

Carbon Reduction Plan

Supplier name: Nova Systems International

Publication date: 01 December 2022

Commitment to achieving Net Zero

Nova Systems International is committed to achieving Net Zero emissions by or before 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. Nova Systems International has adopted the Financial Control approach to define our Carbon Footprint Emissions, which have been calculated using the *UK Government GHG Conversion Factors for Company Reporting* spreadsheet Version 1.0, 2021 issued by the Department for Business, Energy & Industrial Strategy. This is the first Carbon Reduction Plan that Nova has prepared; we recognize that the combination of the Covid 19 pandemic, the rapid growth of the company in the UK, and legacy internal reporting mechanisms are each likely to impact the reporting of our emissions. We offer that these figures are better than 'illustrative' but are not yet exact; we expect data-quality to improve as we repeat this process. Consequently, this may necessitate re-baselining in the future to make realistic comparisons to demonstrate a reduction in our net Carbon emissions. The data used to set our baseline emissions is for the period 01 July 2021 to 30 June 2022, which aligns with Nova's financial reporting period. The data provided is for the UK elements of Nova's business; it does not include data for our activity in Norway, Singapore or Ireland.

Baseline Emissions Reporting

| Reporting Year: 2022 | Baseline: 01 July 2021 – 30 June 2022 |
|------------------------|---------------------------------------|
| EMISSIONS | TOTAL (tCO₂e) |
| Scope 1 | 3.18 |
| Scope 2 | 10.43 |
| Scope 3 | (Included Sources) 122.89 |
| Total Emissions | 136.50 |

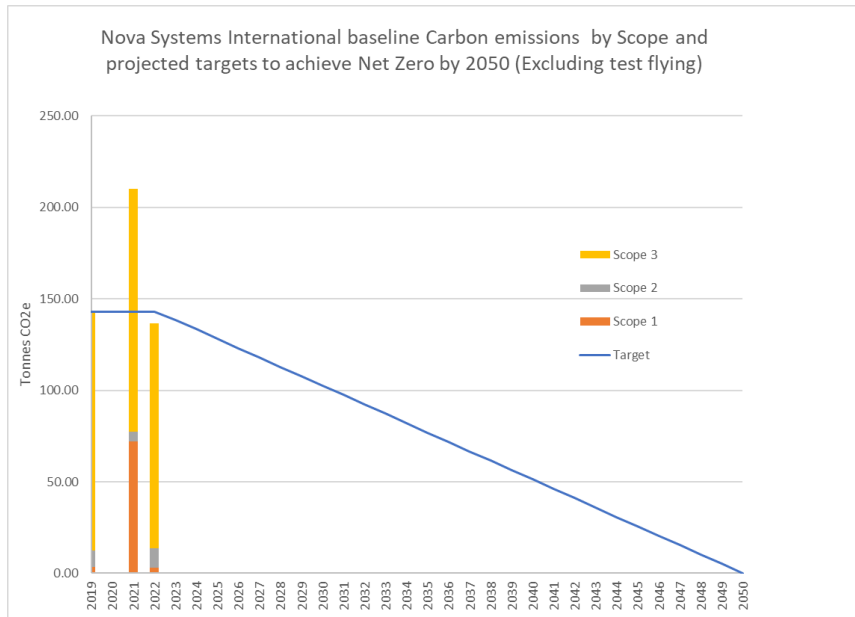
Note that this table excludes our flying activities, which are for the primarily for the purposes of testing aircraft and maintaining currency of our pilots and staff for aircraft testing. These activities are excluded within The Greenhouse Gas Emissions Trading Scheme Order 2020 (Statutory Instrument 2020 No. 1265, Schedule 1, paragraph 2).

Emissions reduction targets

Nova Systems is a growing business and the emissions reported for Scopes 1 and 2 greenhouse gas emission reduction targets pertain to the four offices based in the UK. Scope 3 emissions include all UK based business activities supported by our UK based consultants.

To achieve our Net Zero commitment, Nova has set initial targets of reducing Scopes 1 and 2 greenhouse gas emissions by 3.5% per year, noting that our current organizational growth could create additional emissions that will need to be considered. The initial 3.5% target is based upon a straight-line reduction of 100% over 28 years. This will be adjusted as our MI and understanding of opportunities improves.

Nova projects that carbon emissions will decrease over the next five years to 112 tCO₂e per annum, a 17.9% reduction. Progress against these targets will be monitored graphically from the initial baseline of 2022 presented below:



To monitor our progress in meeting these initial Carbon footprint targets we have identified improvements that could be made the monitoring systems that we currently employ. Existing shortfalls in the consistency of our monitoring has resulted from the rental arrangements in place when the company was first established in the UK, and two offices subsequently relocating in the last 3 years to accommodate the rapidly growing number of employees. With the proposed improved monitoring systems and our larger, modern offices we anticipate additional reductions in our Scopes 1 and 2 emissions.

Carbon Reduction Projects

Nova Systems is ISO14001 accredited (Environmental Management) and is committed to carbon reduction initiatives. This review of the company’s greenhouse gas emissions is in direct response to the publication of PPN 06/21, offered as our Baseline data. We are currently mid-financial year; we will be considering environmental management measures in our FY24 budgeting cycle, which starts in November 2022 (FY runs 01 July 2023 to 30 June 2024). The following measures indicate the initial option-type we will be considering:

- Nova Systems offices in the UK to be fitted with low-energy high-intensity LED lighting; PIR lighting controls will be adopted in corridors and communal spaces.
- The thermostats for UK offices to be set at 20°C to determine whether this provides an adequate level of heating that can be sustained throughout the four seasons.
- Accounting systems to be upgraded to enable improved monitoring of all carbon emissions from each office and day to day business activities.
- Studies to be undertaken to establish which longer term programmes could be undertaken in the next 5 years to achieve our targets.

The carbon emission reduction achieved by these schemes against the baseline are not yet quantified. Future CRP reviews will better report the intended reductions in greenhouse gas emissions that can be identified by these measures, with consideration of adopting further measures as our work gains momentum, such as:

Buildings

- *Review of all office heating and cooling systems to improve efficiency and reduce the reliance on systems using refrigerants which in the event of leakage are harmful greenhouse gases*

Commuting

- *Promote car sharing cells*
- *Promote working from home initiatives*
- *Increased use of bicycles and supporting infrastructure*
 - *secure storage*
 - *showering / changing facilities*
 - *light recharging*
 - *get you home repair facilities*
- *Introduction of electric company pool cars for business travel*

Business Travel

- *Increased car sharing for business travel to transport hubs*
- *Long term overseas resettlement programmes*
- *Increased use of Teams*
- *Effective secure communications systems meeting national security requirements to support remote working*

Net reductions

- *Introduction of solar panels for background office energy*

- *Carbon offsetting*
 - *Recycling rather than disposal of electrical goods*
- On-going company Carbon Footprint awareness programme*
- *Informal briefings and education*
 - *Poster campaigns*
 - *Effective but green alternatives to existing company norms*

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.

Signed on behalf of Nova Systems International:

Gareth Dyer
Managing Director
30 November 2022

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

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