



NQA's 'Net Zero Aligned' Service



April 2025

OUR PURPOSE

IS TO HELP
CUSTOMERS
DELIVER PRODUCTS
THE WORLD CAN

TRUST

NQA is a world leading
Certification and
Verification body with
global operations.

NQA specialises in
Certification and
Verification in
construction, high
technology and
engineering sectors.

nqa:



AMERICA'S NO.1

Certification body in
Aerospace sector

GLOBAL NO.1

Certification body in
telecommunications and
Automotive sector

TOP 3 IN THE UK

ISO 14064-1, Net Zero Aligned, PAS 2060
/ ISO 14068-1, PAS 2080, ISO 20121, ISO
26000, ISO 9001, ISO 14001, ISO 45001,
ISO 27001, ISO 50001 etc

GLOBAL NO.3

Certification body in
Aerospace sector

CHINA'S NO.1

Certification body in
Automotive sector

UK'S NO.2

Certification body in
Aerospace sector

INTRODUCTION TO STEPHEN BURT

Stephen Burt

Carbon & Sustainability Services Director



- Over 25 years' experience in carbon, net zero, energy and environmental management
- 15 years at NQA
- Chartered Environmentalist; BSc; MSc; PhD (net zero related, in progress), MIEMA
- Lead GHG Verifier (ISO 14064-1, ISO 14068-1, PAS 2060, PAS 2080)
- Lead Auditor (ISO 20121, ISO 14001, ISO 50001, ISO 9001, ISO 45001)
- Member of SES/1/7 and SES/1/1, developing ISO standards for GHG and environmental schemes



Learning Objectives

- 1. To gain an understanding of the context and background to companies making Net Zero commitments**
 - 2. To gain an understanding of the drivers for and the business benefits of making Net Zero commitments**
 - 3. To gain an understanding of NQA's 'Net Zero Aligned' service**
 - 4. To gain an overview of NQA's arrangements for 'Net Zero Aligned'**
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CONTEXT AND BACKGROUND





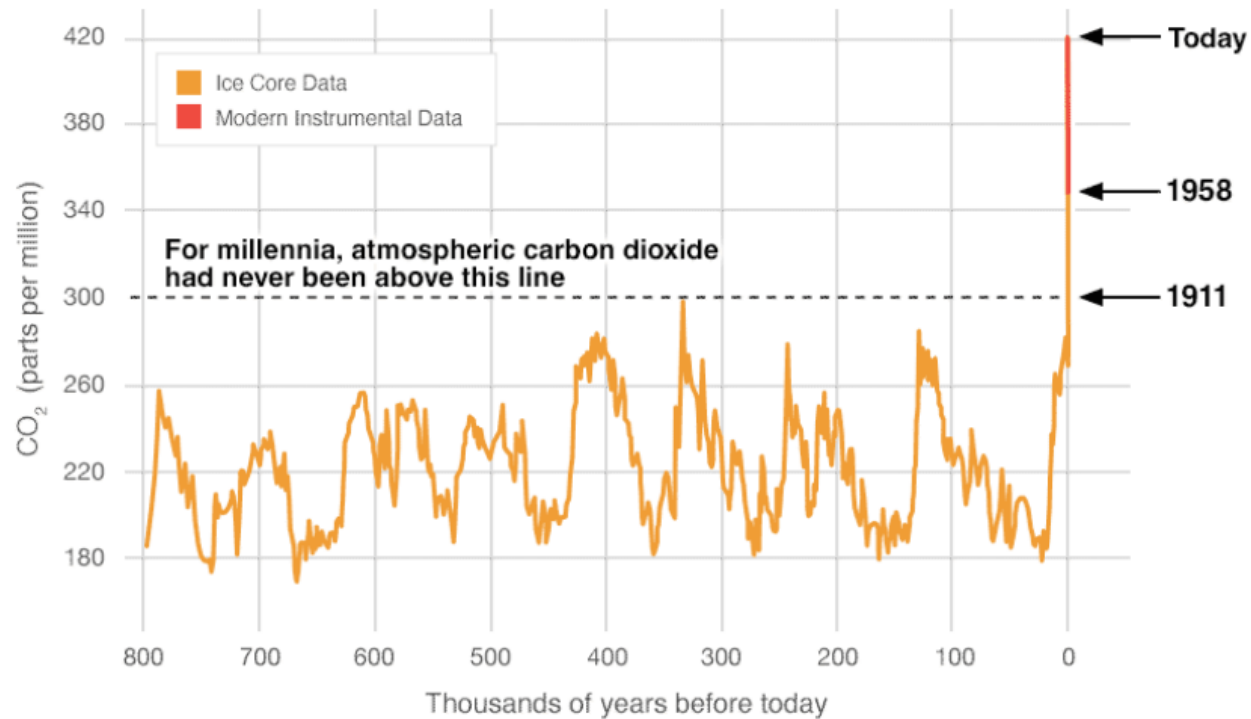
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GREENHOUSE GASES – HUMAN IMPACT

