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The Energy to Succeed

Transition Plan to NET ZERO

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Progress Report 2024

Contents

1. Net Zero Transition Plan progress report

Our Net Zero Transition Plan was first published in 2023. This is our first progress report against that plan.

The Transition Plan outlines the actions Urenco intends to take to achieve net zero carbon emissions by 2040, with this progress report detailing our achievements to this plan in 2024.

Within this progress report are the key actions taken in 2024 to push Urenco towards its near-term carbon reduction targets for 2030. Our near-term targets for 2030 were approved by the Science Based Target initiative (SBTi) in 2024, demonstrating our alignment with a science-based approach to decarbonisation.

Urenco sees the importance of the role that nuclear can play in a net zero economy and also how we can contribute to reducing our carbon footprint to further improve the already low carbon emissions from nuclear generated electricity.

Taking action on our own emissions is one part of how Urenco plans to transition to a net zero organisation. We also disclose our climate related risks and opportunities through our Task Force on Climate-related Financial Disclosures section in our **Annual Report**.

2. Progress overview

	Ambition	Sites	Progress in 2024
Scope 1	Reduce fugitive emissions from refrigerants		Net Zero Design Standard developed – this will enable net zero principles to be included in plant design
			Sites implemented improved maintenance regimes substantially reducing fugitive leaks of refrigerants
	Eliminate use of natural gas at all sites		Farmhouse (conference building) now is natural gas free. Internal heat network under evaluation, this will enable further natural gas reductions
			Replaced natural gas heaters with electrical modular flow heaters. Optimisation of existing natural gas burners across the site reduces their run time in summer months
	Back up generators fuel switching to Hydrotreated Vegetable Oil (HVO)		Diesel Rotary Uninterrupted Power Supplies now run on HVO
			Power back up systems converted to HVO at the beginning of 2025
	Replacement of propane and fuel oil for building heating systems		Internal heat network under evaluation
	Fleet vehicle replacement for EV		Fleet vehicle leasing contract agreed for EVs
			20 fleet EVs in total
			Two electric transporter (vans) procured for site, replacing fossil fuelled vehicles
	EV charging at all sites		More than 40 charging stations
			15 charging stations for employee use with additional eight charging stations on site for fleet vehicles
			Four charging stations installed on site
			16 charging points installed and operating on site, with an additional 14 charging points located at the gate part of the site

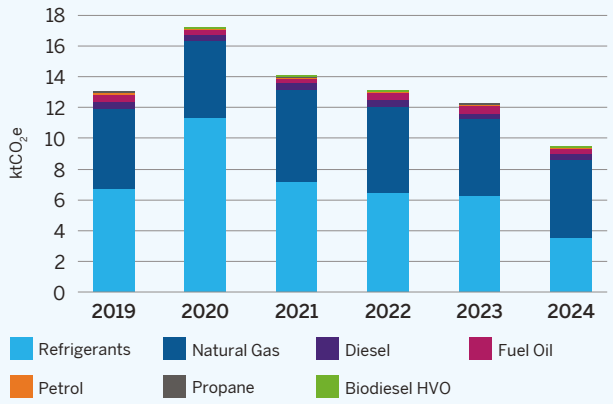
2. Progress overview

	Ambition	Sites	Progress in 2024
Scope 2	**Switch all sites to nuclear and/or renewable backed contractual arrangements**		Signed contracts to enable zero carbon scope 2 emissions from start of 2027
			Baseload nuclear contract commencing from 2027
			Capenhurst: Baseload nuclear contract
			Direct bundled solar to cover approximately 20-25% of total site annual consumption from August 2025. Remaining electricity consumption to be covered using Emission Free Energy Certificates (EFECs) from nuclear backed sources starting from 2026
			Guarantee of Origin (GO) certificates covering all of site consumption, commenced at start of 2024
	Self generation installations		3.31 MW solar photovoltaic array installed
			0.5 MW solar photovoltaic array has been installed and commissioned
			5.925 MW (peak) solar photovoltaic array with 10.38 MWh battery physically installed, ready now for test commissioning. Additional connection from this array to the EV charging points at the gate in progress
Scope 3	**Purchased Goods & Services:** Improve supplier carbon data, moving away from spend estimates		Undertaking first tranche of supplier hybrid reporting for scope 3. Hybrid Reporting Working Group established. Suppliers identified and scope 1, 2 and 3 metrics to be reported through Ecovadis system. Hybrid reporting on identified suppliers to be completed by end 2025
	Identify carbon hotspots within supply chain & encourage suppliers to set science based carbon targets		Enhanced sustainability resources to be recruited to deliver these ambitions in alignment with the Urenco Procurement Net Zero Roadmap. Delivery shall be in collaboration with Category Management Team. Two Sustainable Procurement Specialists and a Sustainable Procurement Manager to be recruited throughout 2025. First Specialist to join the team in Q3
	Upskilling Procurement in sustainable procurement		
	Update policies and procedures for Procurement to integrate sustainability		

