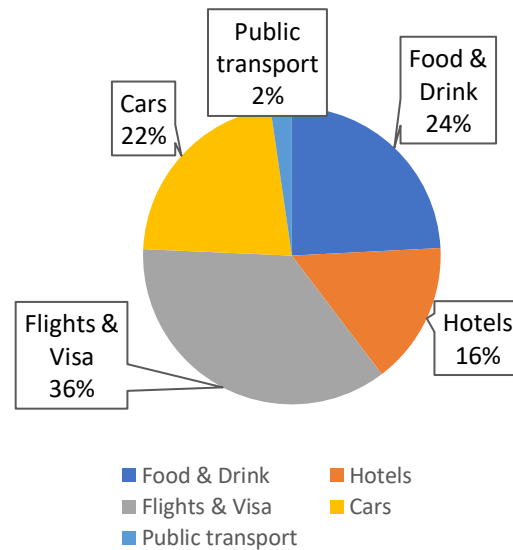
Emissions from this category add up to approximately **93 tCO₂e**, representing about half of all calculated EECO₂ emissions and 34% of calculated Scope 3 emissions.

Emissions estimates are based on travel booking data and QuickBooks data. As travel booking data came from a range of sources (TravelPerk, QuickBooks,) various processing approaches were needed, resulting in varying levels of accuracy.

The total emissions estimate is 93 tCO₂e illustrated in *Figure 4* with approximately 36% coming from flights, which shows the impact of site visits on EECO₂ emissions. While site visits are crucial to the company's operations and cannot be entirely eliminated, EECO₂ is focused on increasing site visit efficiency as a key part of their emission reduction strategy.

Travel activity	Emissions [tCO ₂ e]
Food & Drink	8
Accommodation	12
Flight	61
Taxi/Rideshare	4
Visa	0
Parking/Tolls	0
Mileage	1
Train	1
Fuel	2
Car hire	3
Public transport	0
Total	93

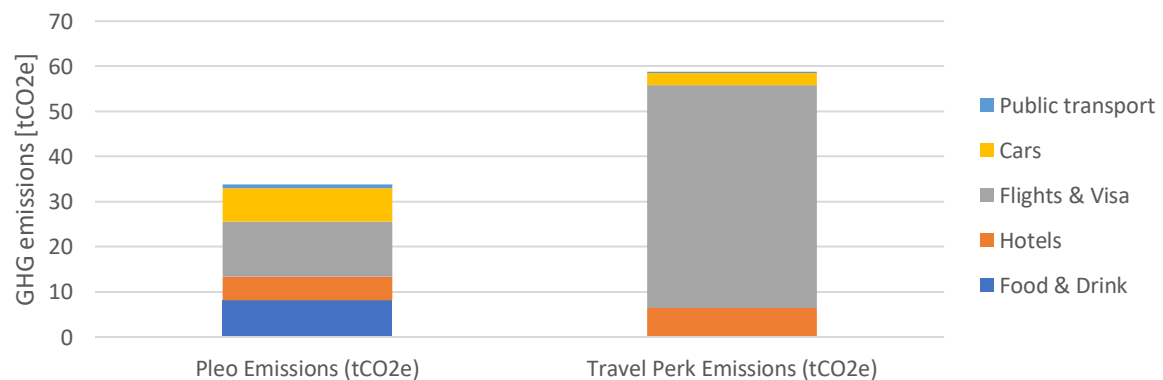
(a)



(b)

Emissions by travel booking approach

(Note: use with caution as different approaches were used to estimate emissions for the different data sets)



(c)

Figure 4 Business travel emissions (a) emissions estimate [tCO₂e], (b) % contribution by booking category and (c) emissions by booking approach

As shown in *Figure 4*, bookings completed via Perk make up the largest proportion of travel bookings. Importantly, these bookings are associated with a carbon offset. Considering that TravelPerk also provide a comprehensive report detailing carbon emissions associated with each booking, it would be highly beneficial if TravelPerk was used for all travel bookings, ensuring that offsets cover all travel bookings and the reporting process is improved.

4.2.2. Purchased goods and services

The category of 'Purchased Goods and Services' has been incorporated into our inventory recently for our reporting. GHG emissions from this category are substantial and account for **141t CO₂e** which is responsible for the highest emissions for scope 3. It accounts for 53% of overall GHG emissions.

Using data from QuickBooks, a hybrid approach was applied to estimate emissions, combining a spend-based methodology with direct engagement with suppliers identified as likely to be significant contributors to overall emissions.

For this analysis, most records were mapped to broad industry categories aligned with DEFRA Scope 3 emission factors. Emissions were then calculated based on these factors. *Table 5* presents the categorisation of spend data. These categories can help prioritise supplier engagement, particularly for those contributing to the highest emissions.