PROXY (INDIRECT) MEASUREMENTS

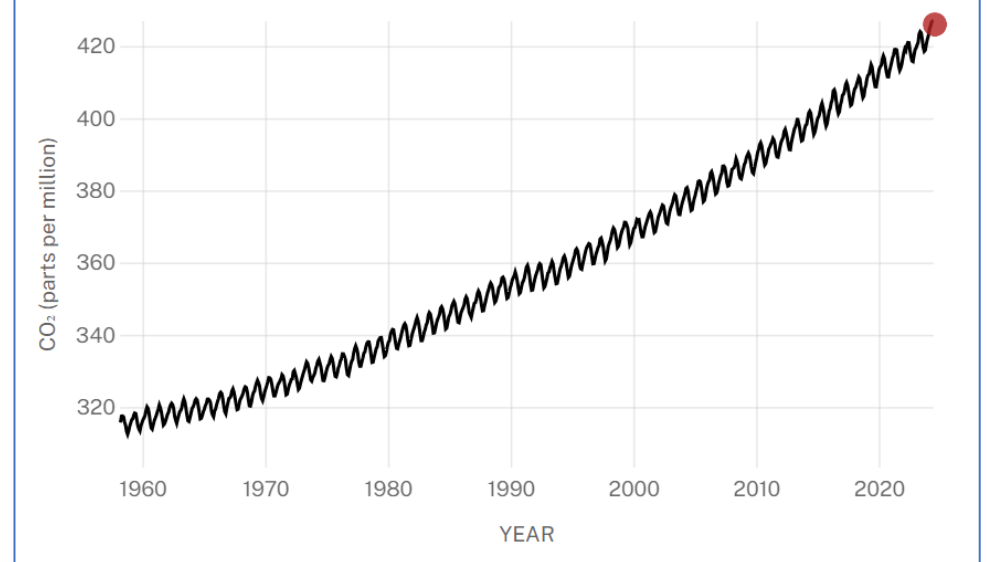
Data source: Reconstruction from ice cores.

