

# Preliminary Net-Zero Plan

February 24, 2024

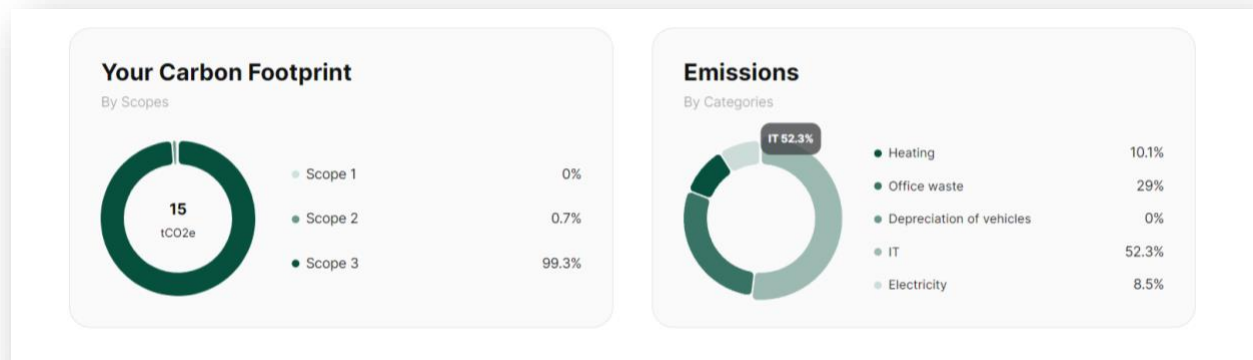
## Executive Summary

At Northern Energy Capital, we're committed to leading the way in transitioning to a low-carbon economy by empowering communities in their transition from fossil fuels to clean energy. Our 2023 GHG Plan has both immediate and long-term strategies to move towards net-zero emissions by 2050 in line with Canada's Net-Zero Challenge:

*"The Net-Zero Challenge encourages businesses to develop and implement credible and effective plans to transition their facilities and operations to net-zero emissions by 2050. Businesses around the world are transitioning to net-zero emissions."*

## 2023 Emissions Baseline Detail

With a total emission of 15 tCO<sub>2</sub>e primarily from Scope 3, our focus is on significantly reducing the emissions stemming from IT, office waste, and electricity, which form the core of our carbon footprint.



## Strategic Targets & Milestones

- Short-term (By 2030): Aim for a **25%** reduction in emissions below baseline by optimizing IT and office waste emissions, leveraging technology and innovation and the strategic use of offsets for residual emissions, if necessary to achieve the target.
- Medium-term (By 2040): Target a **35%** reduction in Scope 3 emissions, enhancing operational efficiency and embracing sustainable procurement and the strategic use of offsets for residual emissions, if necessary to achieve the target.
- Long-term (By 2050): Strive for **net-zero**, with a balanced approach of deep emissions cuts and the strategic use of offsets for residual emissions.

## Implementation Strategy

- IT Emissions: Utilize cloud computing and energy-efficient devices and emphasize and encourage a culture of sustainability across all operations.
- Waste Management: Implement robust recycling programs and reduce reliance on single-use products across the company.
- Sustainable Procurement: Select suppliers with a strong sustainability ethos, furthering our commitment to reducing emissions across the value chain.
- Acknowledge the challenges of shared heating in our office space, compensating through renewable energy certificates (RECs) or carbon offsets that benefit local projects.

## Monitoring, Reporting, and Verification (MRV)

- Adopt the GHG Protocol for yearly emissions tracking, ensuring transparency and accountability in our progress.

## Governance and Community Engagement

- Executive leadership and regular planning sessions led by our VP of Partnerships, this strategic integration will not only reduce our carbon footprint but also empower the remote, diesel-dependent communities and mines we work with.

## Conclusion

NEC's Net-Zero Plan, based on the 2023 emissions baseline, clearly outlines our path toward reducing our environmental impact. By focusing on actionable areas within our control and leveraging our unique position to assist remote communities and mines, we're dedicated to contributing meaningfully to global climate objectives and showcasing leadership in corporate environmental responsibility.

NEC's commitment to the Net-Zero Challenge emphasizes our dedication to aligning its operational and community-focused efforts with global standards for sustainability. This strategic alignment ensures that NEC not only meets its internal targets for reducing emissions but also contributes to the broader goals of the Net-Zero Challenge by fostering renewable energy transitions in remote, diesel-dependent communities and mines. Through actionable strategies, transparent reporting, and robust governance, NEC upholds its commitments to this challenge, setting a precedent for environmental leadership and community support in the pursuit of a net-zero future.

