

Sustainability Benchmarking Report

FY24 to FY25 · Greenhouse-gas emissions in focus, with Scope 3 category depth, industry leader comparison, and entity-level deep-dives

Prepared for Northgate Industrial Ltd

2

Reporting entities (Manchester & Bremen)

545

FTEs across Northgate operations

RELEVANT KEY ESG PROPRIETARY BENCHMARK

819

Small-cap companies in the EMEA & North America peer universe

173

Small-cap Industrials-sector companies in the EMEA & North America subset

What's in this report

- 1 Reporting summary**
Framework, metric coverage, platform users and engagement

- 2 FY24 to FY25 year in review**
Headline emissions and revenue intensity movements

- 3 Year-on-year performance**
Northgate's revenue intensity movement, FY24 to FY25

- 4 Scope 3 category breakdown**
Where upstream and downstream emissions sit, against peer reporting patterns

- 5 How companies submit their carbon data**
Category-level versus total-only reporting in the peer universe

- 6 Peer benchmarking, EMEA and North America small-cap**
Northgate versus the broader small-cap peer median

- 7 Peer benchmarking, Industrials sector subset**
Like-for-like benchmark against the Industrials subset

- 8 Entity deep-dives**
Benchmark snapshots for Northgate's two reporting entities

- 9 Social and governance metrics**
Board diversity, workforce representation and gender pay gap

- 10 Industry leaders in Industrial Manufacturing**
Targets and decarbonisation practices from five listed leaders

- A Appendix: Methodology and data sources**
Data sources, collection, standardisation, quality assurance, limitations

SECTION 1

Reporting summary

This section summarises how Northgate engaged with the KEY ESG platform during this reporting cycle: the framework applied, the breadth of metrics captured, and the level of platform activity across Northgate's two reporting entities.

REPORTING STRUCTURE

1 organisation, 2 entities

Northgate Industrial Ltd reports at group level, with two operating entities: Heating & Cooling Solutions (Manchester, UK) and Industrial Power Equipment (Bremen, DE). Both entities submitted full Scope 1, 2 and 3 data for FY24; partial FY25 data was available at the time of analysis. 100% sign-off on FY24.

FRAMEWORKS REPORTED

3 frameworks

- **Carbon:** Scope 1, 2 and 3 across the GHG Protocol
- **EDCI:** ESG Data Convergence Initiative core metric set, the emerging private-equity industry standard for LP-GP reporting
- **Additional ESG metrics:** Northgate-specific extensions configured on the platform

STANDARD METRICS

142 metrics across 9 groups

- **Environmental (5 groups):** GHG emissions, energy, water, waste, biodiversity
- **Social (2 groups):** workforce and diversity, health & safety
- **Governance (1 group):** board composition, anti-corruption, ethics
- **General (1 group):** company profile, revenue and FTE

CUSTOM METRICS

209 custom metrics

Northgate-specific metrics configured beyond the standard set. Used to track operational KPIs (energy use per production line, scrap rate, on-site waste streams), product-level emissions, and sector-specific commitments relevant to industrial manufacturing.

PLATFORM USAGE AT A GLANCE

USERS

5 users

Sustainability lead, Group Finance, Operations Director, plus one user per operating entity.

ACTIVE IN LAST 90 DAYS

80%

4 of 5 users logged in within the last 90 days, above the 61% average across the broader KEY ESG client base.

ENTITIES TRACKED

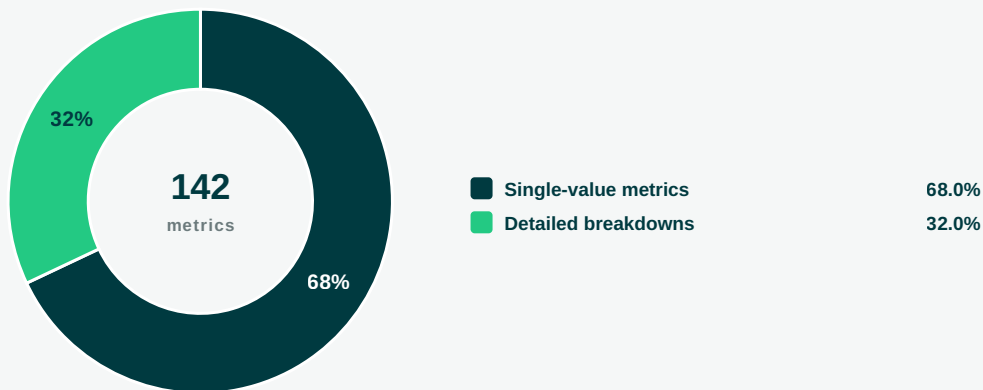
12 entities

Group level + 2 operating entities + 9 sub-units (production lines, sales offices, warehouses) configured for granular emissions reporting.

Platform activity across Northgate

Two measures of engagement help interpret data quality across Northgate: how actively each company's users engage with the platform, and the level of detail their submissions provide. Both drive how confident we can be in the figures that follow.

REPORTING DEPTH ACROSS NORTHGATE



Across 142 metrics, around two-thirds are reported as single values (for example a total Scope 1 figure or total headcount), and one-third are reported as detailed breakdowns where companies submit multiple data points per metric (for example Scope 3 split by category, or workforce split by country and contract type). A higher share of detailed breakdowns indicates richer underlying data and stronger benchmarking confidence.

Reporting depth observations:

- **Detailed breakdowns are concentrated in a subset of Northgate.** Three of the ten companies report a high share of detailed breakdowns, providing rich underlying data for category-level benchmarking. The remainder rely more on single-value submissions, which is appropriate for smaller operational footprints.
- **Highest-depth categories** are GHG emissions (Scope 3 broken into categories), workforce (split by country, contract type and seniority) and governance (broken into board composition, ethics training and policies). These are also the categories where peer benchmarking carries the most signal.
- **Single-value categories** dominate health and safety reporting, biodiversity and some governance KPIs (e.g. anti-corruption training completion). This is consistent with peer practice for early-stage reporting in these areas.
- **Reporting cadence** is monthly for most companies on emissions and quarterly on social and governance metrics. A reliable foundation for year-on-year comparability.