Credit: NOAA



DIRECT MEASUREMENTS: 1958-PRESENT

Data source: NOAA, measured at the Mauna Loa Observatory



LATEST MEASUREMENT: March 2025

428 ppm

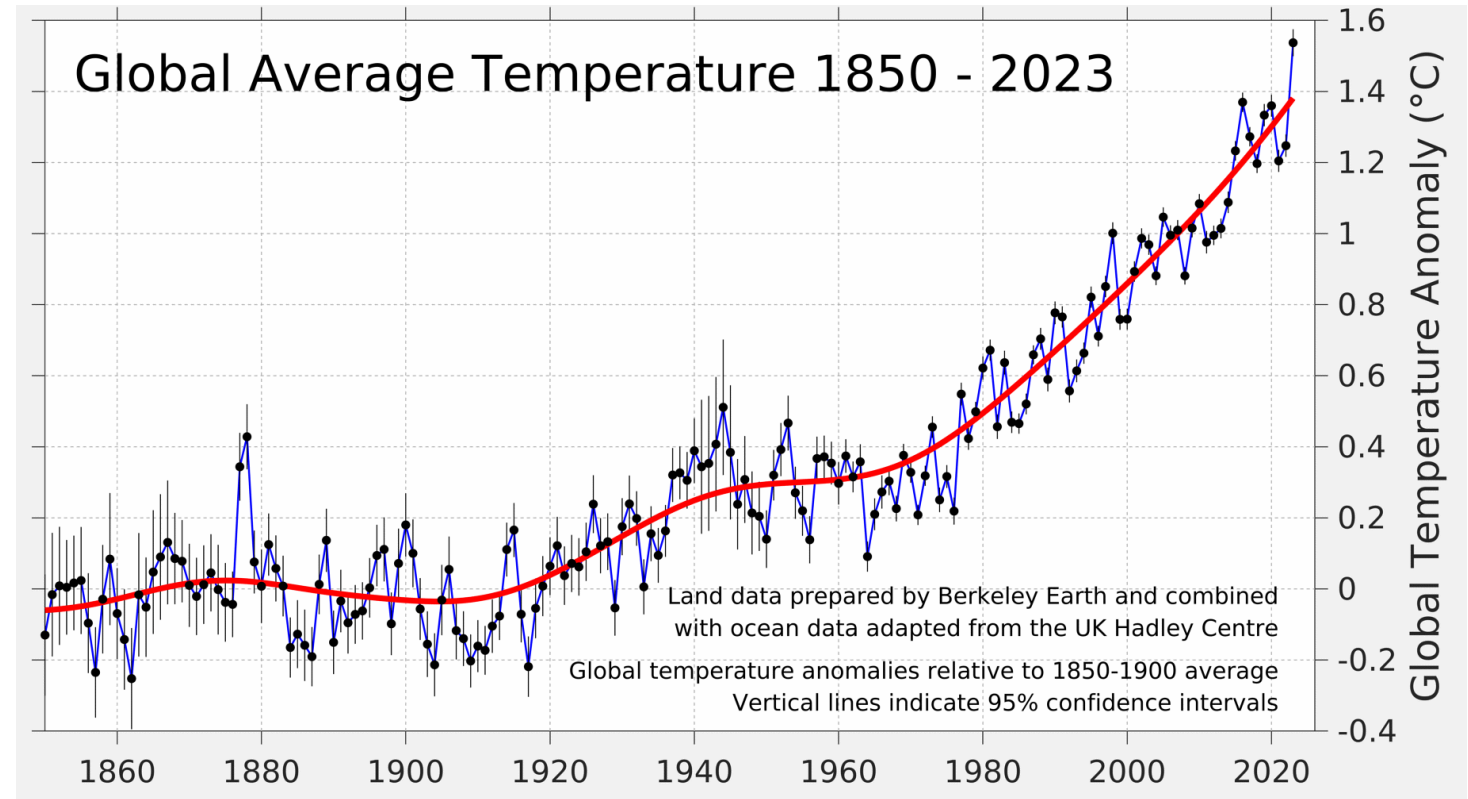
Source: <https://climate.nasa.gov/vital-signs/carbon-dioxide>

GREENHOUSE GASES – HUMAN IMPACT

The 'Paris Agreement': United Nations Framework Convention on Climate Change.