Table 5 Emissions contribution to Purchased goods and services emissions

SIC/DEFRA category	% of total	Emissions (tCO ₂ e)
Other professional, scientific and technical services	18.5%	26
Buildings and building construction works	14.7%	21
Computer programming, consultancy and related services	11.6%	16
Fabricated metal products, excl. machinery and equipment and weapons & ammunition	9.8%	14
Rental and leasing services	9.4%	13
Electrical equipment	8.4%	12
Insurance, reinsurance and pension funding services, except compulsory social security	6.5%	9
Glass, refractory, clay, other porcelain and ceramic, stone and abrasive products	3.7%	5
Services of head offices; management consulting services	2.8%	4
Rubber and plastic products	2.8%	4
Education services	2.5%	4
Services to buildings and landscape activities	2.5%	3
Advertising and market research services	1.5%	2
Food and beverage serving services	1.3%	2
Wood and of products of wood and cork, except furniture; articles of straw and plaiting materials	1.3%	2
Printing and recording services	1.1%	2
Wearing apparel	0.8%	1
Employment and recruitment activities	0.7%	1
Total	100.00%	141

4.2.3. Employee commuting

Employee commuting contributes almost 14.5 tCO₂e, approximately 5.4%, to overall calculated emissions. Note, this category also includes emissions generated by working from home.

The emissions estimate is based on data gathered via an employee questionnaire, which was custom designed for this purpose and rolled out in 2026. The data set includes information on which office employees attended, mode of transport, commuting frequency and distance travelled, as well as some comments on working from home arrangements. The response rate was 100%, providing a sample of 21 employees. All emission factors came from the UK Government data base (UK Gov, 2025).

Figure 5 shows how many employees use the different transports modes and the annual emissions associated with each mode of transport (calculated from distance and frequency of travel throughout the year).

- Almost 32% of employees walk, so do not contribute to emissions in this category.
- Trains are used by around 10% of employees and contribute to 4% of emissions.
- The largest contribution comes from car use, as 58% of employees use their car to commute, this contributes to 95% of all employee commuting emissions.

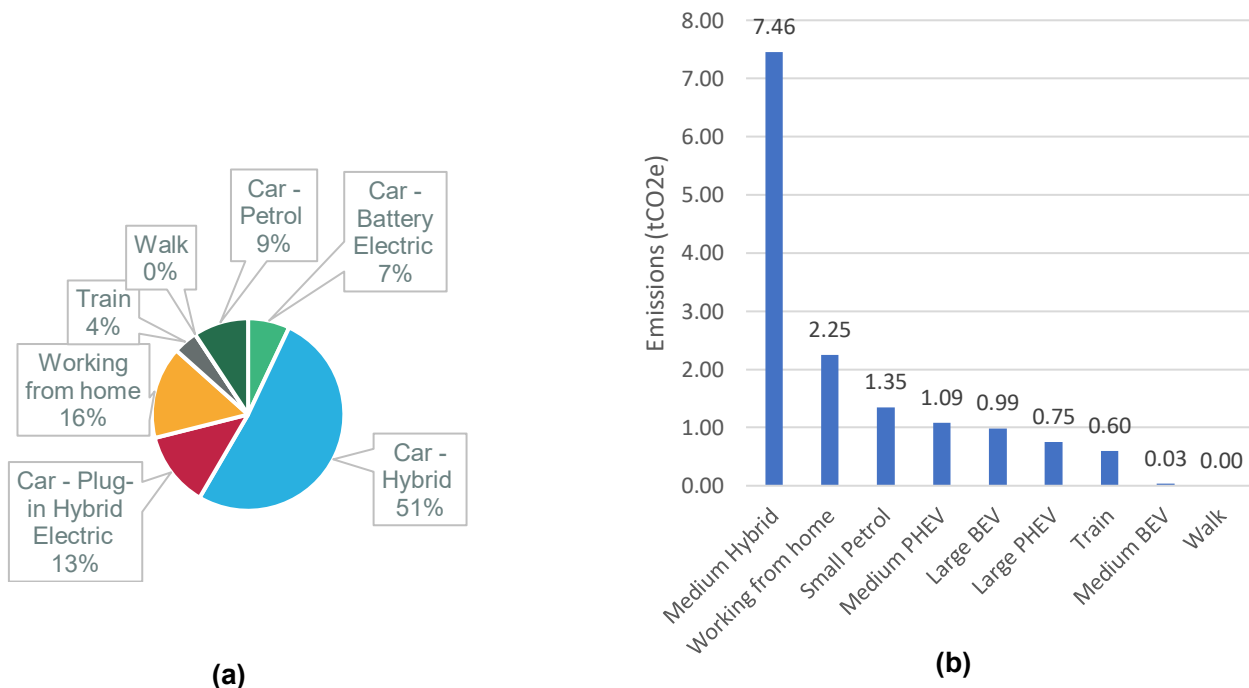


Figure 5: Employee commuting by transport mode (a) percentage of employees using mode (b) emission estimates, including WFH (working from home)

Working from home contributes close to 16% of emissions in this category calculated based on standard emission factors provided by UK Gov (2024).

