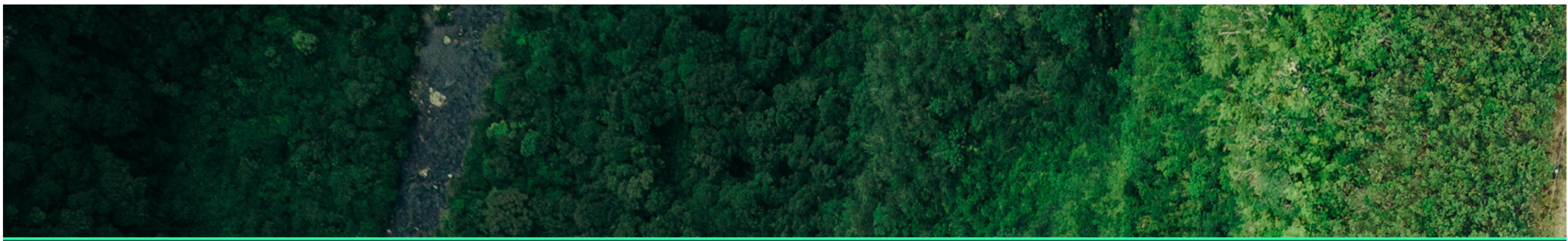

Carbon Reduction Plan For Smart Energy GB

Publish date: July 2026

smart energy GB
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Executive Summary

Smart Energy GB's Carbon Reduction Plan sets out our commitment to supporting the transition to a Net Zero economy while decarbonising our own operations. We target Net Zero by 2030, focusing on reducing Scope 1, 2 and 3 emissions and influencing our wider value chain.

This report analyses Smart Energy GB's carbon emissions in 2025 and compares these to the base year of 2024. Total emissions increased by 11.7% to 3,863.8 tCO2e, driven primarily by a rise in Scope 3 emissions (+11.9%), reflecting both improved data quality and increased expenditure.

Scope 1 emissions fell due to reduced gas usage, while Scope 2 emissions remained at zero through renewable electricity procurement.

Future priorities include strengthening sustainable procurement, improving supplier emissions data, engaging landlords on building emissions, and promoting low-carbon travel and behavioural changes among staff. These initiatives aim to reduce absolute emissions while improving carbon efficiency over time.

Our Commitment

Smart Energy GB is committed to facilitating the move toward a Net Zero economy.

We are committed to decarbonising our operations as much as possible while we continue to encourage consumers to adopt smart meters. **We aim to achieve Net Zero by 2030.**[1]

We have set this Net Zero target because we are a limited life organisation with an expected operational end date of 2030. It is ambitious, given the high proportion of our emissions which is driven by suppliers, and the fact that only 1/13 of our core and partner suppliers currently have aligned Net Zero targets where these have been set. Smart Energy GB intends to continue to improve supplier data to gain visibility on supply chain risk and endeavour to influence suppliers to either set aligned target dates or for those with later target dates to bring them forward.

Our long-term targets:

- Decarbonise scopes 1, 2 and 3 as much as possible while trading.
- Influence value chain and encourage adoption of Net Zero strategies to maximise legacy impact.
- Achieve Net Zero by 2030.

[1] To achieve Net Zero, organisations aim to reduce emissions in line with the latest science-based targets (SBTs). SBTs are greenhouse gas reduction goals set by organisations, they are defined as "science-based" when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. Achieving Net Zero requires reducing scope 1 and 2 emissions by 90% from our baseline and scope 3 emissions by either 90% in absolute terms or 97% in both physical (tCO2e/FTE) and economic (tCO2e / £) intensity terms compared to our baseline.

Progress against our near-term targets:

Target	Expected delivery date
Engage with landlord to understand plans and timelines around addressing gas heating emissions within the building.	Ongoing
Improve existing scope 3 data collection by carrying out employee commuter survey for our 2024 measurement.	DELIVERED – 2024
Measure remaining upstream scope 3 categories.	DELIVERED – 2024
Engage with landlord to establish current electricity contract end date and discuss procuring a 100% renewable tariff to reduce market-based scope 2 emissions to zero as soon as feasible.	DELIVERED – 2021

Scope 1 emissions: direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from the combustion of fuels in on-site boilers, furnaces, or vehicles.