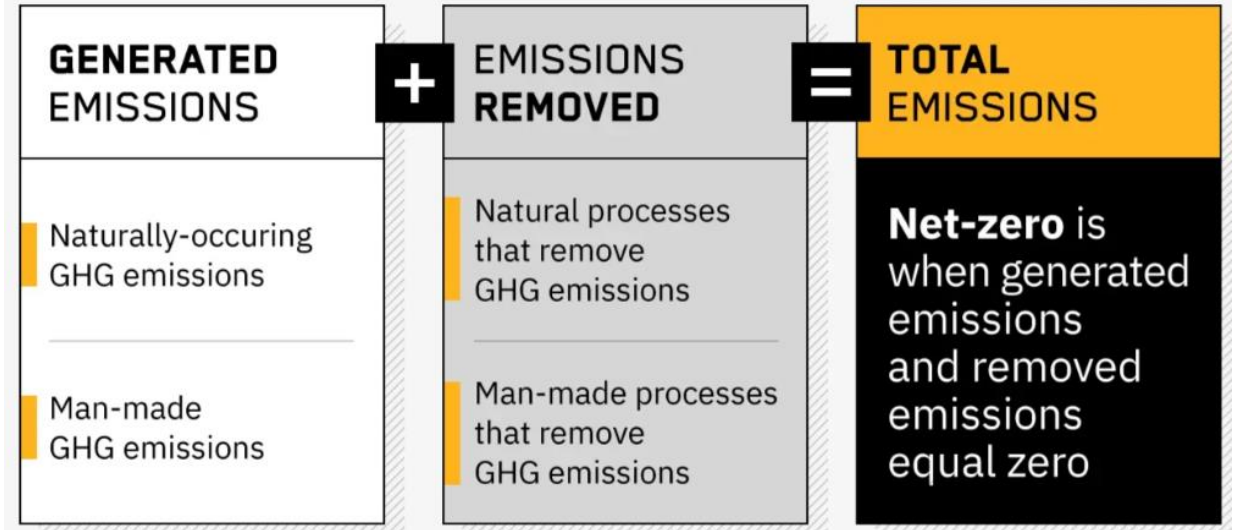
The overarching goal is to hold 'the increase in the global average temperature to well below 2degC above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5degC above pre-industrial levels.'

This is the 'Science-Based Target'.



WHY IS NET ZERO IMPORTANT?

- Scientists agree that the most critical issue facing our planet is climate change
- The UK Government has a statutory commitment to reach 'Net Zero' within national boundaries by 2050:
 - To limit global temperature increase, in keeping with Science Based Targets
 - As laid out in the UK Government Net Zero Strategy, 2021 and the Carbon Budget Delivery Plan, 2023



- For most UK companies and organisations, decarbonisation is currently being driven via:
 - To a lesser extent, various regulatory and policy changes
 - To a much greater extent, supply chain pressures and stakeholder expectations
- This is leading many companies to make public commitments to be Net Zero