SECTION 2

FY24 to FY25 year in review

FY24 TO FY25 DIRECTION

Revenue intensity improved on all three scopes; absolute emissions declined on Scope 1 and Scope 3, Scope 2 rose on a market-based basis

Figures cover Northgate Industrial Ltd at group level (consolidated across both reporting entities). FY24 is the baseline year with full Scope 1, 2 and 3 disclosure; FY25 reflects partial-year data at the time of analysis.

TOTAL SCOPE 1 EMISSIONS

-41.9%

319 → 185 tCO₂e

TOTAL SCOPE 2 (MARKET-BASED)

+7.7%

217 → 233 tCO₂e

TOTAL SCOPE 3 (MARKET-BASED)

-35.5%

12,654 → 8,160 tCO₂e

SCOPE 1 REVENUE INTENSITY

-65.0%

4.0 → 1.4 tCO₂e per million revenue

SCOPE 2 REVENUE INTENSITY (MARKET-BASED)

-71.8%

3.9 → 1.1 tCO₂e per million revenue

SCOPE 3 REVENUE INTENSITY (MARKET-BASED)

-6.3%

177.5 → 166.4 tCO₂e per million revenue

KEY OBSERVATIONS

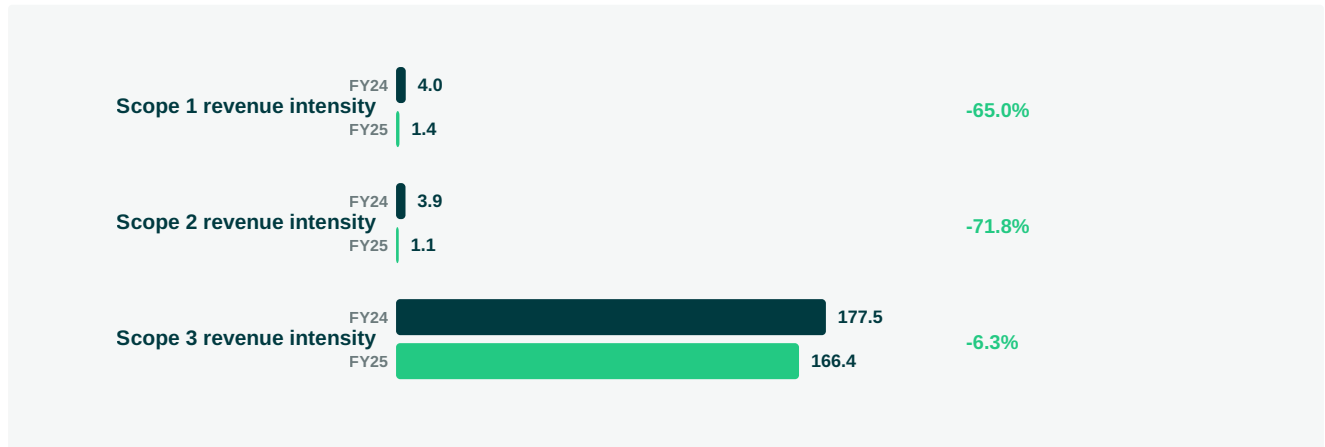
- **Scope 3 dominates the footprint.** On a market-based basis, Scope 3 represents roughly 96% of the FY24 group total, consistent with industrial manufacturers where supplier emissions and product use-phase emissions structurally outweigh on-site emissions.
- **Absolute emissions declined on Scope 1 and Scope 3.** Scope 1 fell from 319 to 185 tCO₂e (-41.9%) and Scope 3 market-based from 12,654 to 8,160 tCO₂e (-35.5%). Scope 2 market-based rose from 217 to 233 tCO₂e (+7.7%).
- **Revenue intensity improved on all three scopes.** Scope 1 intensity fell by 65%, Scope 2 market-based intensity by 72%, and Scope 3 market-based intensity by 6% between FY24 and FY25.
- **Scope 2 market-based direction differs from location-based.** Scope 2 declined on a location-based basis but rose on a market-based basis, pointing to changes in renewable-instrument coverage at one of the two operating sites.
- **Industrial-manufacturing peer set is the closer reference.** Both reporting entities operate in industrial manufacturing sub-sectors (Building Products & Equipment in Manchester, Specialty Industrial Machinery in Bremen). The Industrials peer subset is used as the closer benchmark in Section 7.

SECTION 3

Year-on-year performance

This section compares Northgate's year-on-year revenue intensity on a market-based basis. Revenue intensity is used throughout this report because it normalises for changes in business activity and is directly comparable against the peer benchmarks and the listed industry leaders referenced in Section 10.

REVENUE INTENSITY (TCO₂E PER MILLION UNITS OF REVENUE)



METRIC	FY24	FY25	YOY
Scope 1 revenue intensity	4.0	1.4	-65.0%
Scope 2 market-based revenue intensity	3.9	1.1	-71.8%
Scope 3 market-based revenue intensity	177.5	166.4	-6.3%

How to read this: revenue intensity is tonnes CO₂e per million units of revenue across Northgate's group operations. Scope 3 dominates the three-scope picture because it typically represents more than 90% of an industrial manufacturer's footprint. The same conclusion holds on both a revenue-intensity and an absolute basis.