4.2.4. Fuel and energy related activities

This category includes emissions due to upstream activities and transmission & distribution losses for gas and electricity use, estimated at **3.9 tCO₂e**, around 1.5% of overall calculated emissions. These are calculated based on the same utility bill data used for Scope 1 and 2 emissions, and relevant emission factors from the UK Government database (UK Gov, 2025).

Emissions in this category are split into three activities

- Activity A - upstream emissions from the extraction, production, and transportation of purchased fuels prior to combustion.
- Activity B - upstream emissions from the extraction, production, and transportation of fuels consumed in the generation of electricity, steam, heating, and cooling, prior to the generation.
- Activity C - lifecycle emissions of electricity, steam, heating, and cooling consumed (i.e., lost) in a transmission and distribution (T&D) system.

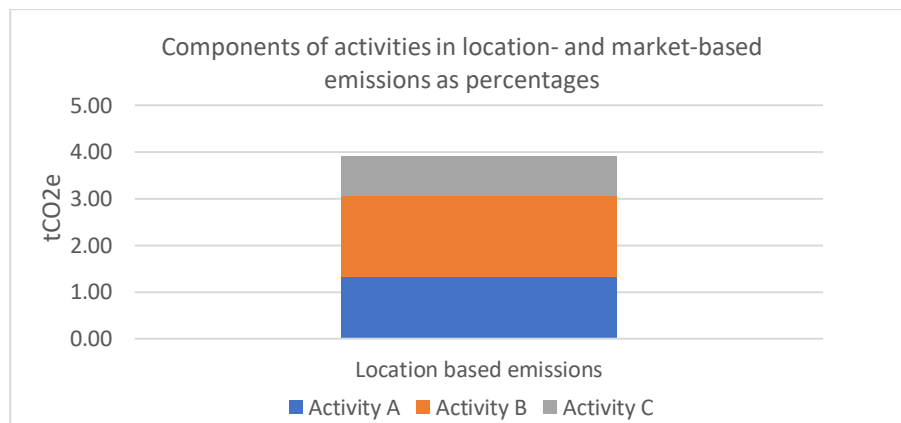


Figure 6 Fuel and Energy related activities

4.2.5. Upstream leased assets

Emissions for this category are estimated to be around 0.1tCO₂e, representing <1% of overall calculated emissions. It is composed of emissions from the use of the Manchester Office shown in *Figure 7* Emissions data for the Manchester Office, where EECO₂ leases only two desk space, was provided by the building management the consumption data for the reporting year. Related emissions were estimated using standard UK emission factors (UK Gov, 2025).

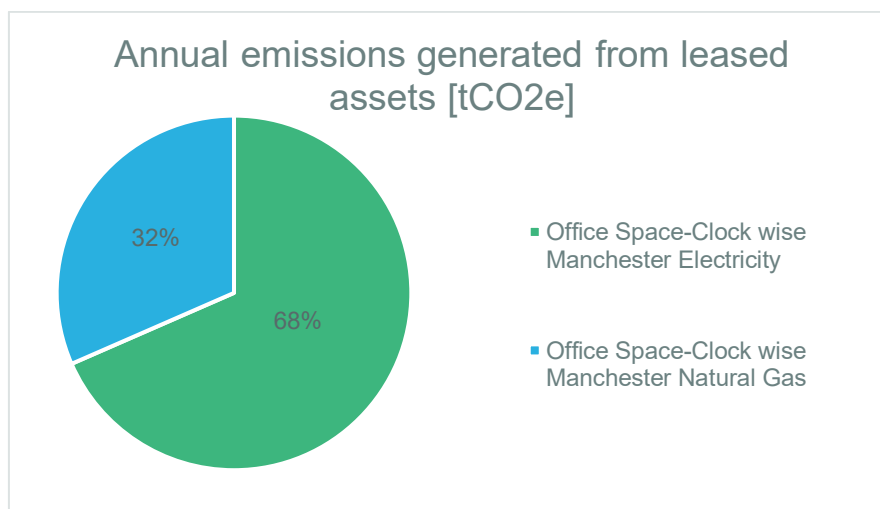


Figure 7 Manchester Office Emissions

4.2.6. Waste from operations

Emissions from waste associated with ECCO2 operations are estimated to be around **0.68 tCO₂e**, contributing around **0.1%** to overall calculated emissions.

These are comprised of emissions from processing of general waste, recycled waste, confidential waste and wastewater treatment. Detailed data was available for confidential waste and wastewater (utility bills); amounts for other waste were estimated based on bin usage. Emission factors from UK Gov (2025) were used for waste processing, whilst emissions for wastewater treatment were calculated using a spend-based approach (emission factor from DEFRA (2025).

Emissions are dominated by wastewater treatment (99%), with general waste processing contributing 1%. *Figure 8* illustrates emissions from different types of waste.