Scope 2 emissions: indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.

Scope 3 emissions: all other indirect greenhouse gas emissions that occur in an organisation's value chain, including emissions from upstream and downstream activities.

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Emissions Reporting

Progress against Base Year (2024) Emissions

Smart Energy GB's overall emissions have increased since the last reporting period. This is driven by scope 3 emissions, due to a combination of methodology and activity changes. More information is provided below.

Smart Energy GB's base year covers January - December 2024, as this was the first year of measurement which included full upstream Scope 3 emissions. The current reporting period covers January - December 2025. Emissions are a reflection of current company activity as well as any reduction initiatives which have been implemented in previous years.

Emission Scopes	Base Year: Jan - Dec 2024	Current Year: Jan - Dec 2025	% Change	Explanation for change
Scope 1	3.6	0.3	-93	These have decreased owing to a reduction in building consumption of gas heating.
Scope 2 *(market-based)*[2]	0.0	0.0	0	These have remained at zero owing to the continued procurement of renewable energy by Smart Energy GB and the landlord. Consumption of electricity has also gone down since last year, meaning location-based emissions are also lower.

[2] Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. Smart Energy GB has chosen to use a market-based approach for Net Zero targets, with location-based figures still reported for transparency and compliance. The two sets of figures are compared as follows:

Emissions type and year	Market-based (tonnes CO_2e)	Location-based (tonnes CO_2e)
Scope 2 2024	0.0	11.9
Total 2024	3,457.7	3,469.6
Scope 2 2025	0.0	9.3
Total 2025	3,863.8	3,873.1

The difference between the location- and market-based figures reported above demonstrates the positive actions taken by Smart Energy GB in procuring a 100% renewable energy tariff.

Emission Scopes	Base Year: Jan - Dec 2024	Current Year: Jan - Dec 2025	% Change	Explanation for change
Scope 3	3,454.1	3,863.5	+12%	This increase is almost entirely driven by our supply chain, where: - Revenue expenditure increased due to one-off investment in the Radio Teleswitch campaign (see our annual report for more information). - We obtained specific carbon emissions data for 34% of our spend in 2025 compared to 25% in 2024 (with the remainder being calculated based on industry-wide averages). While this improvement in accuracy is positive, it increased our reported scope 3 emissions, due to some of our suppliers' emissions being higher than average. - In the other direction, most of the average emission factors used to calculate the majority of our scope 3 emissions have decreased since 2024, reflecting the progress in carbon reduction made by many sectors. - Together, these three factors pushed up our scope 3 emissions by **338 tonnes CO_2e**. - Capital expenditure also increased due to one-off purchases of IT equipment, increasing emissions by **66 tonnes CO_2e**.
Total emissions	**3,457.7**	**3,863.8**	**+12%**	

Smart Energy GB will work to minimise absolute emissions. However, intensity metrics can additionally be used as meaningful indicators of the organisation's progress towards increasing carbon efficiency.