SECTION 4

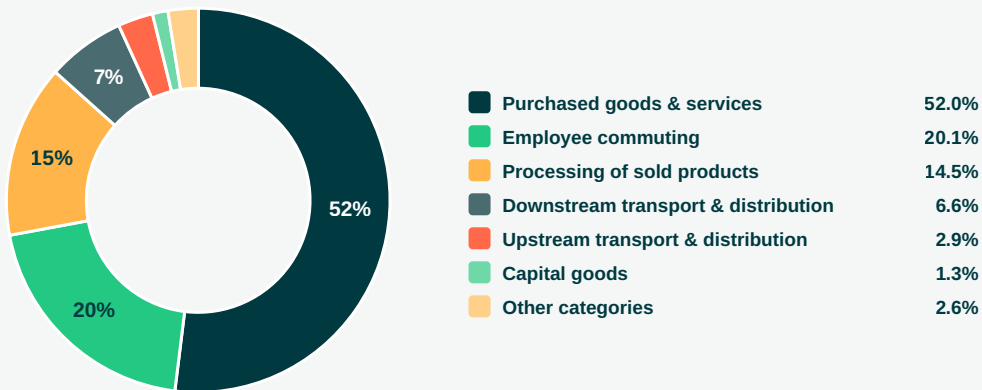
Scope 3 category breakdown

Scope 3 accounts for the majority of Northgate's footprint, so the sub-category breakdown matters. Northgate's reporting covers 10 of the 15 GHG Protocol Scope 3 categories. The chart below shows where Northgate's emissions sit; the table that follows places those category shares against Industrials-sector peers from the KEY ESG benchmark dataset.

INTRODUCING THE PEER BENCHMARK

From this section onwards, Northgate's data is shown alongside **KEY ESG's proprietary small-cap emissions dataset**, which covers 791 companies headquartered across EMEA and North America. The Industrials-sector subset used as the closer reference point throughout this report covers 173 companies in industrial manufacturing, machinery, electrical equipment and adjacent sub-sectors. Peer figures are sourced from public corporate disclosures (sustainability reports, CSRD/ESRS filings, regulatory registries) and standardised against the GHG Protocol; full methodology is set out in the appendix.

NORTHGATE SCOPE 3 SPLIT BY CATEGORY (FY24, MARKET-BASED)



Shares calculated from across Northgate operations. Categories are ordered by contribution. Values less than 1% are grouped as "Other categories".

CATEGORY-LEVEL COMPARISON: NORTHGATE VERSUS INDUSTRIALS PEER REPORTING RATES

SCOPE 3 CATEGORY	NORTHGATE SHARE	STATUS	PEER REPORTING RATE	PEERS REPORTING
1. Purchased goods & services	52.0%	Reported	55%	n=94
2. Capital goods	1.3%	Reported	42%	n=73

SCOPE 3 CATEGORY	NORTHGATE SHARE	STATUS	PEER REPORTING RATE	PEERS REPORTING
3. Fuel & energy-related	0.8%	Reported	50%	n=86
4. Upstream transport & distribution	2.9%	Reported	41%	n=71
5. Waste generated in operations	0.2%	Reported	49%	n=85
6. Business travel	0.6%	Reported	59%	n=101
7. Employee commuting	20.1%	Reported	46%	n=79
8. Upstream leased assets	0.9%	Reported	12%	n=20
9. Downstream transport & distribution	6.6%	Reported	28%	n=49
10. Processing of sold products	14.5%	Reported	3%	n=6
11. Use of sold products	—	Not reported	26%	n=44
12. End-of-life of sold products	—	Not reported	24%	n=41
13. Downstream leased assets	—	Not reported	8%	n=14
14. Franchises	—	Not reported	2%	n=3
15. Investments	—	Not reported	9%	n=15

Northgate share is this category's contribution to Northgate's reported Scope 3 total. Peer reporting rate is the percentage of the 172 Industrials-sector companies in the EMEA and North America small-cap dataset that disclose this Scope 3 category for FY24.

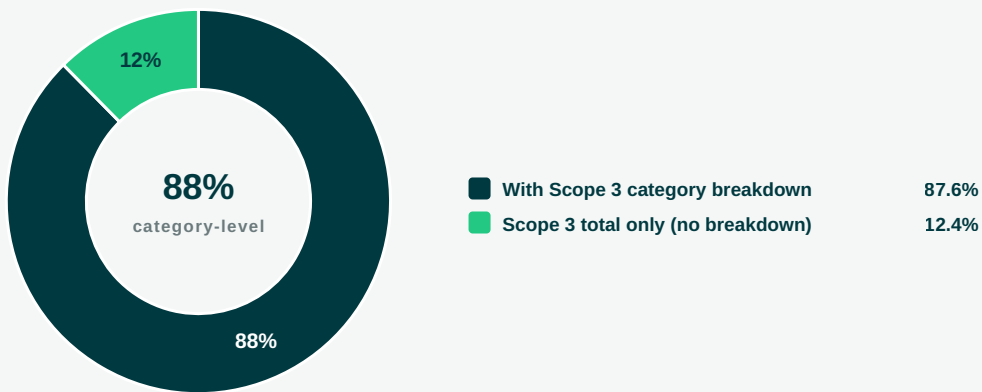
Reading this:

- **Category 1 (Purchased goods & services)** is the largest bucket for Northgate at around 52% of Scope 3, and is reported by 55% of Industrials peers.
- **Category 7 (Employee commuting)** is disproportionately large at 20% of Northgate's Scope 3, versus an industry-wide median of well under 1%; this likely reflects estimation methodology differences and warrants review.
- **Category 11 (Use of sold products)** is reported by 26% of Industrials peers but is not yet in Northgate's reporting set. For industrial products with energy-using use phases (appliances, personal care) this is typically one of the largest categories and is the single most common gap in early-stage Scope 3 reporting.
- **Categories 13, 14, 15** (leased assets, franchises, investments) are reported by fewer than 15% of Industrials peers and are unlikely to be material for the Northgate.