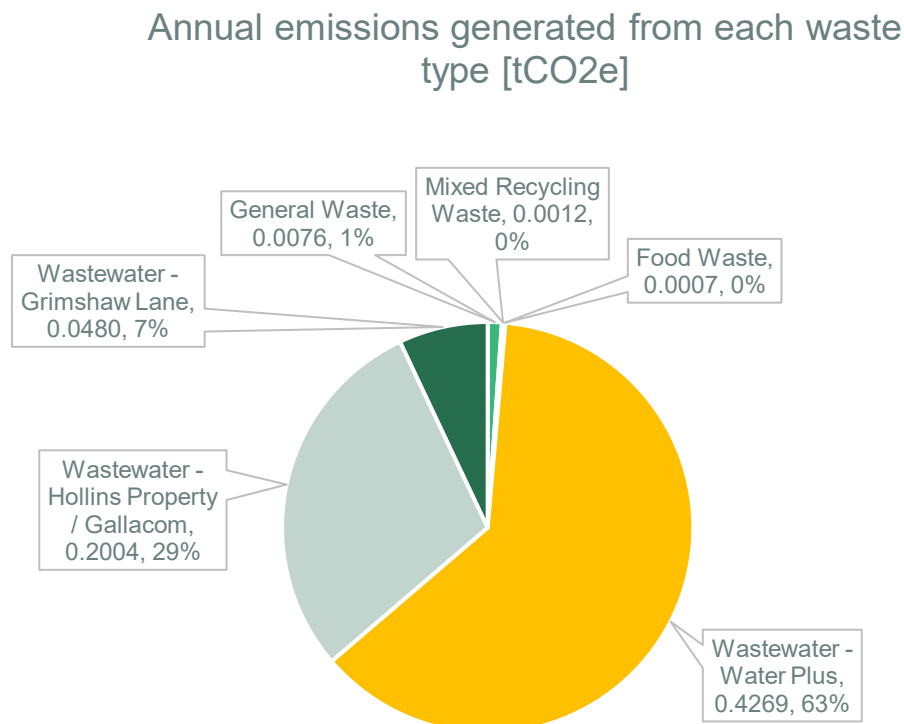


Figure 8: Emissions for 'Waste from operations' [tCO₂e]

4.2.7. Use of sold products

No MEMU or ICCS units were installed during the period considered for GHG emissions accounting.

5. EECO2 GHG EMISSION REDUCTION INITIATIVES

5.1. RENEWABLE ENERGY PROCUREMENT AND USE

Although EECO2 is transitioning from a small to a medium-sized enterprise, significant effort is devoted each year to carefully selecting and renewing energy contracts that align with our sustainability goals. We continuously seek improved agreements that support our low-carbon transition.

As a result, EECO2 has established green electricity contracts with Yu Energy, along with the procurement of carbon-neutral gas, which together cover the majority of our operational energy use. This demonstrates our strong commitment to reducing Scope 1 and Scope 2 emissions through market-based mechanisms and strategic supplier engagement. *Figure 9* illustrates some clauses of the contract highlighting energy plan type.



Bionic

Contract for Bionic's Digital Renewal service

This is a contract between Bionic Services Limited and ENERGY EFFICIENCY CONSULTANCY LTD and gives Bionic authority to automatically line-up your next energy supply contract on your behalf.

The plain-English explanation

- Digital Renewal is a core part of Bionic's service.
- It means that we will proactively get your next energy supply contract sorted for you, for the meter(s) listed in this contract.
- It saves you time and hassle and means there's no risk of you going out of contract.
- Because we'll buy early and buy in bulk, you will get access to prices from our panel of suppliers, that will always be equal or lower than prices available to new customers on that day.
- We will sort your next supply contract 6-9 months before your current contract expires. Your current contract will still run its full length, but your next contract will be lined-up ready to ensure there's no expensive gap.
- This contract gives us authority to act on your behalf with your old and new energy suppliers and to sign the new energy supply contract on your behalf.
- If you do not open or respond to any of our emails over the course of the contract, then we will renew your energy contract on your behalf
- This service is called 'Digital Renewal' as we'll keep you updated on the progress of your renewal by email and on the web. (This service used to be known as 'Dify' – Do It For You.)

The meter(s) this contract applies to		
Supply number (MPAN)	Premises	Estimated Digital Renewal Date (when we'll line-up your next contract) *
1610012005477	BELGREEN HOUSE GREEN STREET MACCLESFIELD SK11 6JF	27/11/26
1640000384983	TEMP SUPPLY AT BELLGREEN HOUSE FOUNTAIN STREET MACCLESFIELD CHESHIRE SK10 1JN	29/04/27
1610012005468	ENERGY EFFICIENCY CONSULTANCY LIMITED THE GREEN GREEN STREET MACCLESFIELD CHESHIRE SK10 1JH	27/11/26
1599669801	BELGREEN HOUSE FOUNTAIN STREET MACCLESFIELD SK10 1JN	27/11/26

ADDITIONAL PRODUCT SPECIFIC TERMS
100% Green electricity

- Renewable Energy Guarantees of Origin certificates (REGOs) confirm your electricity is sourced from 100% renewable generation allows you to report zero carbon emissions on your electricity usage and support your CSR agenda.

