



Certified



Corporation

Carbon Reduction Plan

In compliance with PPN 06/21

April 2025

Carbon Reduction Plan - 1 April 2025

Commitment to achieving net zero

char.gy is committed to achieving net zero emissions by 2050.

Baseline year: 2023

Most recent year: 2024

Baseline emissions

Our baseline emissions inventory now includes all our currently-measurable Scope 1, 2 and 3 emissions. Since the publication of our Baseline year, we have extended the breadth of our calculations to include Scope 3 Categories 1 and 2, and made some enhancements to our estimation of Category 4. As the Baseline emissions are the reference point against which emissions reduction will be measured, we have restated our Baseline emissions as an important update to this Plan year, as noted in the table below.

Scope 3 emissions includes estimated emissions for Category 1 (Purchased goods and services) using a combination of methodologies:

- “Goods” comprise the materials and components used to manufacture our charge points (CPs), either in our own facilities or under a contract manufacturing arrangement. We use material weight and publicly-available emissions factors for all CP parts except for electrical components, for which we use supplier estimations or the published kg/CO² of a proxy component from a global electronics manufacturer.
- We calculate “Services” emissions using a spend-based methodology. We are working on collecting primary data from suppliers to improve our insight into Scope 3 emissions.

Scope 3 Category 4 emissions have been updated to reflect a more accurate estimate of distances travelled and modes of transport. Rather than use an extrapolation of a sample set of supplier data, as reported in our original Baseline year, these have now been updated to reflect the mode of transport and distances travelled for all the materials and components used in our manufactured charge points in each Plan year.

BASELINE YEAR: financial year ended 31 March 2024 ("2023")

*Update to baseline emissions calculations, with new or amended Categories in **bold type***

Our Baseline figures now include full Scope 1 and 2 and partial Scope 3 emissions (categories 1-7, 9 and 11) and follow the operational control approach. Calculation methodologies are as follows:

- Scope 1: no fuel used in char.gy buildings or fleet; reported as nil
- Scope 2: electricity from owned or leased buildings and vehicles, calculated from activity data (e.g. utility bills) or, where unavailable, calculation uses spend data (e.g. EV charging costs) and extrapolations (e.g. where the latest month's utility bill is not yet available)
- **Scope 3 category 1: estimation of goods and services acquired during the year calculated from purchase orders, stock, manufactured units and services purchased (the latter on an accrual basis)**
- **Scope 3 category 2: estimation of capitalised items using a spend-based methodology**
- Scope 3 category 3: emissions from generation, transmission and distribution of electricity reported under Scope 2
- **Scope 3 category 4: estimation calculated from the distance travelled by materials and components used in annual charge point manufacture from the location from which they were sourced and the mode of transport used**
- Scope 3 category 5 and 7: calculated from actual activity data (water utility bills), estimated activity data (waste) and employee surveys (commuting and homeworking)
- Scope 3 category 6: calculated from activity data where known distance travelled (e.g. air, rail, mileage), spend data where unknown (e.g. taxis)
- Scope 3 category 9 and 11: downstream goods are transported in fleet EVs (recorded in Scope 2); sold product uses 100% renewable energy, backed by Guarantees of Origin.

EMISSIONS:		Most recent year (2024)	Baseline year (2023, updated)	Baseline year (2023, original)
	TOTAL (tCO ₂ e)			
Scope 1		-	-	-
Scope 2		9.5	8.8	8.8
	Scope 2 Categorisation			
	Electricity used in buildings	6.6	4.8	4.8
	Electricity used in fleet EVs	2.9	4.0	4.0
Scope 3		895.3	1,008.8	83.6
	Scope 3 Categorisation			
	1: Purchased goods and services	744.9	875.1	-
	2: Capital goods	71.2	60.4	-
	3: Fuel & energy activities not in scope 1 or 2	2.3	2.1	2.1
	4: Upstream transportation & distribution	2.8	6.3	16.6
	5: Water and waste	0.4	0.7	0.7
	6: Business travel	36.0	25.0	25.0
	7: Employee commuting and homeworking	37.5	37.9	37.9
	9: Downstream transportation & distribution	0.2	1.3	1.3
	11: Use of sold products	-	-	-
Total Emissions		904.8	1017.6	92.4

Emissions are reported on a market basis. Equivalent Scope 2 emissions on a location basis were: Electricity used in buildings: 6.1tCO₂e and 10.3tCO₂e; Electricity used in fleet EVs: 6.8tCO₂e and 5.0tCO₂e in the Baseline and most recent year, respectively.

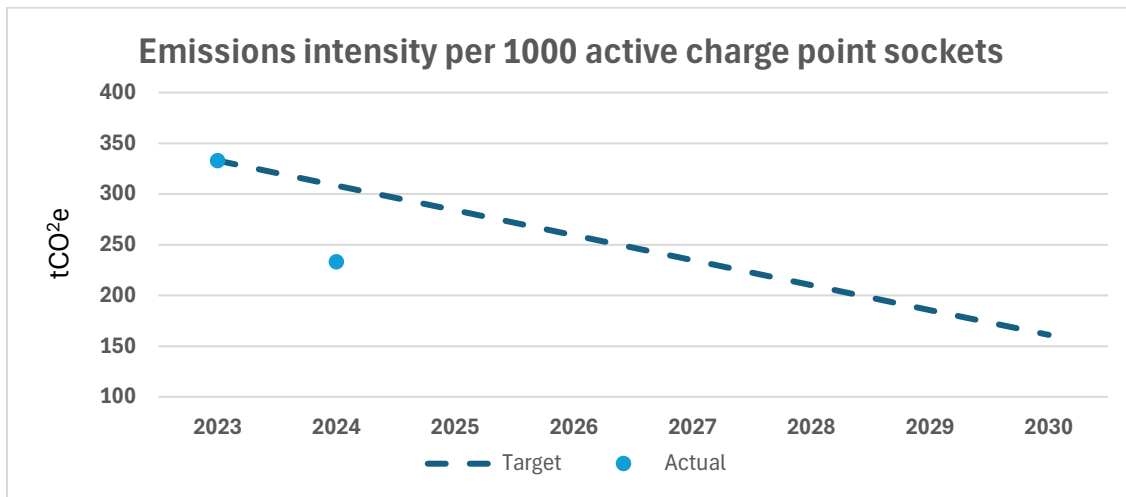
Categories which are not relevant to char.gy's operations include: Upstream leased assets, Processing of sold products, Downstream leased assets, Franchises, and Investments. We have not yet calculated End-of-life treatment of sold products as we have decommissioned so few charge points in our operations to-date.

Emissions Reduction Targets

char.gy will be deploying growing numbers of charge points as it aids the UK's transition to low-carbon transportation and enables more drivers, particularly those without off-street parking, to reduce their carbon footprint by switching to EVs. This means that, as it grows, manufactures and installs more charge points, its emissions will increase on an absolute basis. char.gy has therefore chosen to set intensity-based emissions reduction targets in the medium term. This will require char.gy to actively reduce the emissions associated with each charge point socket it produces and deploys.

char.gy has set interim targets in line with the latest science for a 1.5°C pathway, following guidance from SME Climate Hub and Science Based Targets initiative. It is targeting a reduction in emissions intensity per active charge point socket of 51.6% by 2030, from baseline year 2023. This target includes scope 1, 2 and 3 emissions.

Emissions intensity for 2024 (most recent year) was 233.3tCO₂e per 1000 active charge point sockets, calculated as total emissions of 904.8tCO₂e across 3,879 active charge point sockets. This compares to 332.9tCO₂e per active charge point socket in our updated Baseline year.



Changes in Most Recent Year emissions

Electricity in buildings increased since our Baseline year for two principal reasons: we now run a testing chamber at our Coventry facility which draws power 24/7 and we began charging a delivery EV there during our most recent year. From February 2025 purchased electricity at our Coventry site has been on a 100% renewable tariff; we will report nil Scope 2 emissions from this year onwards (on a market basis) as all of our operations are now fuelled with renewable electricity.

Purchased goods emissions have declined since our Baseline year as a direct result of manufacturing fewer CPs at our Coventry facility. This was partly offset by an increase in services-related emissions as our overall spend increased. As we move towards more primary data, we expect to see supplier actions to reduce these services-related emissions.

Capital goods increased since our Baseline year as we invested in and capitalised product development spend. Upstream transportation and distribution reduced in the most recent year as a direct consequence of fewer CPs being manufactured.

An increase in international flights for the purpose of R&D led to an increase in business travel since our Baseline year.

Completed Carbon Reduction Initiatives

The following environmental management measures have been implemented:

- B Corporation™ accreditation in December 2024
- ISO14001 Environmental Management certification
- SME Climate Hub commitment, which includes joining the United Nations Race to Net Zero
- Pledge to Net Zero commitment
- Expansion of Scope 3 data collection and reporting ensures that char.gy management can accurately monitor the business's environmental impact and thereby identify areas of improvement (across the entire value chain) that can feasibly be implemented
- All char.gy operations on 100% renewable electricity tariffs from February 2025, all electricity delivered through char.gy charge points remains 100% renewable and backed by REGO
- New Procurement Policy, Ethical Sourcing and Trading Policy and Supplier Code of Conduct enhance environmental oversight of supply chain and collection of relevant environmental data
- Enhanced tracking of business travel activity by mode of transport and colleague home working and commuting data collection.

These initiatives do not directly contribute to measurable reductions in emissions but lay the foundations for effective measurement, best practice and action.

Planned Carbon Reduction Initiatives

In future, we intend to implement further measures such as:

- Reducing the embodied carbon of each installed CP socket by
 - Using 100% recycled aluminium casings
 - Sourcing lower carbon components, including through in-house redesign of the most carbon intensive electrical component
 - Increasing up-and downstream transport efficiency and data collection
- Minimising fleet EV travel and mileage claims through colleague training
- Partnering with suppliers who operate locally to our project sites: reducing travel for installation and maintenance visits
- Continuing to work with suppliers to optimise transportation of goods (upstream and bulk downstream activity) and use low-carbon transport options wherever possible
- Eliminating the de minimis, residual domestic waste to achieve zero waste to landfill target
- Continuing to build a culture of environmental stewardship to encourage colleagues to take action to reduce their personal carbon account (e.g. switch to renewable electricity tariffs, improve home energy efficiency, choose low-carbon commuting options etc.)

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 use 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.

Signed on behalf of char.gy:



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John Lewis, CEO

Date:

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

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

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