How companies submit their carbon data

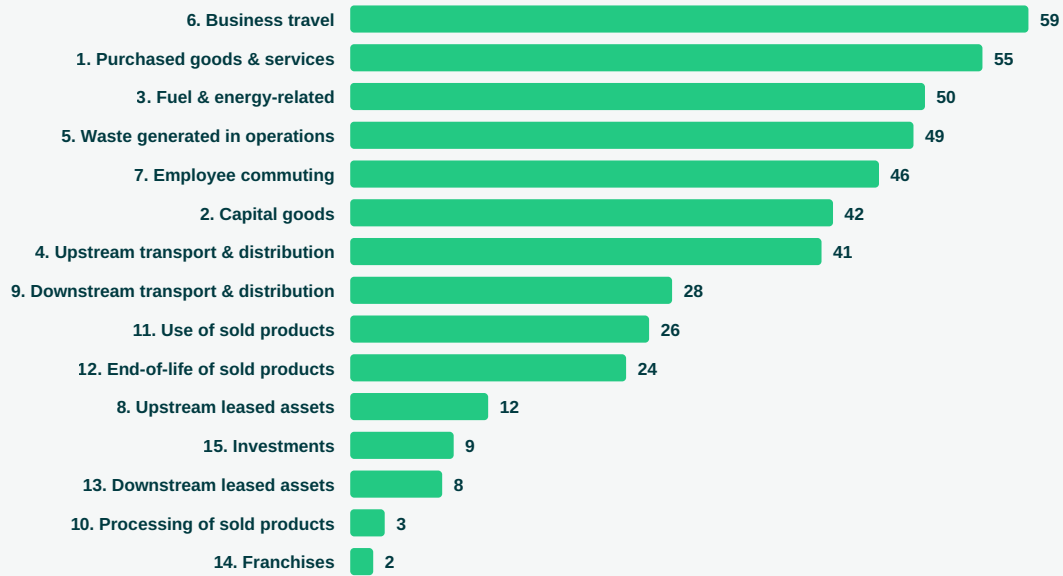
Carbon disclosures vary widely in depth. At one end, companies publish a single Scope 3 total; at the other, they break Scope 3 down across the 15 GHG Protocol categories. Category-level reporting is far more useful for benchmarking and decarbonisation planning because it identifies the largest emission buckets. The charts below show the depth of Scope 3 reporting across Industrials-sector peers in the EMEA and North America small-cap dataset.

DEPTH OF SCOPE 3 REPORTING AMONG INDUSTRIALS PEERS (FY24)



Of the 137 Industrials-sector small-cap peers reporting a Scope 3 total, 88% also disclose a category-level breakdown. Northgate's companies sit within the 88%, reporting 10 categories on average — a level above the 7-category peer median.

SHARE OF INDUSTRIALS PEERS REPORTING EACH SCOPE 3 CATEGORY



Horizontal bars show the percentage of 172 Industrials-sector small-cap companies in the EMEA and North America dataset reporting each Scope 3 category for FY24. Base: all Industrials peers (not only Scope 3 category reporters).

How Northgate compares on reporting depth:

- Across the Industrials-sector peer set, the median company reports 7 Scope 3 categories (P25 = 3, P75 = 9).
- Northgate report 10 categories at a portfolio-aggregated level, putting Northgate around the P75 of peer practice — stronger than typical small-cap consumer-goods disclosure.
- The most common gaps across peers and Northgate are Category 11 (Use of sold products) and Categories 13 to 15 (leased assets, franchises, investments). These are also the categories where data quality is hardest to establish and where estimation methodologies vary most widely.
- Category 1 (Purchased goods & services) is usually the largest Scope 3 bucket for consumer-goods businesses, so accuracy here matters more than category count alone.

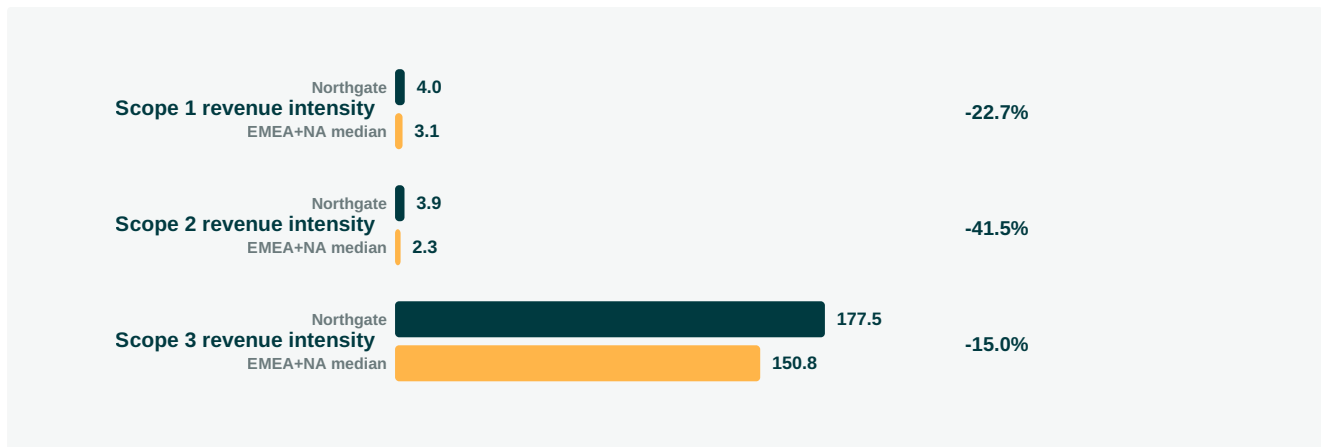
Peer benchmarking, EMEA and North America small-cap dataset

Northgate's group-level revenue intensity compared against the **KEY ESG small-cap emissions dataset** for EMEA and North America. The revenue-intensity subset of the dataset covers 791 unique small-cap companies reporting both emissions and revenue for FY24.

- **Peer coverage (FY24):** Scope 1 (n=747), Scope 2 (n=762) and Scope 3 (n=647) small-cap peers reporting revenue intensity.

Revenue intensity is the comparison basis used throughout this report: it normalises for company size, so differences between Northgate and peers reflect operational and product-mix characteristics rather than the scale of the businesses.

FY24 REVENUE INTENSITY: NORTHGATE VS EMEA AND NORTH AMERICA SMALL-CAP MEDIAN



METRIC	YEAR	NORTHGATE	EMEA+NA MEDIAN (N)	NORTHGATE VS PEER
Scope 1 revenue intensity	FY24	4.0	3.1 n=747	Higher than peer median
Scope 2 market-based revenue intensity	FY24	3.9	2.3 n=762	Higher than peer median
Scope 3 market-based revenue intensity	FY24	177.5	150.8 n=647	Higher than peer median

Values are tonnes CO_{2e} per million units of revenue.