Carbon Neutral Gas plan

- By taking up Carbon Neutral Gas, the carbon emissions associated with your gas consumption will be offset and invested in two of the most credible international schemes worldwide; Gold Standard (GS) or Verified Carbon Standard (VCS).

Figure 9 Energy Contracts

5.1.1. Scope 2: REGO backed Renewable Electricity

Yü Energy's REGO-backed renewable electricity certificates came into effect part-way through the financial year and covered approximately 8.03 tCO₂e of EECO2's Scope 2 electricity emissions.

The Yü Energy Green Energy Certificate in Figure 11 confirms that the relevant electricity supply is fully REGO-backed 100% certified green energy from renewable sources and states that this allows EECO2 to report zero carbon emissions from electricity usage for the covered supply.

As a result, EECO2's Scope 2 market-based emissions are reduced to **5.43 tCO₂e**. Without the REGO-backed renewable electricity supply, market-based Scope 2 emissions would have been approximately **13.5 tCO₂e**, as illustrated in *Figure 10*. This reduction reflects renewable electricity procurement under the market-based Scope 2 methodology, rather than an emissions offset.

5.2. COMPANY VEHICLE FLEET AND ELECTRIFICATION STRATEGY

EECO2 operational fleet comprises of BEVs and PHEVs, chosen to minimise Scope 1 emissions and align with our broader decarbonisation strategy across Scopes 1, 2, and 3. Carbon emissions from electric vehicles are significantly lower than those from petrol and diesel cars.

To further reduce our footprint, we ensure electric vehicles are charged using renewable electricity wherever possible. For hybrid and plug-in hybrid electric vehicles (PHEVs), the use of electric mode is strongly encouraged wherever feasible for business-related travel.

EECO2 is actively transitioning its vehicle fleet to fully electric models, further reinforcing our long-term commitment to sustainable transport. This practical, values-driven approach reflects EECO2's dedication to addressing both direct and indirect emissions in a meaningful and measurable way.

5.3. SITE TRAVEL STRATEGY

Due to the nature of EECO2's consultancy and technical work, international travel is sometimes essential to support site decarbonisation and emissions reduction programs. However, EECO2 follows a sound travel policy that prioritises necessity, ensuring that travel is only undertaken when it adds clear value.

Travel is carefully planned to maximise efficiency and minimise environmental impact, with remote site visits and virtual engagement preferred wherever feasible. This policy not only reduces EECO2's own emissions footprint but also ensures that resources are used effectively in delivering client value.

Importantly, when travel does occur, it often results in the development of emissions reduction strategies and decarbonisation roadmaps for clients, creating a broader positive climate impact that extends beyond EECO2's own operations.

5.4. SUPPLY CHAIN STRATEGY

EECO2 follows a sustainable procurement policy which guides us to partner with suppliers who actively disclose and reduce their emissions. Preference is given to those with renewable energy contracts and demonstrated sustainability commitments.

This policy also supports the reduction efforts for Scope 3 emissions in the "Purchased Goods and Services" category and aligns with CDP and SBTi principles.

5.5. REDUCTION EFFORTS THROUGH OFFSET

The GHG Protocol and CDP require full emissions reporting regardless of offsets, emphasising that companies should prioritise direct reductions and use offsets only for residual emissions. In line with this, EECO2 remains focused on reducing its emissions particularly Scope 3 business travel while transparently reporting any offsets separately, as recommended (GHG Protocol).

Offsets are still recognised as contributing positively to global carbon reduction, and EECO2 includes them in its reporting narrative to reflect ongoing efforts. *Table 6* outlines key emission reduction and offset initiatives across scope 3 business travel.

Table 6 EECO2 efforts to reduce and offset emissions

Reduction or offsetting effort	Impact on reported emissions	Comments
Scope 1 Gas Emissions Covered by Yü Energy Carbon Neutral Gas	Scope 1	Yü Energy contract terms state that Carbon Neutral Gas emissions are offset through Gold Standard or Verified Carbon Standard schemes, subject to confirmation that the relevant gas supply is enrolled on this plan.
Using TravelPerk with GreenPerk option, where all travel bookings are covered by carbon offsets	Scope 3 (Business travel)	GreenPerk offsets certain percentage of these emissions by supporting Verra certified projects

5.5.1. Scope 1 Gas Emissions and Carbon Neutral Gas Coverage

Yü Energy accounts for **2.2 tCO₂e** of EECO2's Scope 1 gas emissions. Our contract with Yü Energy includes a Carbon Neutral Gas plan explaining that, the carbon emissions associated with gas consumption are offset through Gold Standard or Verified Carbon Standard schemes. This should therefore be presented as Scope 1 gas offset coverage.

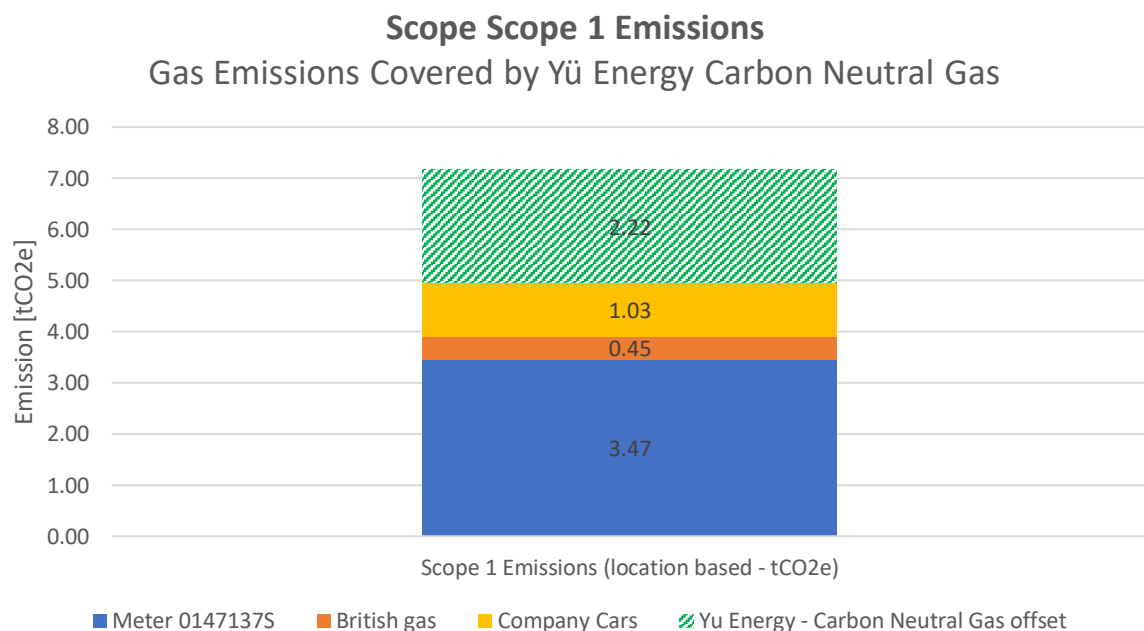


Figure 12 Scope 1 Gas Emissions Covered by Yü Energy Carbon Neutral Gas

5.5.2. Scope 3 Offsets

EECO2 offset **57 tCO₂e** on work travel this year. The TravelPerk offset is externally verified, through their GreenPerk scheme. EECO2 pays a 10% premium on bookings, which funds projects certified under the international Verified Carbon Standard (VCS) by Verra and further reviewed by the Perk Sustainability Team, making it a credible offset mechanism.

Nonetheless, EECO2 does not view offsets as a substitute for emissions reduction. Instead, the company continues to work tirelessly to cut emissions at source. However, contributions to voluntary carbon markets, particularly those aligned with beyond value chain mitigation (BVCM), remain a positive step that EECO2 supports as part of a broader climate commitment.

