

Our journey to net zero

Status Update September 2023

Addressing carbon emissions is one of society's most pressing challenges. Committed to making a positive impact, u-blox is ensuring transparency in its CO₂ footprint, seizing reduction opportunities, setting firm targets, and consistently communicating its advancements.

As highlighted in the [u-blox 2022 Sustainability Report released in April 2023](#), u-blox is refining its climate strategy with an aim to cut its CO₂ emissions by 2030 and attain net zero by 2050.

So where does u-blox currently stand?

Our initial step involved quantifying our CO₂ footprint for 2022, establishing a baseline to better understand our position and to identify the primary contributors to our emissions.

While the 2022 Sustainability Report detailed our Scope 1 & 2 emissions, the Scope 3 calculations were ongoing. We have since finalized these calculations, providing us with our first comprehensive emissions overview.

Our greenhouse gas (GHG) emissions are categorized into three scopes, adhering to the globally recognized [Greenhouse Gas Protocol standards](#):

- **Scope 1 emissions** are derived from company-owned and managed sources, like diesel for cars.
- **Scope 2 emissions** originate indirectly from our purchase of energy, such as electricity, at our sites.

For these emissions, data on specific resource consumption and energy acquisitions were vital. This data was gathered using templates completed by site managers at u-blox's major facilities (>50 employees).

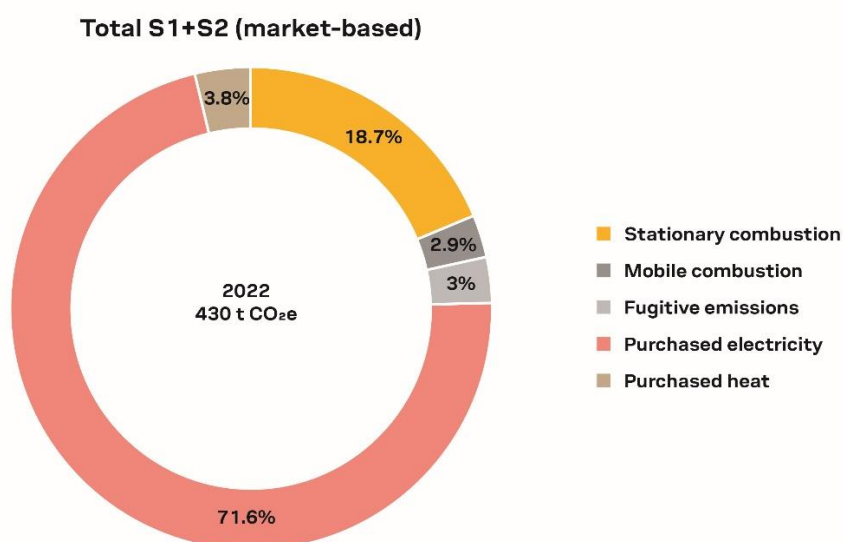
- **Scope 3 emissions** cover all other indirect emissions beyond Scope 2 and arise from u-blox's broader value chain.

This includes emissions linked to both upstream and downstream operations of u-blox. Of the GHG Protocol's 15 Scope 3 categories, we focused on categories 1-7 as they relate to operations we have better insight into, such as goods production, goods purchasing, and business travel.

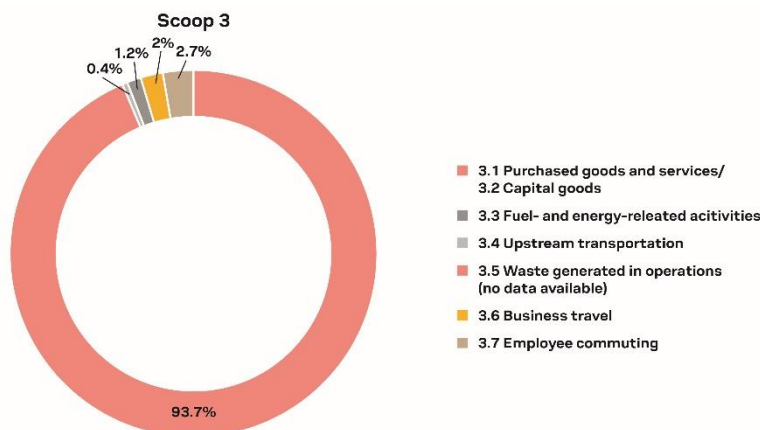
We employed specialized tools to convert purchase data into footprint metrics and used the Scope 3 Analyzer for category 3.7 (employee commuting).

Here's a breakdown of our CO₂e calculations:

in t CO ₂ e/ year	2022
Scope 1 direct emissions	106
Scope 2 energy indirect emissions - market-based method	324
Scope 2 energy indirect emissions - market-based method	314
Scope 3 other indirect emissions	68'058
3.1 Purchased goods and services/ 3.2 Capital goods	63'779
3.3 Fuel- and energy-related activities	302
3.4 Upstream transportation	828
3.5 Waste generated in operations	Not data available
3.6 Business travel	1'331
3.7 Employee commuting	1'818
Total (market-based)	68'488
Total (location-based)	68'478



Energy-related emissions can be calculated in two ways: **location-based** and **market-based**, with the latter seen as more accurate. The market-based method evaluates emissions from specific utilities providing u-blox with energy, taking into account their renewable energy mix.



u-blox's CO₂ Footprint Overview

In 2022, our total carbon footprint was recorded at **68,488 tonnes of CO₂**. Interestingly, our direct and indirect emissions (Scope 1 and 2) make up less than 1% of our overall carbon footprint.

So where does the other 99.3% come from?

Primarily from Scope 3, which includes processes like raw material extraction, manufacturing, and production, emphasizing manufacturing's significant role.

Scope 1 and 2:

Our Scope 1 is minimal as we don't directly manufacture. Our Scope 2 is deemed average due to several u-blox sites utilizing renewable energy sources.

Scope 3:

Major contributors include material costs for wafer, chipset, module, and component production, along with associated transportation costs (**purchased goods and services**).

Data collection process

The task of gathering accurate data was intricate and rigorous. Our environmental team relied on templates filled out by site managers at u-blox's primary sites (>50 employees) and consolidated data from our finance and logistics teams.

Carbon reduction strategy workshop series: Q3 and Q4 2023

Our imminent goals are to clarify our carbon reduction strategy, identify carbon reduction opportunities, and set our reduction targets. This will be achieved through workshops in Q3 and Q4 2023, facilitated by an (leading) external sustainability consultancy.

Available for our investors: Q4 2023

Our finalized carbon reduction strategy will emerge after the Q3 and Q4 2023 workshops and will be accessible to our investors latest March 2024.

We're eager to present a clear path to reduce our CO₂ emissions by 2030 and reach net zero by 2050. We are also prepared to address any further queries you might have.