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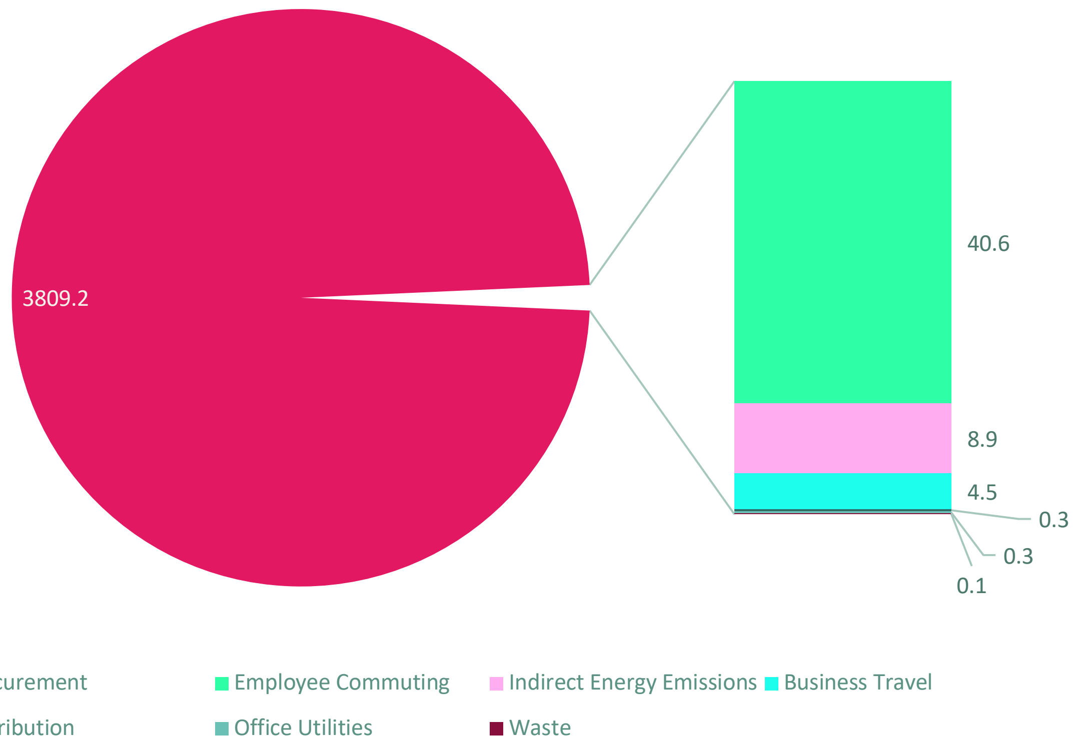
Emissions by	Base Year: Jan - Dec 2024	Current Year: Jan - Dec 2025	% Change	Explanation for change
Employee (tCO_2e per FTE)	49	53	+9	The increases in both metrics broadly reflect the increase in total emissions explained in the table above. The % increase in tCO2e per FTE is slightly lower than the % increase in emissions because our average FTE was slightly higher in 2025 than 2024, due to fluctuations in recruitment arising in the normal course of business.
Revenue (tCO_2e per £m)	90	101	+12	

Carbon Emissions Breakdown (tCO2e)

Emissions by Category (tCO2e)



Indirect energy emissions are Scope 3 emissions related to the extraction, production, and transportation of fuels and energy purchased and consumed by the reporting company that are not already included in Scopes 1 & 2.

Carbon Reduction Plans

Smart Energy GB will take the following actions to reduce emissions.

Priority No.	Activity	Target Date	Scope
1	Continue to implement the Sustainable Procurement Policy, ensuring sustainability is considered in tendering processes.	*Ongoing*	3
2	Continue with supply chain engagement, working to improve the quality and quantity of supplier data requested.	*Ongoing*	3
3	Build on the existing Sustainable Procurement Policy to translate sustainable tendering processes into processes for selecting partnership organisations.	2026	3
4	Pick up conversations around office building sustainability with the new point of contact for the landlord, including: - Low-cost heating efficiency options. - Tenants' meetings focused on sustainability. - Measures to reduce energy consumption. - An energy audit to assess feasibility and payback periods of longer term lower-carbon solutions to gas heating systems and reducing reliance on grid electricity.	2026	1 & 2
5	Within Smart Energy GB's own leased premises, continue to encourage behavioural initiatives for reduction of emissions. Actively consider the energy efficiency of new equipment. Install timers at wall sockets linked to plug to reduce passive energy consumption by devices left on standby.	*Ongoing*	1 & 2
6	Build on existing sustainable travel policies to explore schemes and incentives that will support staff members to opt for low-carbon commuting and homeworking methods.	2026	3

Declaration and Sign Off

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[3] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[4]. This Carbon Reduction Plan has been reviewed and approved by Smart Energy GB's Executive Team.

Signed on behalf of Smart Energy GB:

Name:	**Alistair Gibbons**
Position:	**Director of Operations**
Date:	**7 Aug 2026**

[3] https://ghgprotocol.org/corporate-standard

[4] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting