

Carbon Reduction Plan

Client name: Southern Communications Corporate Solutions Limited T/A SCG Corporate

Company Registration Number: 02645307

Published date: November 2024

Commitment to achieving Net Zero

SCG Corporate is committed to achieving Net Zero emissions by 2040.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured. Due to issues around gathering data due to an office relocation our baseline measurement covers the period August 2022 - July 2023, subsequent measurements cover the financial year ending in March to align with reporting requirements and will be assessed in future reports with regard to the need to adjust our baseline measurement.

| Baseline Year: 2023 | |
|--|------------------------------|
| <p>Baseline emissions have been updated with revised home working following clarification from DEFRA around the use of home working figures to account for seasonal changes in domestic heating demands. Scope 1 – Mobile Combustion emissions have also been updated in line with improved spend-based emission factors.</p> <p>Scope 2 – Purchased Electricity emissions have been reallocated into scope 3 – Upstream Leased Assets, this is due to the managed nature of the premises and resulting lack of direct control over retrofit and energy efficiency measures at the Foundation House office. Emissions reported in this category are market-based.</p> <p>There are no emissions to report for scope 1 Stationary Combustion, Fugitive Emissions, Process Emissions or scope 2 Heat & Steam due to a lack of relevant activities or infrastructure (gas boiler and/or air con) in the office.</p> | |
| EMISSIONS | TOTAL (tCO ₂ e) |
| Scope 1 | 11.313 |
| Scope 2 | Market-based: 0.000 |
| Scope 3 including: <ul style="list-style-type: none"> ● Fuel & Energy Related Services ● Business Travel ● Transportation & Distribution (Upstream & Downstream) ● Employee Commuting & Homeworking ● Operational Waste & Water | 109.491 |
| Total Emissions* | Market-based: 120.804 |

Our total emissions equate to a Carbon Intensity Metric of 2.416 tCO₂e per full-time employee equivalent (FTE) based on 50 FTEs during the baseline period (using market-based emissions).

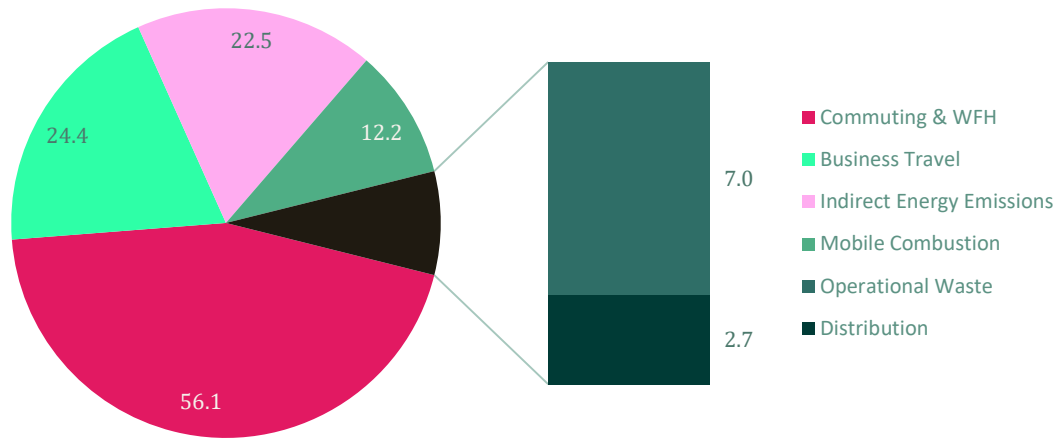
**Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. We have chosen to base our Net Zero target on a market-based methodology.*

Current Emissions Reporting

| Reporting Year: FYE 2024 | |
|---|---------------------------------|
| <p>The measurement boundaries and inventory for the April 2023 – March 2024 measurement align with those utilised to produce the baseline emissions measurement outlined above.</p> <p>Emissions accounted for in scope 2 are from mileage in company EVs, office electricity is allocated in scope 3 – Upstream Leased Assets as outlined above.</p> | |
| EMISSIONS | TOTAL (tCO₂e) |
| Scope 1 | 11.804 |
| Scope 2* | Market-based: 0.412 |
| Scope 3 including: <ul style="list-style-type: none"> ● Fuel & Energy Related Services ● Business Travel ● Transportation & Distribution (Upstream & Downstream) ● Employee Commuting & Homeworking ● Operational Waste & Water | 112.696 |
| Total Emissions* | Market-based: 124.911 |

Our total emissions equate to a Carbon Intensity Metric of 2.498 tCO₂e per full-time employee equivalent (FTE) based on 50 FTEs during the measurement period (using market-based emissions).

Current Emissions Breakdown (tCO₂e)



Emissions reduction targets

SCG Corporate is committed to achieving Net Zero by 2040.

To achieve Net Zero we will need to reduce our absolute emissions by 90% from our baseline year and offset any residual emissions. To track our progress towards our long-term Net Zero target, we have also set some near-term targets to 2030. These have been revised since our previous reduction plan to align with the Science Based Targets initiative (SBTi).