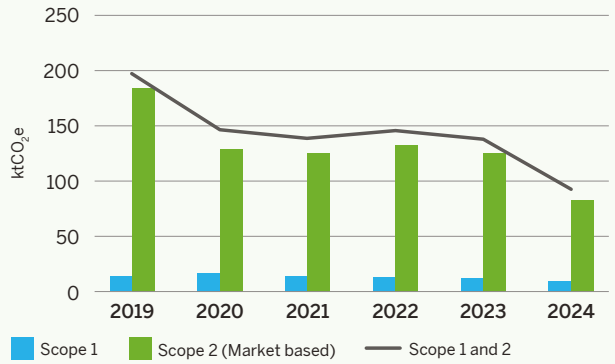
3. Our emission performance

Emissions to date (tCO_2e)	2019	2020	2021	2022	2023	2024
*Scope 1	12,965	17,112	13,966	12,996	12,242	9,444
Scope 2 (market based)	184,614	129,245	124,787	133,044	125,945	82,948
Scope 1 and 2 Total	197,579	146,357	138,753	146,040	138,187	92.392
Scope 1 and 2 reduction to baseline (2019)		-25.9%	-29.8%	-26.1%	-30.1%	-53.2%
**Scope 3 (Total)	260,895	193,178	248,124	262,472	323,845	231,159
Scope 3 (SBTi target)	250,477	193,178	248,111	253,025	311,805	224,140
Scope 3 % change to baseline (2019)		-22.9%	-0.9%	1.0%	24.5%	-10.5%

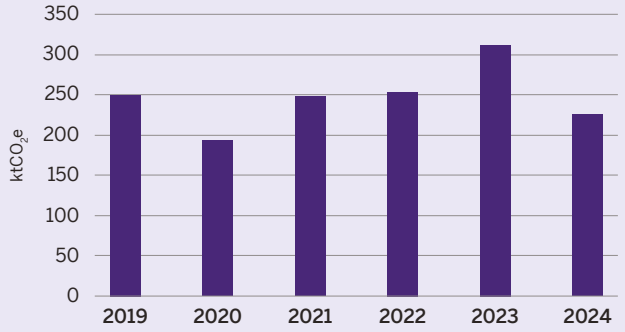
Scope 1 emissions 2019 – present (2024)



Scope 1 and 2 emissions 2019 – present (2024), market based



Scope 3 emissions 2019 – present (2024), SBTi target coverage



*Urenco have migrated to a new sustainability data platform in 2024. This highlighted minor errors and differences in conversion methodology which had a minor impact on our historic Scope 1 figures.

**Scope 3 total revised from figure published in the 2024 Annual Report due to discovery of a minor data error.

4. Reducing emissions: Scope 1 progress

In 2023, we set up three working groups to identify decarbonisation opportunities for our priority scope 1 emission sources:

- Natural gas
- Refrigerants
- Diesel

These emission sources are integrated into existing plant design, therefore the focus of these working groups was to evaluate how Urenco can reduce these emission sources' impact on the environment. These working groups completed the evaluation phases of their scope in 2023, and in Q1 2024, produced a feasibility report for each emission source, detailing opportunities to decarbonise our plants. Each of these feasibility reports was then used to develop a Net Zero Design Standard, a Urenco internal standard for plant design which identifies methods for reducing scope 1 emission sources. This standard was finalised for use in Q4 2024.

Natural gas

In 2024, the focus was on evaluating options to move plant processes away from natural gas use. Our Net Zero Design Standard defines a hierarchy approach for selecting heating sources. The main options being considered are for an internal heat network at our site in Almelo, and electrification of heating at the other sites. This includes the use of air source heat pumps for localised heating needs.

