

### Commitment to achieving Net Zero

NCO Europe is committed to achieving Net Zero emissions by 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.

<b>Baseline Year: 2022</b>
<b>Additional Details relating to the Baseline Emissions calculations.</b>
<p>NCO Europe are passionate about reducing its carbon footprint and committed to achieving Net Zero. Our ESG committee was formed in 2020 and subsequently many key milestones have been achieved in progressing our Objectives.</p> <p>In 2022 NCO Europe obtained and since maintained ISO14001. In addition we engaged with an outsourced ESG partner since 2022 – Furthr. Furthr are industry leading ESG consultants who we have engaged to independently validate our carbon emissions calculations as well as critically evaluate our carbon reduction plan and strategic objectives. Utilising Furthr in tandem with maintaining our ISO14001 certifications is part of the ESG committees strategy to ensure accurate and independently verified emission calculations are completed amidst a rigid and reliable control framework.</p> <p>Scope 1 Emissions – 1.23 tCO<sub>2</sub>e Our scope 1 emissions relate solely to the refrigerants used in our facilities air conditioning unit</p> <p>Scope 2 Emissions – 140 tCO<sub>2</sub>e Our scope 2 emissions relate solely to our facilities electricity usage.</p> <p>Scope 3 Emissions – 825 tCO<sub>2</sub>e</p>

Our scope 3 emissions relate to multiple sources, but these are mostly generated from staff related emissions generated from either commuting to work or their consumption working from home, in addition to our purchased goods and services.

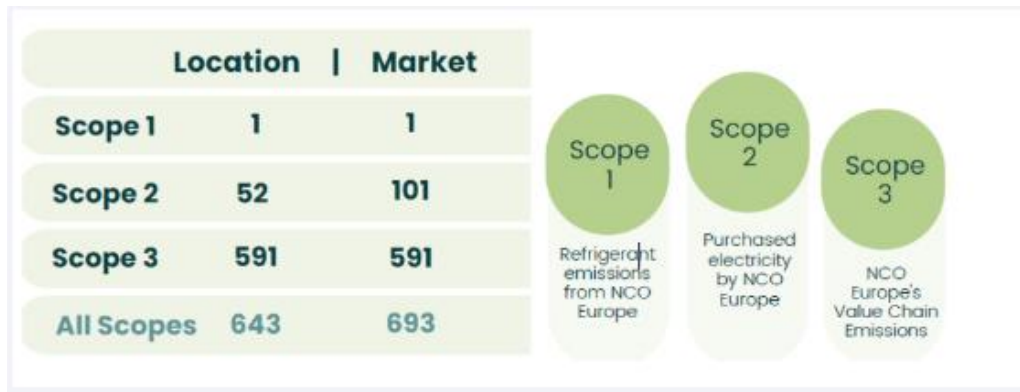
<b>Baseline year emissions:</b>	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	1.2
Scope 2	140.4
Scope 3 (Included Sources)	825.0
<b>Total Emissions</b>	<b>966.6</b>

## Current Emissions Reporting

Reporting Year: 2024	
EMISSIONS	TOTAL (tCO2e)
Scope 1	0.7
Scope 2	101.2
Scope 3 (Included Sources)	590.9
<b>Total Emissions</b>	<b>692.8</b>

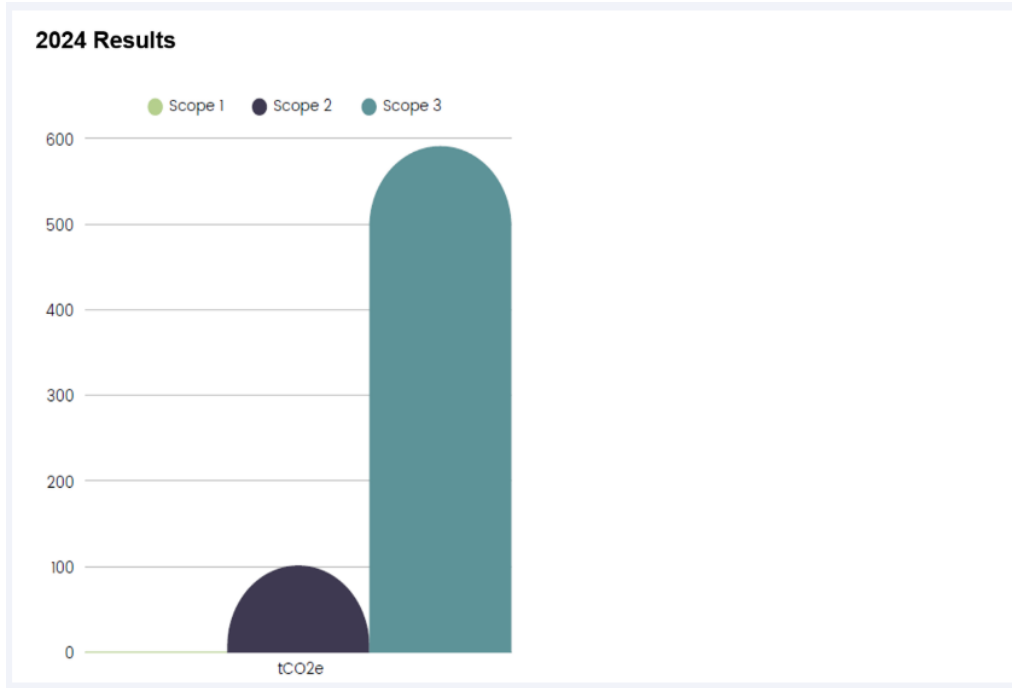
### 2024 Analysis

Over the course of April 2025, NCO Europe and Furthr teams have put together NCO Europe's emissions activity data. We've used the highest-quality 2024 methodologies and emissions factors to output NCO Europe's total emissions.



### Measurement Protocol: Greenhouse Gas Protocol

Furthr have undertaken a comprehensive examination of NCO Europe's GHG emissions for 2024, encompassing Scope 1, Scope 2, and Scope 3 emissions. Through this analysis, NCO Europe is able to identify GHG hotspots in its operations, which will be critical in the delivery of ongoing emission reduction targets and monitoring. By adhering to established protocols and methodologies, NCO Europe aims to provide stakeholders with accurate and reliable information on its environmental impact. This report also delves into the contextual factors influencing NCO Europe's emissions, offering a transparent view of the challenges and opportunities faced to reduce emissions.



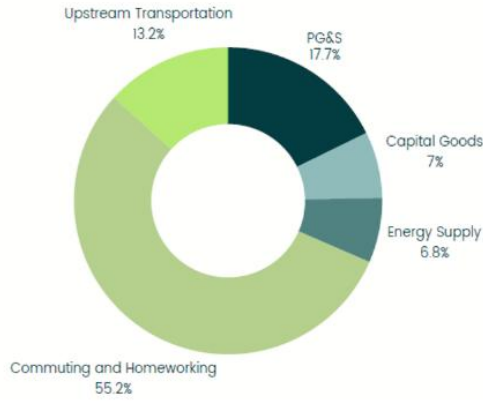
### Intensity Metrics

Scope	Total (tCO2e)	tCO2e / £ mil revenue	tCO2e / FTE
Scope 1	0.66	0.04	0.001
Scope 2	101.21	6.30	0.21
Scope 3	590.94	36.78	1.21
<b>All Scopes</b>	<b>692.82</b>	<b>43.12</b>	<b>1.42</b>

### Total Emissions - by main Greenhouse Gases

	Total (tCO2e)	t CO2	t CH4	t N2O
<b>Scope 1</b>	0.66	0.00	0.00	0.00
<b>Scope 2</b>	101.21	101.19	0.01	0.02
<b>Scope 3</b>	590.94	414.02	22.28	4.55
<b>All Scopes</b>	<b>692.82</b>	<b>515.21</b>	<b>22.29</b>	<b>4.57</b>