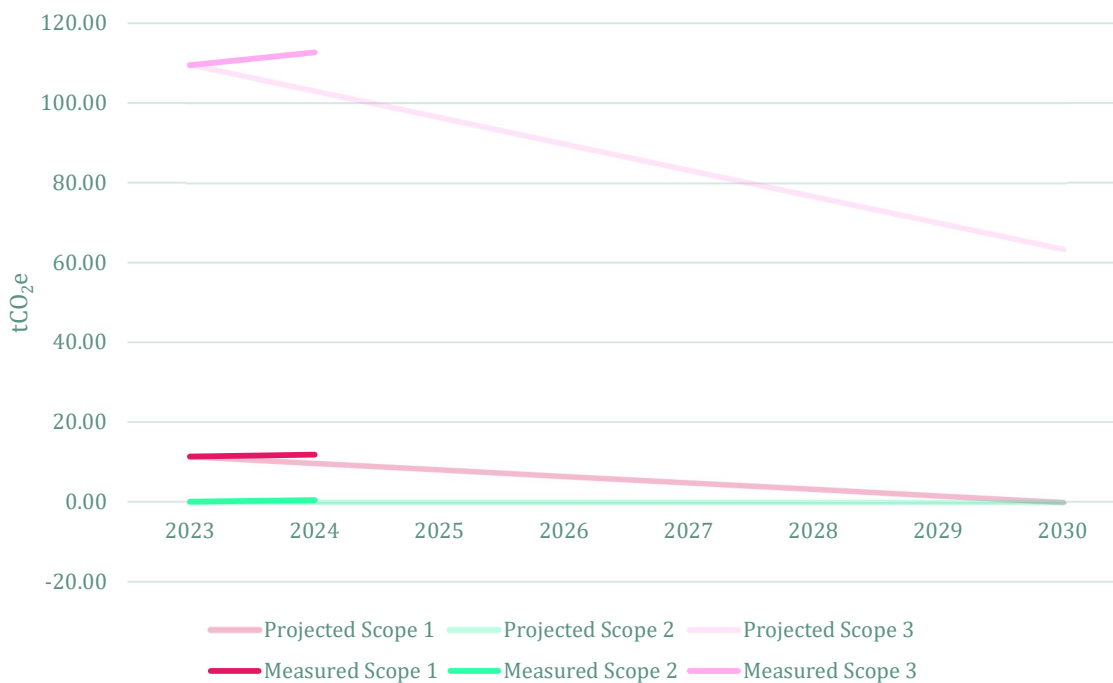
Our near-term targets:

- Reduce scope 1 emissions to zero by 2030.
- Reduce scope 2 emissions to zero by 2030, through charging company EVs using solely renewable sources.
- Reduce measured scope 3 emissions by 42% by 2030.

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2040.
- Neutralise any residual emissions using verified carbon offsets.

Progress against these targets can be seen in the graph below:



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since establishing baseline emissions.

| Activity | Completion Year | Scope |
|--|-----------------|---------|
| Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions. Appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations. | 2023 | 1, 2, 3 |
| Created a Green Team to lead initiatives. This team has been made up of members from different departments to support the roll out of initiatives and management of data, this includes sharing and collaborating throughout the organisation. | 2023 | 1, 2, 3 |
| Increased proportion of electric vehicles within the SCG Corporate fleet. | 2024 | 1, 2, 3 |
| ISO 14001 certification achieved 2023, 2024 audit completed and passed October 2024. | 2023 & onward | 1, 2, 3 |

Future Carbon Reduction Plans

In the future we hope to implement further measures such as:

| REDUCTION PLANS – Scope 1 & Scope 2 | | | |
|-------------------------------------|--|-------------|--|
| Activity No. | Activity | Target Date | Category |
| 1 | Conduct a review of company vehicles to outline a strategy for company vehicle electrification and establish a procurement policy to determine that as a vehicle lease expires, it shall be replaced only with a Battery Electric vehicle. | 2025 | Mobile Combustion Purchased Electricity (EVs) |
| 2 | Replace all company-owned combustion engine passenger vehicles with Battery Electric vehicles. | 2028 | Mobile Combustion Purchased Electricity (EVs) |
| 3 | Consider driver-efficiency training for company car users. This should demonstrate a reduction in total fuel/electricity use but is dependant on capturing fuel consumption to track impact, currently a spend-based approach is used. | TBC | Mobile Combustion Purchased Electricity (EVs) |
| 4 | Improve data collection processes such that all consumption is recorded in measured units, eliminating the need to report based on £ spend. | 2025 | Mobile Combustion |

Based upon the above completed and planned initiatives, it is projected that Scope 1 & 2 carbon emissions will decrease to 0 tCO₂e by 2030.