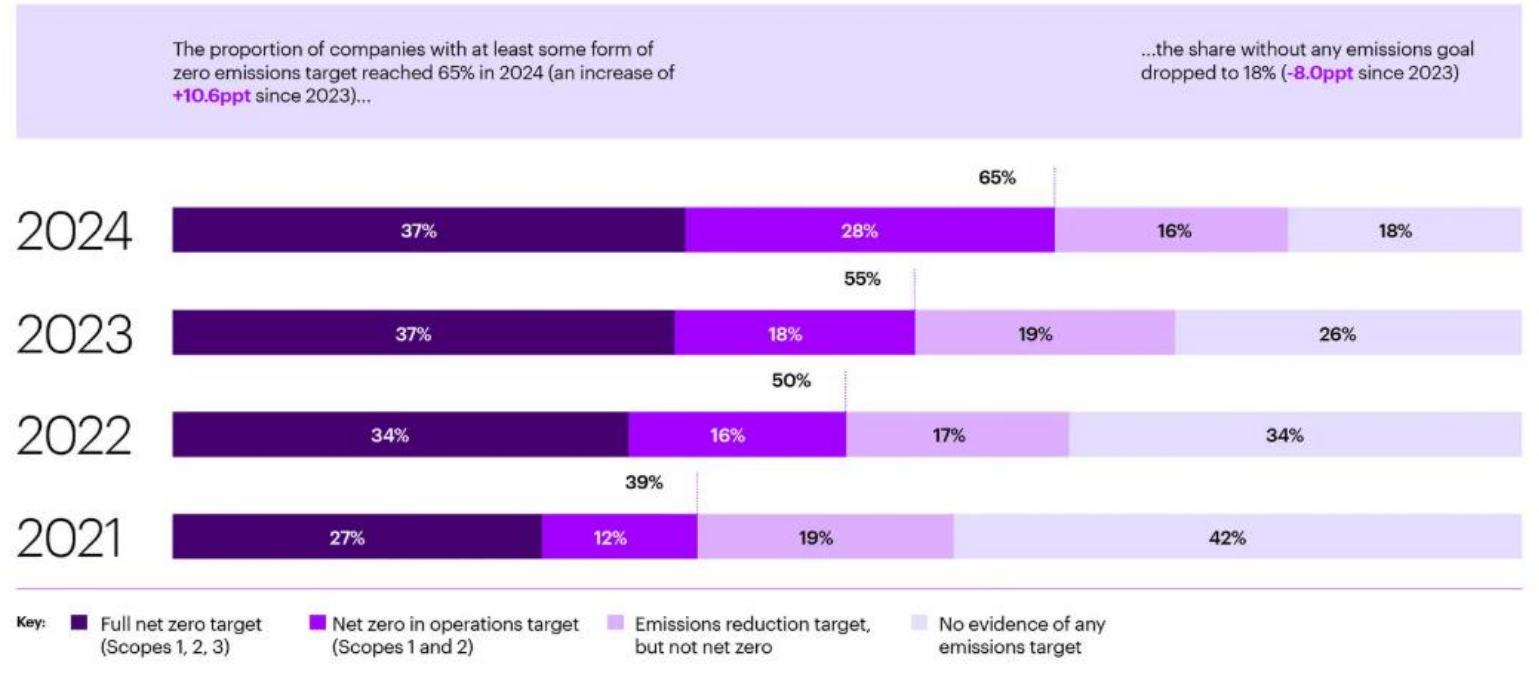
CORPORATE NET ZERO COMMITMENTS

According to Net Zero Tracker (zerotracker.net):

- Almost two-thirds (65%) of the annual revenue of the world's largest 2,000 companies is now covered by a net zero target
- However, only one in six (16%) of the world's largest 2,000 companies are currently on track to reach net zero emissions in their operations by 2050.

Despite net zero target-setting stalling, majority of companies have cut carbon emissions

Proportion of G2000 companies with different types of target, 2021-2024, %





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CORPORATE NET ZERO COMMITMENTS

According to Net Zero Tracker

(zerotracker.net):

- 82 of these companies are UK based and have set net zero targets. Of these:
 - 8 (10%) have a suitably detailed plan to achieve their target
 - 49 (60%) have a partially detailed plan to achieve their target
 - 25 (30%) have no detailed plan to achieve their target

NAME ↑↓	COUNTRY ↑↓ GBR ▾	SECTOR ↑↓ All ▾	PRIVATE? ↑↓ All ▾	ANNUAL REVENUE ↑↓	TARGET YEAR ↑↓ All ▾	TARGET TYPE ↑↓ All ▾	END TARGET STATUS ↑↓	INTERIM TARGET ↑↓ All ▾	DETAILED PLAN ↑↓	REPORTING MECHANISM ↓	SCOPE 3 COVERAGE ↑↓	CARBON CREDITS ↑↓
RSA Insurance Group	GBR	Services	No	\$8bn	2050	Net zero	In corporate strategy	2030	●	●	●	●
Ashtead	GBR	Services	No	\$9bn	2030	Emissions intensity target	In corporate strategy	2024	●	●	●	●
Rolls-Royce	GBR	Manufacturing	No	\$17bn	2050	Net zero	In corporate strategy	2030	●	●	●	●
National Grid	GBR	Infrastructure	No	\$21bn	2050	Net zero	In corporate strategy	2030	●	●	●	●
Barratt Developments	GBR	Infrastructure	No		2040	Net zero	Declaration / pledge					
INEOS	GBR	Materials	Yes	\$19bn	2050	Net zero	In corporate strategy	2030	●	●	●	●
Asda	GBR	Retail	Yes	\$23bn	2040	Net zero	In corporate strategy	2025	●	●	●	●
Ernst & Young	GBR	Services	Yes	\$40bn	2050	Net zero	In corporate strategy	2030	●	●	●	●
PricewaterhouseCoopers	GBR	Services	Yes	\$45bn	2030	Net zero	In corporate strategy		●	●	●	●