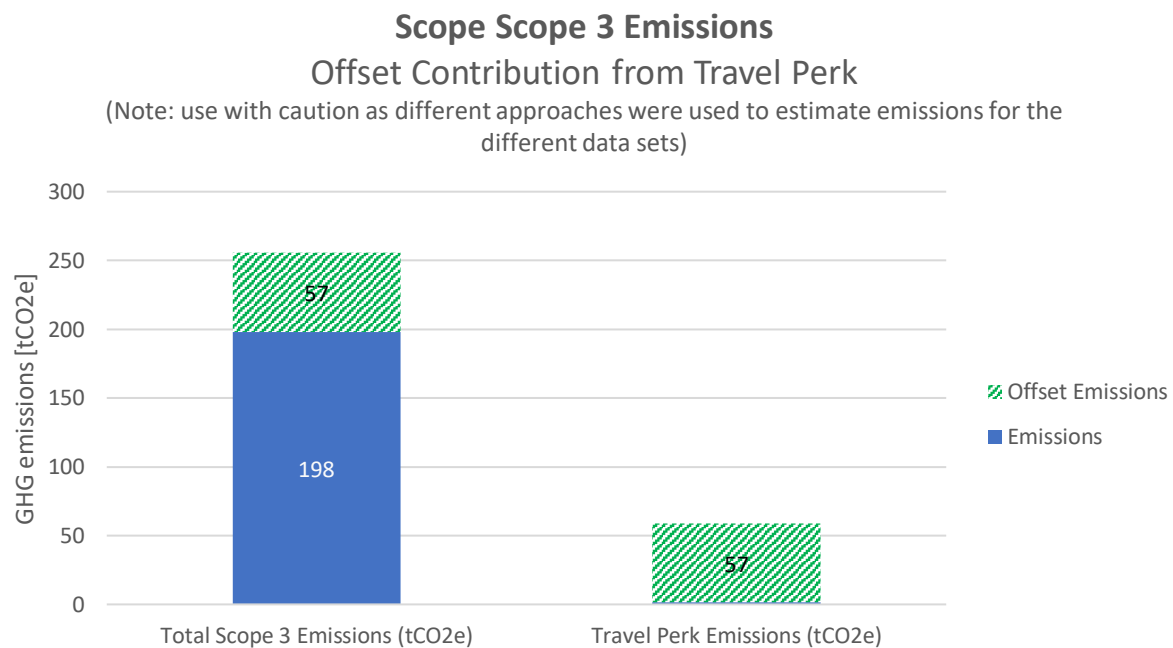


Figure 13 Scope 3 Emission Offsets: Contribution from TravelPerk

GreenPerk Offsets							
Project Name	Project Type	Project Methodology	Credit Vintage	Retirement Date	Quantity Retired	Registry	Retirement Details
AgreenaCarbon Pr...	Agriculture Forestry and O...	VM0042	2022	2026-01-26	120	VERRA	Green Trip Q4 2025
AgreenaCarbon Pr...	Agriculture Forestry and O...	VM0042	2023	2026-01-26	15	VERRA	Green Trip Q4 2025
AgreenaCarbon Pr...	Agriculture Forestry and O...	VM0042	2023	2026-01-26	10	VERRA	Green Trip Q4 2025
BRAZILIAN AMAZ...	Agriculture Forestry and O...	VM0007	2022	2026-01-26	1,473	VERRA	Green Trip Q4 2025
Reducing Gas Lea...	Fugitive emissions from f...	AM0023	2022	2026-01-26	6,450	VERRA	Green Trip Q4 2025
AgreenaCarbon Pr...	Agriculture Forestry and O...	VM0042	2021	2026-01-26	10	VERRA	Green Trip Q4 2025
AgreenaCarbon Pr...	Agriculture Forestry and O...	VM0042	2021	2026-01-26	900	VERRA	Green Trip Q4 2025
Reducing Gas Lea...	Fugitive emissions from f...	AM0023	2021	2026-01-26	6,000	VERRA	Green Trip Q4 2025
AgreenaCarbon Pr...	Agriculture Forestry and O...	VM0042	2023	2026-01-26	15	VERRA	Green Trip Q4 2025
AgreenaCarbon Pr...	Agriculture Forestry and O...	VM0042	2021	2026-01-26	680	VERRA	Green Trip Q4 2025
Katingan Peatland...	Agriculture Forestry and O...	VM0007	2020	2026-01-26	2,000	VERRA	Green Trip Q4 2025
Reducing Gas Lea...	Fugitive emissions from f...	AM0023	2021	2025-10-03	10,379	VERRA	GreenPerk Q3 2025
BRAZILIAN AMAZ...	Agriculture Forestry and O...	VM0007	2022	2025-10-03	5,994	VERRA	GreenPerk Q3 2025
BRAZILIAN AMAZ...	Agriculture Forestry and O...	VM0007	2022	2025-08-14	4,006	VERRA	GreenPerk Q2 2025
Reducing Gas Lea...	Fugitive emissions from f...	AM0023	2021	2025-07-16	5,000	VERRA	GreenPerk Q2 2025
BRAZILIAN AMAZ...	Agriculture Forestry and O...	VM0007	2022	2025-07-16	5,350	VERRA	GreenPerk Q2 2025
BRUSQUE LANDFL...	Energy industries (renewa...	ACM0001	2023	2025-07-16	4,000	VERRA	GreenPerk Q2 2025
Katingan Peatland...	Agriculture Forestry and O...	VM0007	2020	2025-07-16	5,000	VERRA	GreenPerk Q2 2025

Figure 14 GreenPerk Offsets: Retired Credits

6. EECO2 GHG EMISSIONS REPORTING INITIATIVES

The main purpose of developing the inventory is also to support EECO2's efforts in GHG emissions reporting and reduction initiatives.

6.1.1. Science Based Targets Initiative-SBTi

EECO2 is proud to have achieved Science Based Targets initiative (SBTi) approval, demonstrating that our emissions reduction targets are aligned with the latest climate science and the goals of the Paris Agreement. SBTi validation is widely recognised as one of the most robust and credible frameworks for corporate climate action, providing independent assurance that our decarbonisation pathway is consistent with limiting global warming.

Our approved targets commit us to reducing Scope 1 and Scope 2 greenhouse gas emissions by 42% by 2030 from a 2024 base year, while measuring and reducing our Scope 3 emissions. We have also committed to achieving net zero by 2035, including a 95% reduction in Scope 1, 2 and 3 emissions from our 2024 base year.

Achieving SBTi approval reflects EECO2's commitment to sustainable growth, ensuring that as our business expands, we continue to decouple growth from emissions through operational efficiency, innovation and the delivery of low-carbon solutions. This milestone reinforces our responsibility to support the global transition to a low-carbon economy while creating lasting value for our customers and stakeholders.