We also aim to implement the further initiatives below to reduce scope 3 emissions:

| REDUCTION PLANS – Scope 3 | | | |
|---------------------------|--|----------------|----------------------------|
| Activity No. | Activity | Target Date | Category |
| 1 | Encourage the landlord/management company at the office to procure a 100% renewable electricity tariff. This change will reduce market-based emissions (from chosen tariff) from the office (common areas) to 0 tCO ₂ e. | 2025 | Upstream Leased Assets |
| 2 | We will implement behaviour change initiatives within the workplace for reduction of emissions, including clear messaging for turning off lights, monitors, computers, and other electrical appliances where appropriate. We will assign roles and responsibilities to Green Team members. | <i>ongoing</i> | Upstream Leased Assets |
| 3 | <p>Work with the landlord to understand their current plans for implementing energy efficiency measures to reduce electricity consumption.</p> <p>Examples of reduction measures include:</p> <ul style="list-style-type: none"> • upgrading lighting to LEDs • introducing more PIR sensor lighting, and aligning sensor times to usage patterns (e.g. 3 minutes for corridors, 20 minutes for working spaces) • installing timers on sockets/equipment • reviewing and renewing inefficient equipment (when at end of life), and actively consider the energy efficiency of equipment when new purchases are required (e.g. laptops, fridges, dishwashers) <p>Invite colleagues from different sites and different companies within the Southern Communications Group to openly explore challenges and barriers to collaboratively find solutions for reduction.</p> | <i>ongoing</i> | Upstream Leased Assets |
| 4 | Consider training and engagement for the Green Team, leadership, and the wider employee base. Including and not limited to, creating spaces for environmental positive conversations (internal comms, newsletters, slack, Teams etc), certified Carbon Literacy Training for all applicable to roll out to further workforce and share with externals where appropriate. On average, certified learners reduce their carbon footprints by 5-15%, of which ~50% are work-related. | <i>ongoing</i> | All |
| 5 | Implement a Sustainable Procurement Policy to influence decisions regarding suppliers and their sustainability credentials. While purchased goods and services has not been included within our boundary, there is an opportunity for the Sustainable Procurement Policy to impact which carriage providers we work with. It is also recognised that engaging with | 2026 | Purchased Goods & Services |

| | | | |
|---|---|----------------|----------------------------|
| | our supply chain will facilitate improved supplier engagement in future years should our emissions inventory expand. | | |
| 6 | <p>Review logistics partners/couriers and utilise the above Sustainable Procurement Policy. Work with providers to gather their emissions data, and/or switch to lower-carbon providers.</p> <p>Prioritise purchasing from local suppliers to limit delivery mileage.</p> | <i>ongoing</i> | Upstream Distribution |
| 7 | <p>Develop and implement a Sustainable Travel Policy to support environmental impact of choices when travelling, staying in hotels and commuting. The priorities within this policy will support active travel and low emission travel options where appropriate.</p> <p>Monitor and consider alternatives to air-based travel as a priority and commit to offering support to workforce with options for active travel schemes; such as bike to work or car sharing opportunities.</p> <p>Utilise the emissions travel hierarchy:</p> <ul style="list-style-type: none"> ● Digital communication ● Walking and cycling ● Public and shared transport ● EV's and car sharing/clubs ● ICE vehicles and car sharing/clubs ● Air travel <p>Consider creative ways to engage and support workforce to influence change.</p> <p>Examples include setting an internal organisation carbon credit scheme (limit that to a number of tCO₂e per year), extra holiday days for low emission travel choice, bonuses, subsidised travel, and equal mileage payments for diesel/petrol/EVs/cycling.</p> | 2025 | Business Travel, Commuting |
| 8 | <p>Establish incentives to encourage employees to reduce their emissions when commuting to the workplace. Initiate this process by surveying the employee base to scope any potential barriers which are preventing employees from commuting in a low-carbon mode.</p> <p>Options to explore include enhanced mileage reimbursements for those who car-pool or travel by Battery Electric Vehicle, or active travel modes. Priority parking spaces for those who are car-pooling / riding in a Battery Electric vehicle shall also be explored as a low-carbon nudge.</p> <p>To reduce actual mileage requirements of staff, commit to an organisation-wide exploration of which roles could be given reduced on-site requirements.</p> | 2025 - 2027 | Commuting, Home Working |

| | | | |
|---|---|----------------|-----------------|
| 9 | <p>Improve internal data collection and data storage processes, to improve access to High Quality data when reporting scope 3 emissions, particularly for Business Travel.</p> <p>Requirements that employees report travel locations, method, and distance (km) will reduce the reporting burden and increase awareness among the employee base regarding the carbon impact of all travel choices.</p> | <i>ongoing</i> | Business Travel |
|---|---|----------------|-----------------|

Based upon the above completed and planned initiatives, it is projected that (as a minimum) scope 3 emissions will decrease from the baseline measurement of 109.491 tCO₂e to 65.363 tCO₂e by 2030. This is a reduction of 42% and will keep us on track to Net Zero.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Management Plan has been reviewed and approved by SCG Corporate's Executive Team.

Signed on behalf of SCG Corporate:

A handwritten signature in black ink, appearing to read 'Mark Sensier', written over a horizontal line.

Name: Mark Sensier

Position: Managing Director

Date: 27th November 2024

1 <https://ghgprotocol.org/corporate-standard>

2 <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

3 <https://ghgprotocol.org/corporate-value-chain-scope-3-standard>