BENEFITS OF CORPORATE NET ZERO TARGETTING

The benefits for companies and organisations to quantify, report and manage their GHG Emissions against a Science Based Net Zero Target can be summarised as follows:

- Improved competitive advantage
- Reduced risks, including through supply chains
- Policy and regulatory compliance
- Environmental improvement and long-term business sustainability





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CORPORATE NET ZERO REPORTING

Other than the Net Zero Tracker website, there is often a lack of transparency or accountability for any companies reporting their progress against their net zero targets.

This is despite it being a major stakeholder (including customer supply chain pressure) requirement in tenders and related reporting.

There are several, sometimes costly, schemes available for providing assurance of a company's journey to net zero. These services generally involve:

- Verifying a company's greenhouse gas (GHG) emissions, their net zero targets and progress
 - Often focussed on Scope 1 (direct) and Scope 2 (energy indirect) GHG emissions only, or with only some, but not all, applicable Scope 3 (Indirect) GHG emissions being included
 - The company often simply submits their GHG data for verification via a portal
 - Often no site visits are undertaken as a part of the verification process
 - No UKAS Accreditation being held for the GHG verification
 - The work is often undertaken to the scheme's own internal standard, not to ISO standards, including for the competency of the verifiers undertaking the work
-

CORPORATE NET ZERO REPORTING

So, there is a lack of availability of a mechanism to provide assurance against a company's net zero targets and their progress against those targets which is fully:

- Credible
- Robust
- Transparent
- Independent
- Impartial
- Objective
- Available via a formal Verification / Certification Body
- UKAS Accredited (partly)
- ISO based
- Undertaken to ISO competency requirements



What can be done about this.....?



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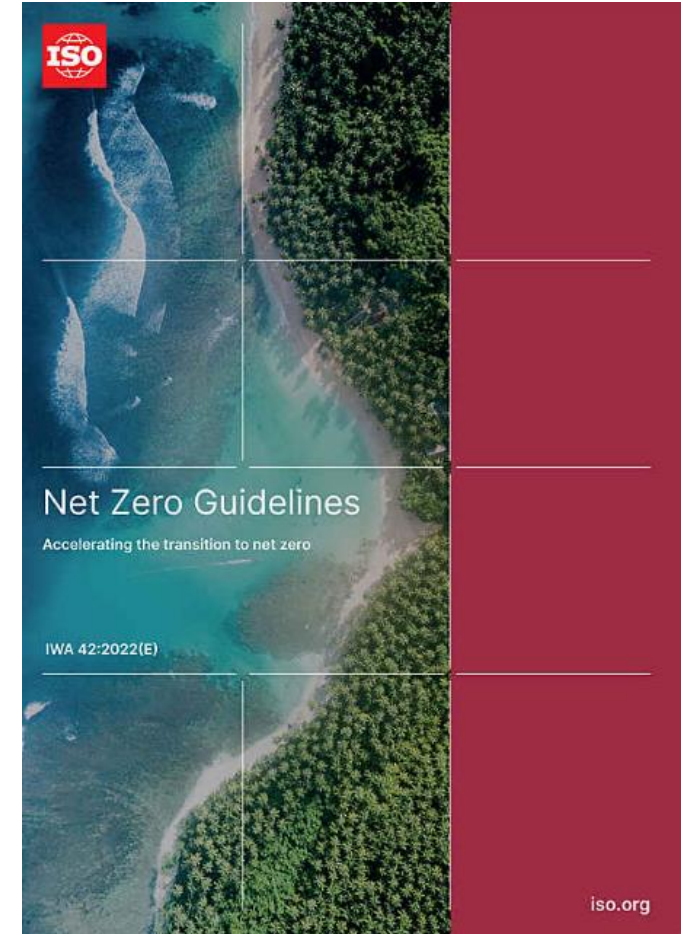
NQA'S NET ZERO ALIGNED SERVICE