Observations for Northgate:

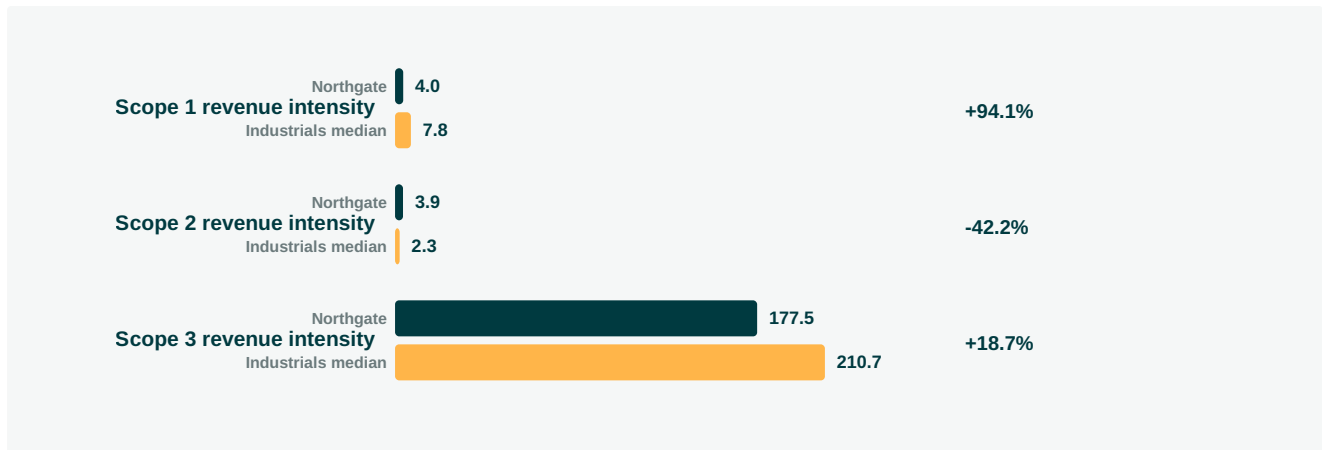
- Northgate's group figures sit above the EMEA and North America small-cap median across all three scopes: Scope 1 (4.0 versus 3.1), Scope 2 market-based (3.9 versus 2.3) and Scope 3 market-based (177.5 versus 150.8).
- This elevation is expected given Northgate's industrial-manufacturing focus: industrial sectors typically sit above cross-sector medians on emissions intensity due to higher process-energy requirements.
- The Industrials-sector benchmark on the next page provides a like-for-like comparison.

Peer benchmarking, Industrials sector subset

Northgate's group-level revenue intensity compared against the **Industrials subset** of the KEY ESG small-cap EMEA and North America dataset, covering 173 unique small-cap Industrials-sector companies. This subset is the closer reference point because both of Northgate's reporting entities operate in industrial manufacturing sub-sectors (Building Products & Equipment in Manchester; Specialty Industrial Machinery in Bremen).

- **Industrials subset (FY24 revenue intensity):** Scope 1 (n=159), Scope 2 (n=160) and Scope 3 (n=130) small-cap peers reporting.

FY24 REVENUE INTENSITY: NORTHGATE VS INDUSTRIALS-SECTOR MEDIAN

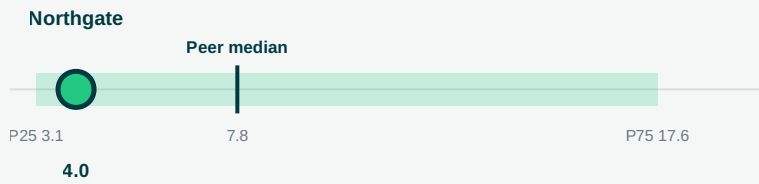


METRIC	YEAR	NORTHGATE	INDUSTRIALS MEDIAN (N)	NORTHGATE VS INDUSTRIALS
Scope 1 revenue intensity	FY24	4.0	7.8 n=159	Lower than peer median
Scope 2 market-based revenue intensity	FY24	3.9	2.3 n=160	Higher than peer median
Scope 3 market-based revenue intensity	FY24	177.5	210.7 n=130	Lower than peer median

Values are tonnes CO₂e per million units of revenue.

REVENUE INTENSITY QUARTILE POSITION (FY24, INDUSTRIALS PEER SET)

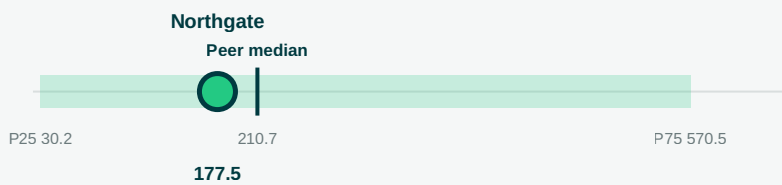
Scope 1 revenue intensity, Northgate vs Industrials P25, median, P75 (tonnes CO₂e per million revenue)



Scope 2 market-based revenue intensity, Northgate vs Industrials P25, median, P75



Scope 3 market-based revenue intensity, Northgate vs Industrials P25, median, P75



Industrials-sector medians draw on 173 unique small-cap Consumer companies in the EMEA and North America dataset. Thin-sample flags are applied to peer subsets where $n < 30$.

Entity deep-dives

The peer benchmarks in Sections 6 and 7 set the backdrop; this section narrows to Northgate's two reporting entities and shows how each compares against industrial peers. **Heating & Cooling Solutions** (Manchester, UK) and **Industrial Power Equipment** (Bremen, Germany) together account for the entirety of Northgate's operational footprint. The snapshots below are intended as starting points for engagement and operational improvement conversations.