6.1.2. EcoVadis

EECO2 has been reporting to EcoVadis since 2021. This shows EECO2 efforts and commitment it puts towards sustainability.

Developing Scope 3 reporting capability further should strengthen EECO2's 2026 submission. EECO2, will further refine its Purchased goods and services category to help gain a better understanding of the EECO2 supply chain, and thus

- inform further development of our sustainable procurement policy
- and facilitate target setting and monitoring
- support targeted engagement with suppliers and customers to reduce emissions.

6.1.3. CDP – Carbon Disclosure Project

In 2023 the company reported emissions using the CDP scheme. Reporting included Scope 1 & 2 emissions, as well as a rough estimate of Scope 3 emissions for the Business travel category. The submission also stated that a target would be set within two years, and a transition plan developed and was stated to achieve Net Zero for Scope 1 and 2 by 2030 and the intention to develop capabilities for more comprehensive Scope 3 reporting going forward. CDP submission demonstrated intent of EECO2 to support a clear strategy and narrative for emission reduction efforts.

The results from this work will support the next submission, by helping to provide a clear reporting rationale and methodology as well as emission estimates for additional Scope 3 categories. In addition, the approach and calculation results will also support strategy development and reporting narrative, thus further strengthening subsequent CDP submissions.

7. INFORMING POLICY AND GHG STRATEGY

EECO2 has developed a detailed GHG emissions inventory, categorising emissions into Scopes 1, 2, and 3. This exercise not only fulfils reporting obligations but also offers meaningful insights into the company's operational impact across its value chain.

The emissions inventory has significantly strengthened EECO2's understanding of where emissions are generated and where reduction efforts will be most effective. It provides a data-driven foundation to inform and refine company policies particularly and strategy as EECO2 progresses toward its Net Zero targets for Scope 1, 2 and 3.

The following key insights from the GHG inventory have directly informed EECO2's emissions reduction strategies and strengthened its broader sustainability policies:

- **Improved Scope 1 and 2 Calculation Transparency:** Emissions calculations for Scope 1 and Scope 2 have been refined. Documentation is now more transparent and repeatable, supporting clearer internal review and external reporting in line with our policy.
- **Dual Focus on Location- and Market-Based Emissions:** Both location-based (grid-average) and market-based (supplier-specific) emissions are now being considered. This reinforces the importance of driving energy efficiency in both office buildings and company vehicle use, while maintaining our emphasis on procuring renewable or low-carbon energy contracts.
- **Progress in Scope 3 Emissions Mapping:** EECO2 has made notable strides in defining Scope 3 emissions by establishing clear boundaries, identifying key categories, and estimating emissions from indirect activities in line with our policy. This forms a baseline for tracking future progress and developing targeted interventions.
- **Targeting High-Impact Categories in Scope 3:** Among all Scope 3 categories, 'Purchased Goods and Services' and 'Business Travel' have emerged as the most significant contributors. These areas have now become priorities for reduction planning, supplier engagement, and internal behavioural change campaigns.
- **Procurement Policy Integration:** Insights from the 'Purchased Goods and Services' category are directly informing EECO2's emerging sustainable procurement policy.
- **Supporting a Holistic Net Zero Strategy:** The emissions inventory is not only supporting the setting of reduction targets but also helping to prioritise the policies and initiatives likely to have the greatest impact. It is informing decision-making across procurement, energy use, travel, and external partnerships, ensuring that EECO2's Net Zero strategy remains evidence-based and aligned with frameworks such as the Science Based Targets initiative (SBTi).

8. CONCLUSION

The development of EECO2's Greenhouse Gas (GHG) Emissions Inventory for 2025–2026 marks a significant milestone in our sustainability journey. This report reflects our commitment to transparency, accountability, and continuous improvement in environmental performance.

The process of compiling this inventory has required extensive collaboration across departments, the integration of diverse data sources, and the application of both primary and secondary methodologies. While challenges remain, this work has equipped us with the tools and insights necessary to refine our approach in future reporting cycles.

Our efforts to reduce emissions are already underway, from transitioning to renewable energy contracts and electrifying our vehicle fleet, to implementing sustainable procurement policies and offsetting emissions through verified programs. These initiatives demonstrate our proactive stance in addressing both direct and indirect emissions.

Looking ahead, EECO2 is committed to deepening its emissions analysis, enhancing data quality, and expanding Scope 3 coverage. We will continue to align our strategies with leading frameworks such as EcoVadis, SBTi and others, ensuring that our targets are science-based and our actions impactful. As we evolve, our emissions will guide our decisions, inform our clients, and reinforce our role as a leader in sustainable consultancy.

Together, we are building a resilient, low-carbon future laying the groundwork today for a sustainable tomorrow

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	Name / Job Title	Signature	Date (day-month-year)
Signed on behalf of EECO2	Nicholas George Bancroft Board Executive Director		10/07/2026