NQA's NET ZERO ALIGNED SERVICE

The name 'Net Zero Aligned' is intentional:

- ISO will launch the world's first ISO standard for demonstrating alignment to net zero, expected in 2026:
 - ISO 14060: Net Zero Aligned Organisations

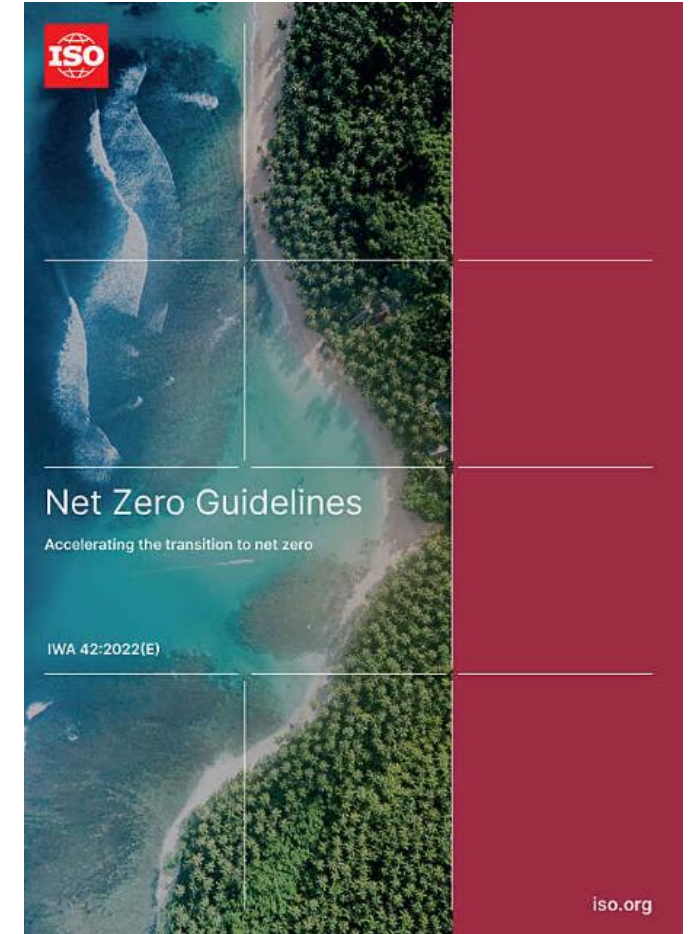
ISO 14060 will be based on ISO's existing document:
IWA 42: Net Zero Guidelines.



NQA's NET ZERO ALIGNED SERVICE

ISO's IWA 42: ISO Net Zero Guidelines:

1. Establish Scope 1, 2 and 3 GHG baseline emissions within boundary (ISO 14064-1 for GHG quantification)
2. Establish a science-based pathway to net zero targets
3. Establish a mitigation plan
4. Counterbalance with high-quality GHG removals
5. Measure and monitor
6. Communicate and report
7. Improve



NQA's NET ZERO ALIGNED SERVICE

NQA's Net Zero Aligned is a two-phase process:



- **Phase 1:** UKAS Accredited **Verification** to:
 - **ISO 14064-1** (Quantification and Reporting of GHGs) **OR**
 - **ISO 14068-1** (Transition to Net Zero - Carbon Neutrality)
 - Provides an independently verified GHG baseline to align to net zero targets
 - Existing or new ISO 14064-1 or ISO 14068-1 companies verified by a UKAS Accredited Verification Body such as NQA may usually **proceed directly to Phase 2**
 - This Phase will result in an ISO 14064-1 or ISO 14068-1 **Verification Opinion Statement**.
- **Phase 2: Certification** Audit for Net Zero Alignment:
 - Certification assessment against **ISO's IWA 42** (Net Zero Guidelines) to confirm that the organisation is on track to meet its net zero goals
 - Evaluation of progress against science-based targets and reduction milestones
 - Phase 2 audits are **dependent on and will follow on after** continued **annual** Verification to ISO 14064-1 / ISO 14068-1, and therefore may only proceed where that is the case
 - This Phase will result in a NQA 'Net Zero Aligned' **Certificate**