BUILDING PRODUCTS & EQUIPMENT

Heating & Cooling Solutions

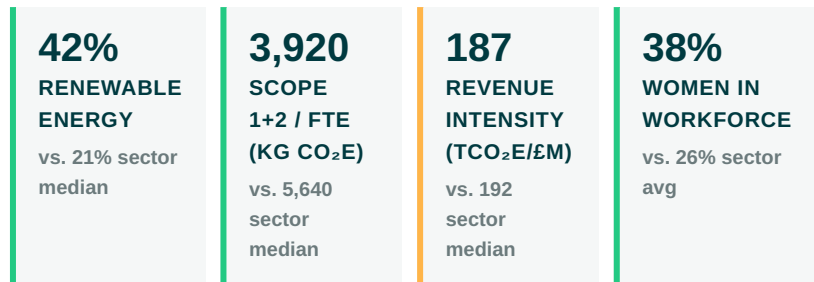
FTEs	340
Revenue	£82M
Site	Manchester, UK
Share of group	62%

Benchmark context

Benchmarked against 171 small-cap peers in Building Products & Equipment within the KEY ESG EMEA and North America Industrials dataset.

Entity benchmark snapshot

How Heating & Cooling Solutions compares to sector peers



Intensity metrics vs sector median



SPECIALTY INDUSTRIAL MACHINERY

Industrial Power Equipment

FTEs 205

Revenue £51M

Site Bremen, DE

Share of group 38%

Benchmark context

Benchmarked against 247 small-cap peers in Specialty Industrial Machinery within the KEY ESG EMEA and North America Industrials dataset.

Entity benchmark snapshot

How Industrial Power Equipment compares to sector peers

8%

RENEWABLE ENERGY

vs. 21% sector median

8,140

SCOPE 1+2 / FTE (KG CO₂E)

vs. 5,640 sector median

218

REVENUE INTENSITY (TCO₂E/£M)

vs. 192 sector median

22%

WOMEN IN WORKFORCE

vs. 26% sector avg

Intensity metrics vs sector median



What these two tell us:

- **Heating & Cooling Solutions** outperforms peer medians on renewable energy coverage, Scope 1+2 intensity per FTE and energy intensity. Workforce diversity is materially above the sector average. Year 2 priorities: formalise the renewable target, extend Scope 3 coverage to use-phase emissions of sold products.
- **Industrial Power Equipment** sits above peer medians on operational emissions intensity and below on renewable coverage and workforce diversity. Priorities are an on-site renewable electricity procurement plan, energy-efficiency upgrades to the Bremen plant, and measurable diversity targets in production roles.

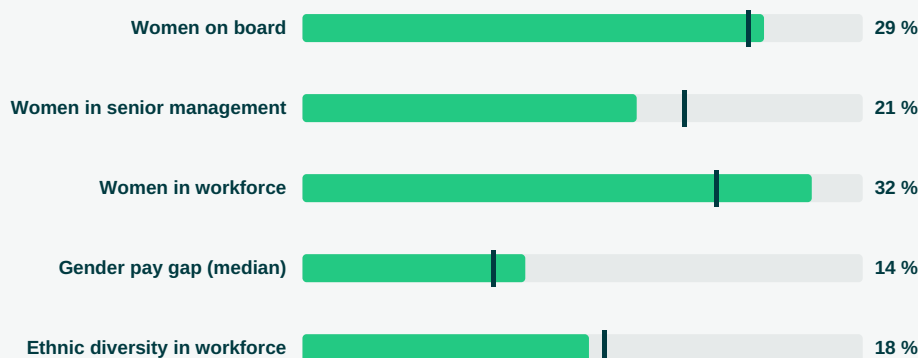
Social and governance metrics

Carbon is the most mature metric set in this reporting cycle, but social and governance data are also being captured at Northgate. The snapshot below places Northgate's group-level figures alongside Industrials-sector peer medians for the most-tracked diversity and pay-equity indicators.

ABOUT THE S&G PEER BENCHMARK

Social and governance peer figures here are not drawn from the carbon-emissions dataset used elsewhere in this report. They are sourced from **KEY ESG's aggregated client benchmark**, which compiles workforce and governance disclosures across the platform's Industrials-sector client base, supplemented with public Industrials-sector small-cap reporting (ESG Data Convergence Initiative aggregated statistics; corporate diversity and pay-gap reports from the same EMEA and North America small-cap universe used elsewhere). Sample sizes for S&G indicators are typically smaller than for emissions and individual metrics carry varying disclosure rates.

NORTHGATE VS INDUSTRIALS-SECTOR MEDIAN, FY24



Green bar: Northgate group figure. Dark tick: Industrials small-cap peer median. Values are percentages except gender pay gap, which is the median hourly pay gap between men and women.

METRIC	NORTHGATE	INDUSTRIALS SECTOR MEDIAN	DIRECTION
Women on board Share of board seats held by women	29%	28%	In line with peers
Women in senior management Share of C-suite and direct reports	21%	24%	Slightly below
Women in workforce Share of total headcount	32%	26%	Above peer median

METRIC	NORTHGATE	INDUSTRIALS SECTOR MEDIAN	DIRECTION
Gender pay gap (median) Median hourly pay gap, men vs women	14%	12%	Slightly wider
Ethnic diversity in workforce Share of workforce identifying as ethnic minority	18%	19%	In line with peers

Observations:

- **Board representation is in line with the Industrials peer median**, reflecting recent governance work at group level.
- **Workforce gender balance is above the peer median**, driven by the Heating & Cooling Solutions division (Manchester) where 38% of the workforce is female; the Industrial Power Equipment division (Bremen) sits closer to the peer median at 22%.
- **Senior management representation lags the peer median by 3 percentage points**. This is the most common pattern in mid-size industrial manufacturing and a recognised priority for the next reporting cycle.
- **The median gender pay gap sits 2 percentage points wider than the peer median**. This gap typically narrows materially once senior management representation improves, so the two indicators are linked.
- **Ethnic diversity is in line with the peer median** but reporting coverage is partial across both entities; completeness is a near-term data priority.

SECTION 10

Industry leaders in Industrial Manufacturing

Northgate operates in industrial manufacturing, a sector where the listed leaders have published full-year CSRD sustainability statements for FY25. Five of the largest listed industrial peers in adjacent spaces are Siemens, ABB, Schneider Electric, Atlas Copco and Trane Technologies. Their FY25 disclosures represent the current state of the art in climate target-setting and decarbonisation programme design, and offer a useful reference point for where the sector is heading.