Refrigerants

Our main focus in 2024 was to prioritise the cooling systems that had high Global Warming Potential (GWP) units. GWP is a measure of a substances warming impact when compared to that of carbon dioxide. Carbon dioxide, therefore, has a GWP of 1 and is the reference for other substances to be measured against. Following the release of our Net Zero Design Standard, we aim to reduce GWP of any refrigeration system to no higher than 150 GWP, with a hierarchy approach to push for the lowest practicable GWP refrigerant to be used.

Diesel

For stationary generation plant assets, our solution is to replace diesel fuel with Hydrotreated Vegetable Oil (HVO). Sustainable HVO can reduce carbon dioxide equivalent emissions by up to 98% when compared to those of diesel, through re-absorption during the growth of these bio-fuels.

5. Reducing emissions: Scope 2 progress

In 2024 we took a large step towards our SBTi near term targets with our scope 2 actions. For Urenco, scope 2 sources are solely purchased electricity and our main mechanism for reducing the carbon emissions from this is through contractual arrangements.

Our UK site continues to operate on a nuclear backed electricity contract.

Our Dutch site signed a Power Purchase Agreement with the nuclear power plant Borssele, in the Netherlands. This will provide electricity from 2027 onwards.

Our site in the USA, in 2024, progressed with contractual negotiations for the commercially available Renewable Connect product from the state electricity provider in New Mexico, Xcel. This means that approximately 20% of total site electricity consumption will be provided by solar generation commencing in the latter part of 2025. Also agreed in 2024, to cover the remaining volume of electricity, the site will purchase Emission Free Energy Certificates (EFECs), backed from nuclear generation. This will commence from the start of 2026.

Our site in Germany, from the start of 2024, uses Guarantee of Origin (GO) certificates, from renewable sources.

These actions put us on track to reduce our scope 2 emissions to zero from 2027, ahead of our 2030 near term target.

We also have progressed with self generation assets, in the form of photovoltaic solar arrays, at Almelo, Eunice and Gronau in 2024. In 2024 Almelo completed its installation of a 0.5MW car port, combined with the 2.7MW rooftop array means a total of 3.2MW generation capacity. Gronau completed the construction of a 5.9MW ground mounted solar array with battery storage. Eunice installed its 0.5MW ground mounted solar array so that it can become ready to generate electricity for the site. At our Capenhurst site roof mounted solar arrays are being evaluated as part of building refurbishment projects.

6. Reducing emissions: Scope 3 progress

Emissions by reporting category (tCO_2e)	2019	2024	% Change
Category 1: Purchased goods and services	159,339	122,441	-23
Category 2: Capital goods	22,759	38,134	68
Category 3: Fuel and other energy	39,521	36,650	-7
Category 4: Upstream T&D	15,062	12,724	-16
Category 5: Waste generated in operations	396	982	148
Category 6: Business travel	3,155	5,232	66
Optional scope 3 emissions: Business travel (hotel stays)	3	268	8833
Category 7: Employee commuting	2,072	688	-67
Category 15: Investments	8,172	7,557	-8
Total Scope 3 (tCO2e)	**260,895**	**231,159**	-11
Total Scope 3 – SBTi near term target included categories only (tCO2e)	**250,477**	**224,140**	-10.5

* Spend method uses the economic value of purchased goods and services and multiplying this by an emission factor taken from a secondary source, such as an industry average.
Hybrid method uses a combination of supplier-specific data and secondary data to calculate emissions.

In 2024 we saw total scope 3 emissions fall by 11% compared to our baseline, with a total reduction of 10.5% for those categories included for our near term SBTi target. Whilst there were some significant changes to some categories, the most material impact has been from purchased goods and services. Our reporting methodology remains split between hybrid for our uranium purchasing and spend for our procurement based goods and services (which includes capital goods).* Refinements to the way our suppliers are categorised is likely to have been the biggest reason for this significant change in emissions, as our spending in 2024 has increased when compared to our 2019 baseline year. As a result of this, we are currently assessing the impact that these data refinements have on our baseline year emissions and we will evaluate whether a recalculation will be required. We will be doing this evaluation in 2025.

Whilst our capital goods emissions rose by 68% compared to our baseline, spending was substantially higher in this category. The data refinements in calculating emissions also affect category 2.