NQA's NET ZERO ALIGNED SERVICE

NQA's Net Zero Aligned has the following benefits:

- **Future-Proofing:** prepares the company for the forthcoming ISO 14060 standard
- **Technical Credibility:** backed by globally recognised ISO standards, ensuring that both the client's carbon footprint and their net zero alignment are measured accurately and transparently
- **Market Leadership:** competitive advantage by demonstrating and proving real and accountable progress toward net zero
- **Stakeholder Confidence:** demonstrates accountability and integrity to investors, customers, and regulators
- **Strategic Insight:** identifies gaps and opportunities in the client's net zero strategy through expert analysis and recommendations





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FURTHER INFORMATION AND SUPPORT





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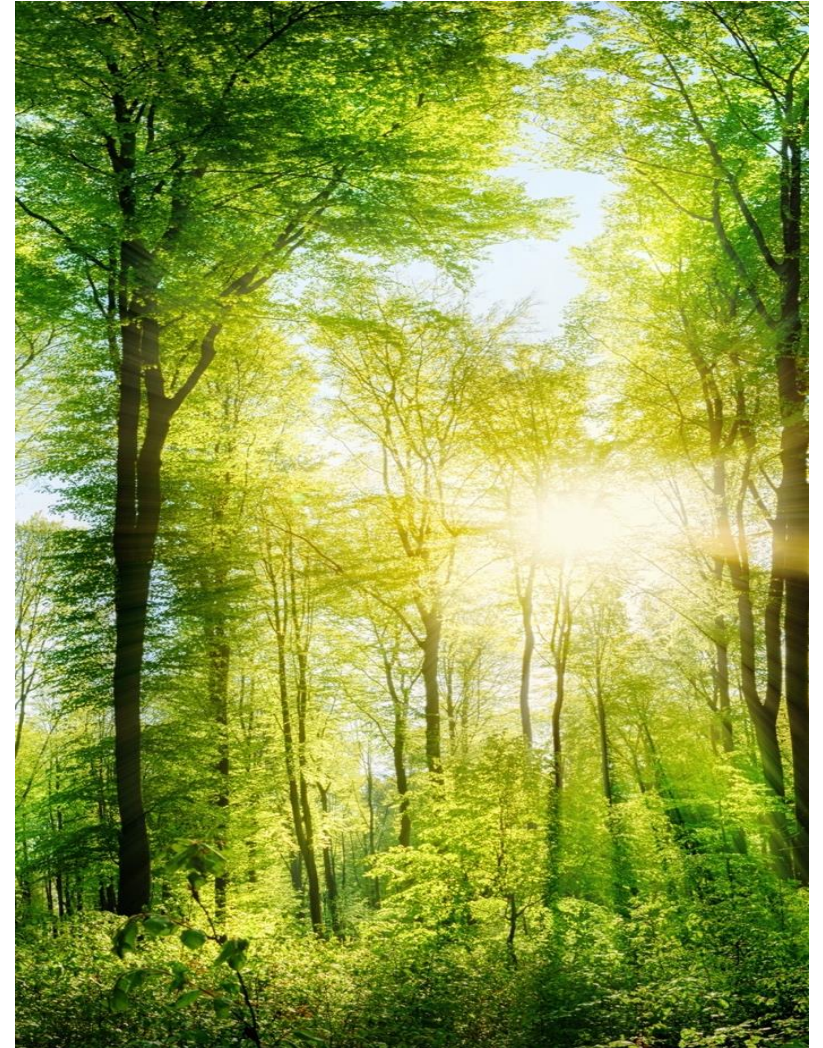
FURTHER INFORMATION AND SUPPORT

Support

Tools and Resources:

- ❖ NQA sustainability website
- ❖ Blogs and quick reads
- ❖ Factsheets
- ❖ Webinars
- ❖ Case studies
- ❖ Associate Partner Programme

<https://www.nqa.com/en-gb/sustainability/net-zero-aligned>





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Q&A





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THANK YOU

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