EXPLORE THE FULL DISCLOSURES

All five sustainability statements referenced in this section, plus the wider set of FY25 CSRD disclosures, are available in the [KEY ESG CSRD Vault → keyesg.com/csrd-vault](https://keyesg.com/csrd-vault). The Vault is searchable by sector, country and disclosure topic, and includes KEY ESG's side-by-side peer comparisons.

2030 CLIMATE TARGETS ACROSS THE FIVE LISTED LEADERS

COMPANY	SCOPE 1+2 TARGET BY 2030	SCOPE 3 TARGET BY 2030	NET ZERO
Siemens	90% absolute (2019 baseline)	20% absolute (use-phase & supply chain)	2030 own ops, 2050 value chain
ABB	80% absolute (2019 baseline)	25% supplier engagement coverage	2050
Schneider Electric	100% absolute (2017 baseline)	25% intensity (use-phase emissions)	2050
Atlas Copco	50% absolute (2019 baseline)	28% intensity (per kWh of products)	2050
Trane Technologies	60% absolute (2019 baseline)	"Gigaton challenge": 1Gt avoided by 2030	2050

All five companies have SBTi-validated near-term targets. Baseline years differ across companies, so percentage reductions are not directly comparable. Source: listed companies' FY25 CSRD sustainability statements.

What the industry leaders are doing

FIVE THEMES COMMON TO THE FY25 DISCLOSURES

- **Use-phase emissions dominate Scope 3 for industrial equipment.** Customer use of sold products typically accounts for 70 to 90% of a manufacturer's value-chain footprint. Schneider, ABB and Trane all explicitly call out product use as their largest emissions category and are designing decarbonisation strategies around energy-efficient product portfolios.
- **Supplier engagement at scale.** Schneider Electric runs the "Zero Carbon Project" with around 1,000 strategic suppliers committed to halving Scope 1+2 emissions by 2025. Siemens has onboarded around 90% of its top suppliers (by spend) into a decarbonisation programme. ABB collects primary supplier emissions data for the top 600 suppliers.
- **Renewable electricity is at or near 100%.** Schneider Electric, ABB and Atlas Copco have all reached above 95% renewable electricity at owned operations. Siemens is at around 92%. Trane Technologies is at around 80%, having added 200 MW of solar PPAs in 2025.
- **Product portfolios are being reshaped around the energy transition.** Trane Technologies links its "Gigaton challenge" directly to high-efficiency heat pumps and refrigerants. ABB groups around 60% of revenue under "transition technologies". Schneider Electric reports a "sustainability impact" revenue share of around 73%.
- **Internal carbon prices are now standard.** Siemens, Schneider, ABB and Atlas Copco all apply internal carbon prices ranging from EUR 25 to EUR 100 per tonne CO₂e, used in capital expenditure decisions. Trane Technologies uses a shadow price for product design choices.

Challenges and takeaways

CHALLENGES THE SECTOR IS NAVIGATING

- **Scope 3 use-phase is structurally hard to reduce.** The largest emissions category depends on customer behaviour and grid decarbonisation in the markets where products are deployed. All five leaders disclose limited progress to date, with Siemens noting only 4% absolute reduction against its 20% target.
- **Industrial heat is the residual Scope 1 challenge.** Process heat above 200°C is hard to electrify economically. Atlas Copco and Trane both flag industrial heat as their largest remaining Scope 1 abatement gap. Hydrogen and biomethane pilots are underway but not yet at scale.
- **Supply-chain primary data is still patchy.** Even at the leading edge, primary data coverage above 50% of total Scope 3 is rare. Spend-based and industry-average factors still drive the majority of disclosed Scope 3.

What this means for Northgate:

- Northgate's revenue-intensity position sits between the broader small-cap median and the listed leaders, which is a typical mid-size manufacturer profile.
- Use-phase emissions of sold products are the strategic Scope 3 frontier. Northgate's heating & cooling division has natural exposure here, and the same product-efficiency story that the listed leaders are telling around heat pumps applies directly.
- Renewable electricity procurement is the highest-impact, lowest-complexity short-term action. The Industrial Power Equipment division (Bremen) is the priority site, currently at 8% renewable versus a peer median of 21%.
- Supplier engagement on the top 20 to 30 suppliers by spend would capture the bulk of upstream Scope 3. Industry-leader programmes like Schneider's Zero Carbon Project provide a template at larger scale.
- SBTi validation is becoming the de facto standard for industrial manufacturers communicating with customers, lenders and acquirers. Setting and validating near-term targets in FY26 would put Northgate alongside leading mid-size peers.

Methodology and data sources

This appendix describes the datasets used in this report, how peer data is collected and standardised, the accounting logic applied to Scope 1, 2 and 3 totals, and the quality assurance layers that make the benchmark numbers comparable and auditable.

DATA SOURCES

NORTHGATE EMISSIONS	Northgate Industrial Ltd greenhouse-gas data covering FY24 and FY25, aggregated within the KEY ESG platform. Group-level figures consolidate across the two reporting entities (Heating & Cooling Solutions in Manchester and Industrial Power Equipment in Bremen). Entity-level figures are shown in Section 8.
REPORTING ENTITIES	Northgate-provided structure of two operating entities and their sub-units (production lines, sales offices, warehouses), 12 entities in total configured on the platform.
PEER BENCHMARK (EMEA AND NORTH AMERICA SMALL CAP)	KEY ESG's proprietary small-cap emissions dataset, covering companies headquartered across EMEA (Europe, Middle East, Africa) and North America. The revenue-intensity subset used throughout this report covers 791 unique companies.
INDUSTRIALS PEER BENCHMARK	Subset of the above restricted to the Industrials sector, covering 173 unique companies in industrial manufacturing, machinery, electrical equipment and adjacent sub-sectors. Used as the primary peer reference given Northgate's industrial-manufacturing focus.
INDUSTRY LEADERS REFERENCE SET	FY25 CSRD sustainability statements from five listed industrial peers (Siemens, ABB, Schneider Electric, Atlas Copco, Trane Technologies), all carrying limited assurance. Full reports accessible in the KEY ESG CSRD Vault at keyesg.com/csrd-vault .
SOCIAL & GOVERNANCE PEER DATASET	Distinct from the carbon-emissions dataset. Section 9 figures draw on KEY ESG's aggregated client benchmark (workforce, board and pay-gap disclosures across the platform's Industrials-sector client base), supplemented with ESG Data Convergence Initiative aggregated statistics and public small-cap diversity and pay-gap reports. Sample sizes are typically smaller than for emissions and disclosure rates vary by metric.