**Scope 3 Emissions Reporting**

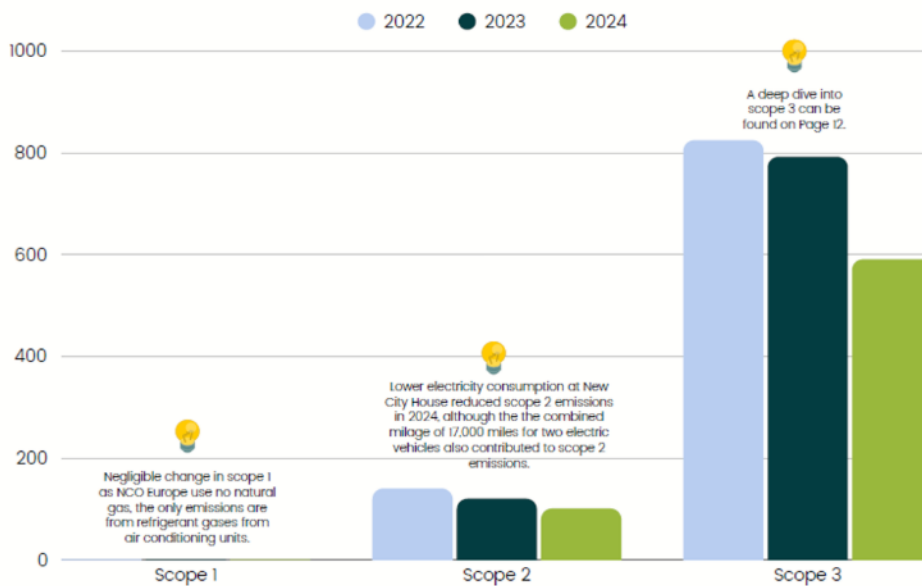


**Scope 3 GHG Categories**

**tCO2e**

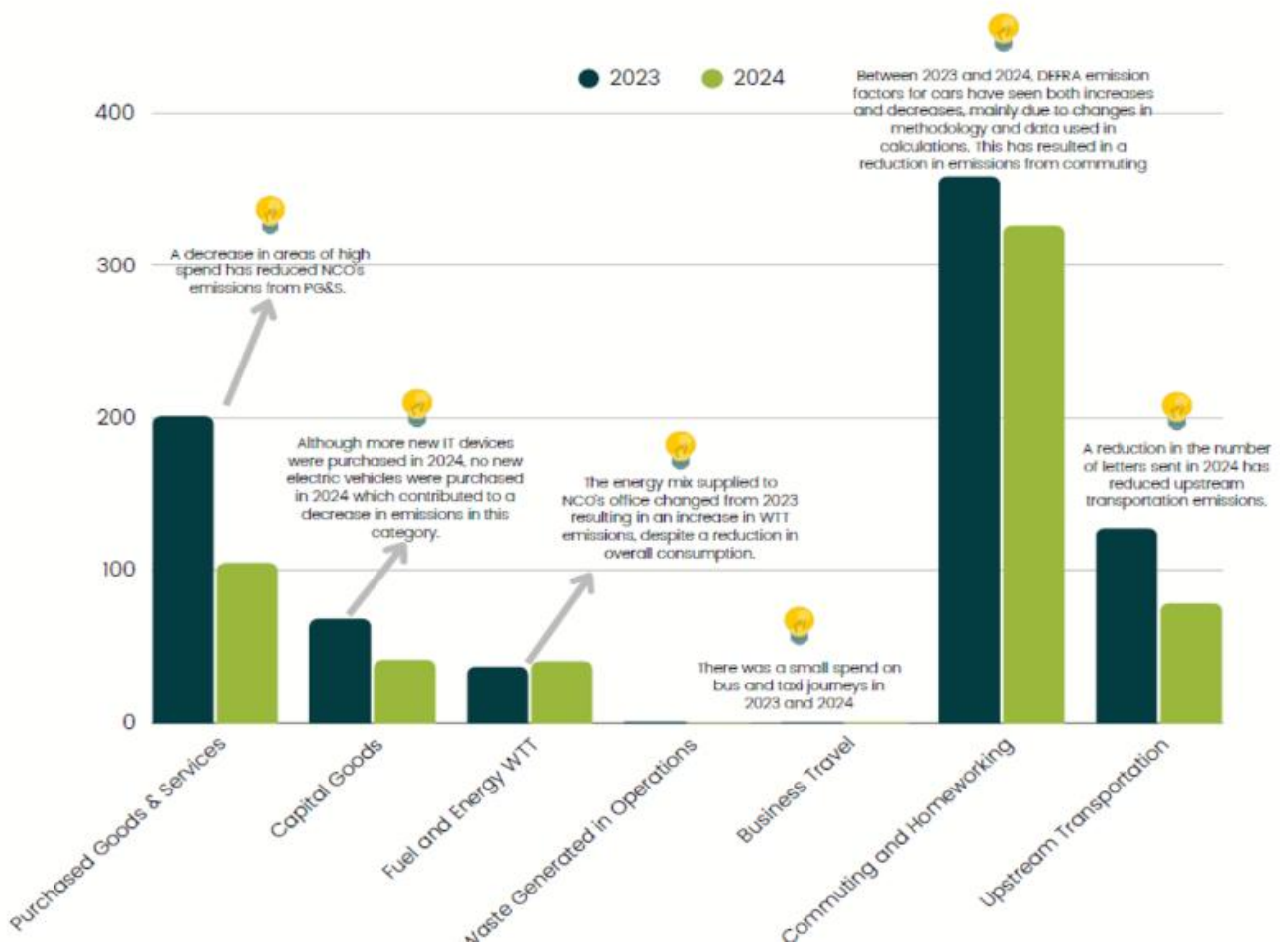
PG&S	104.78
Capital Goods	41.25
Energy Supply	40.32
Upstream Transportation	78.16
Waste	0.03
Business Travel	0.28
Communing and Homeworking	326.13

NCO have reduced overall emissions by 24.23% compared to 2023.



	2023	2024	% change
Scope 1	1.0	0.66	-33.36%
Scope 2	120.7	101.21	-16.14%
Scope 3	792.6	590.94	-25.44%
<b>All Scopes</b>	<b>914.4</b>	<b>692.82</b>	<b>-24.23%</b>

NCO have reduced emissions most notably from purchased goods and services.



## Emissions Overview

Category	2022 (tCO2e)	2023 (tCO2e)	2024 (tCO2e)	% Change (vs 2023)
Refrigerant Gases	1.2	1.0	0.66	-34%
<b>Total Scope 1</b>	<b>1.2</b>	<b>1.0</b>	<b>0.66</b>	<b>-34%</b>
Facilities Electricity	140.4	120.0	98.83	-18%
Company Owned Vehicles	0.0	0.7	2.38	240%
<b>Total Scope 2 (Market-Based)</b>	<b>140.4</b>	<b>120.7</b>	<b>101.21</b>	<b>-16%</b>
PG&S	227.7	201.1	104.78	-48%
Capital Goods	64.6	68.1	41.25	-39%
Energy Supply	35.0	36.9	40.32	9%
Upstream Transportation	129.9	127.5	78.16	-39%
Waste	6.4	0.6	0.03	-95%
Business Travel	0.0	0.4	0.28	-30%
Commuting and Homeworking	361.3	358.0	326.13	-9%
<b>Total Scope 3</b>	<b>824.9</b>	<b>792.6</b>	<b>590.94</b>	<b>-25%</b>
<b>Total (All Scopes)</b>	<b>966.6</b>	<b>914.4</b>	<b>692.82</b>	<b>-24%</b>

NCO has no downstream transportation and distribution

### Emissions reduction targets

As part of our long term goals to achieve Net Zero, for the initial 5 years post baseline year we aim to reduce our carbon emissions per FTE by 18%.

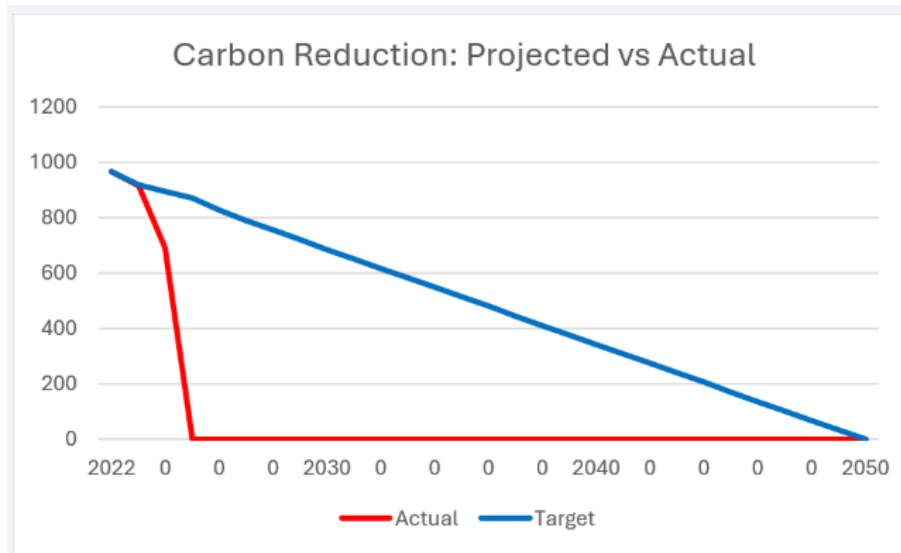
3 years post baseline we have exceeded this target reducing our carbon emissions per FTE by 28%. Given the success of NCO Europe's initiatives in reducing Carbon emissions more aggressive short term targets are being assessed in the ESG committee for 2026 onwards.

Emission Type	2022	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Target	Target	Target
	tCo2e	tCo2e	tCo2e	tCo2e	tCo2e	tCo2e
Scope 1	1.23	1.00	0.66	1.00	1.00	1.00
Scope 2	140.44	120.72	101.21	108.95	105.68	102.51
Scope 3	824.91	792.65	590.92	759.36	721.39	685.32
Total tCo2e	966.58	914.37	692.79	869.31	828.07	788.83
% Reduction vs 2022 Baseline		5%	28%	10%	14%	18%
FTE (inc temp)	503.06	480.57	430.93	430.93	430.93	430.93

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2022 baseline.



### Current Projects

- **Furthr partnership** – With 2022 being our baseline year, we continue to utilise Furthr to communicate our ESG impact as a business and have employees engage via the Furthr app on how they can minimise their carbon footprint.
- **Facility amendments** – NCO Europe have reconsidered how we deliver our services to clients and the flexibility we can provide employees in the workplace. This involved adapting to an ever-increasing demand for WFH. In doing so we have also adapted our office locations to more efficiently utilise the spaces we have, not just in respect of service but also to reduce our energy consumption and carbon impact.

On the back of this strategic review NCO Europe reduced the size of its on site facility by 62.5% delivering a significant reduction in our scope 2 emissions by approximately 40 tCO<sub>2</sub>e per annum.

- **Employee initiatives** – NCO Europe openly encourages its staff to be mindful of the environment and how daily choices can have an impact. Recycling is promoted throughout the business and since 2021 the company have transitioned to be paperless. In respect of Scope 2 emissions, the Facilities and Housekeeping team are incentivised to actively reduce electricity consumption reducing our day to day consumption.
- **Hardware Recycling** – NCO Europe have taken the steps to reduce our on premise server footprint to reduce the amount of carbon we produce. So far we have gone from 110 physical servers down to 2 generating a significant carbon footprint saving. To further support this initiative NCO has partnered with KOCycle.

We work with our partners to collect and recycle our surplus IT equipment, the approach is simple, KOCycle collect your equipment, calculate based on power consumption usage of the equipment collected calculate the total carbon footprint. They then plant the equivalent number of trees to remove this footprint from our environment.

- **Procurement considerations** - NCO Europe already audits its key suppliers to ensure their policies and practices align with our ESG commitments, however NCO are committing to more comprehensive onboarding policies in regard to ESG commitments and furthermore developing processes with existing suppliers to measure, report and reduce Scope 3 emissions.

#### **Future Carbon Reduction Initiatives**

- **Lettering and Communication Strategies** – One of our main carbon emitting suppliers relates to the lettering generated for our correspondence requirements. NCO Europe are working with its clients to encourage wherever possible to switch to digital communications which have a significantly lower carbon footprint.
- **Server Reduction** – NCO have identified a main consumer of scope 2 emissions relates to our servers. Throughout 2025 and early 2026 NCO Europe are looking to make alterations to its storage requirements allowing its server requirements to reduce by 66%.

#### **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[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

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

#### **Signed on behalf of the Supplier:**

Andrew Bretherton – Finance Director

Date: 21/01/2025