WHERE THE UNDERLYING PEER DATA COMES FROM

Peer emissions data is captured from the full range of public disclosure formats: corporate reports (sustainability, annual, integrated, proxy statements), regulatory filings (CSRD/ESRS E1, SEC, national emissions registries), web disclosures (corporate webpages and sustainability microsites, captured via automated monitoring), data annexes and spreadsheets attached to reports, and government registries of company-submitted emissions data. Every metric retains a direct link to its original source (report, page, section) along with publication date and reporting period, preserving end-to-end traceability.

Data collection and standardisation

The peer dataset is built through a structured collection process combining automation with human expertise, applied uniformly across every company.

- 1 Schema definition.**
Anchored in the GHG Protocol (Scope 1, 2, 3 classifications, boundary-setting rules, seven recognised greenhouse gases) and extended to reflect CSRD (ESRS E1), GRI 305, CDP, SASB and TCFD requirements.
- 2 Capture at scale.**
Automated web monitoring and targeted expert retrieval cover all formats (PDF, Excel, HTML, narrative text) to minimise blind spots.
- 3 Structured extraction.**
AI pipelines convert raw files into a unified structure: computer vision for tables and figures, NLP for emissions-related text, classification rules for scope mapping and absolute-vs-relative distinction.
- 4 Human-in-the-loop validation.**
Each extracted point is flagged with quality indicators; two independent analysts typically validate, with arbitration for residual discrepancies. Feedback refines the extraction models over time.
- 5 Multi-layer quality assurance.**
Automated rules, statistical and machine-learning tests, and manual audits. Details on the next page.

STANDARDISATION GUIDELINES

- UNIT NORMALISATION** Emissions in kilograms, grams or short tons are converted to metric tonnes CO₂e (example: 100,000 short tons → 90,719 tCO₂e). Portfolio revenue intensities convert from kg CO₂e per currency unit (×1,000) to tonnes CO₂e per million.
- SCOPE AND SOURCE MAPPING** Company terminology is mapped to GHG Protocol categories ("natural gas boilers" → Scope 1 stationary combustion; "purchased power" → Scope 2 electricity; "business travel" → Scope 3 Category 6). Values that cannot be confidently mapped are assigned to an "Unmapped" bucket within the relevant scope rather than discarded.
- SCOPE 2 METHOD CLARITY** Standardised into location-based, market-based, or not specified. Both values are preserved where both are reported. "Grid average factors" map to location-based; values "after RECs" map to market-based.

ACCOUNTING LOGIC

- BOTTOM-UP COMPUTATION & RECONCILIATION** Where a scope total is not reported but category values are, the total is computed as the sum of whichever categories are disclosed (e.g. stationary 1,200 + mobile 800 + process 500 = Scope 1 total of 2,500 tCO₂e). Data is retained at both category and scope-total levels; where both are reported, a consistency check runs within defined tolerance and inconsistencies are flagged for review.

Quality assurance, analytical approach and limitations

QUALITY ASSURANCE

AUTOMATED VALIDATION	Rules flag impossible values (negative or implausibly large emissions), unit inconsistencies across years, and structural errors (totals that do not reconcile with category sums).
STATISTICAL AND MACHINE-LEARNING TESTS	Time-series consistency checks identify sudden spikes and drops. Outlier detection highlights disclosures deviating significantly from industry norms. Distribution analysis verifies expected patterns across sectors.
HUMAN-IN-THE-LOOP REVIEW & CONTINUOUS IMPROVEMENT	Trained analysts review flagged points against the original disclosure; senior analysts arbitrate discrepancies. Automated rules are updated as new error patterns emerge; ML models are retrained as the dataset grows.

ANALYTICAL APPROACH APPLIED IN THIS REPORT

COMPARISON BASIS	All peer comparisons are on a revenue-intensity basis (tonnes CO ₂ e per million units of revenue), normalising for company size. Portfolio company values are compared against peer medians, with P25 and P75 for the Industrials subset. Peer positioning is descriptive context, not a performance judgement.
EMISSIONS BASIS	Scope 2 and Scope 3 figures are shown on a market-based basis as the primary view. Location-based values are available in the underlying data on request.
YEAR-ON-YEAR TREATMENT	FY24 to FY25 direction is calculated on Northgate average in each year. The reporting sample differs year-on-year (typically 6 to 9 companies), so percentages reflect both underlying performance and sample composition.

LIMITATIONS

- Group-level figures consolidate the two operating entities; entity-level detail is shown in Section 8.
- FY25 peer samples are still accumulating; thin-sample flags (n<30) apply where relevant.
- Northgate revenue is GBP-denominated; peer benchmarks are largely USD- or EUR-denominated. The revenue-intensity comparison carries a currency-effect uncertainty of roughly 10 to 15%.
- The peer dataset follows broad Industrials sector groupings; Northgate's two reporting entities sit in narrower sub-sectors (Building Products & Equipment in Manchester; Specialty Industrial Machinery in Bremen), for which Section 8 provides a closer like-for-like benchmark.
- The S&G dataset is sourced separately from the carbon dataset (see Section 9 callout) and has different coverage and sample-size characteristics.

Thank you.

KEY ESG is a sustainability and carbon reporting software platform built for ambitious mid-size companies and their stakeholders. This benchmarking report applies KEY ESG's methodology to the Northgate Industrial Ltd reporting dataset and KEY ESG's proprietary small-cap EMEA and North America emissions dataset.

YOUR KEY ESG SUCCESS MANAGER

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For questions on methodology, data sources, replication, or to discuss the findings in this report.

