

# Carbon Reduction Plan

*in accordance with Streamlined Energy and Carbon Reporting (SECR) requirements*

Supplier Name: SPS UK&I Ltd

## Commitment to achieving Net Zero

SPS UK&I Ltd is committed to achieving Net Zero emissions by 2040.

## Revised Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and prior to the introduction of any strategies to reduce emissions. These revised baseline emissions are the reference point against which emissions reduction can be measured, externally audited by Climate Partner.

<b>Reporting Year: 2022</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b> emissions are direct greenhouse gas emissions that occur from sources that are controlled or owned by the reporting organisation. e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles.	<b>314.93</b>
<b>Scope 2</b> emissions are indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat, or cooling. They are accounted for by the reporting organization as they are a result of the organisation's energy use.	<b>129.83</b>
<b>Scope 3</b> emissions include all sources not within an organisation's scope 1 and 2 boundary. Scope 3 emissions often represent the majority of an organisation's total greenhouse gas emissions.	<b>4,848.25</b>
1. Business travel <ul style="list-style-type: none"> <li>a. Rental &amp; Private Mileage</li> <li>b. Rail Mileage</li> <li>c. Flights</li> <li>d. Hotel nights</li> </ul>	A = 17.74 B = 99.20 C = 236.59 D = 19.70 <b>Total = 373.23</b>
2. Employee Commuting ( <i>captured via Global</i> )	<b>3,886.82</b>
3. Waste generated in operations ( <i>captured at SPS Sites ONLY</i> )	<b>79.49</b>
4. Purchased Goods & Services	<b>350.35</b>
5. Fuel & energy related activities	<b>158.36</b>
6. Downstream transportation and distribution ( <i>Local Contract Knowledge</i> )	<b>0</b>
<b>Total Emissions</b>	<b>5293.02</b>

## Emissions Reduction Targets

SPS UK&I aim to achieve Net Zero in scopes 1 & 2 by 2030 and scope 3 by 2040.

SPS UK&I is focusing on:

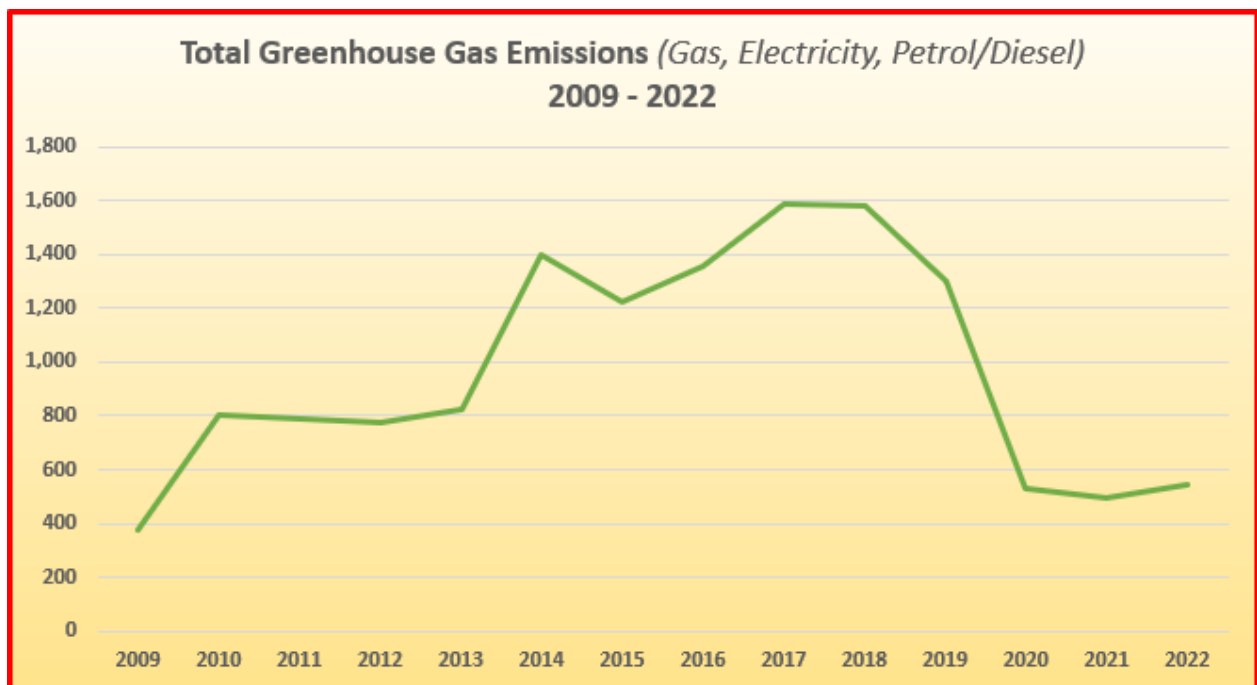
1. *Fleet Energy carbon reductions (Scope 1),*
  - a. *Introduction of Electric & Hybrid Vehicles this year we have seen an increase overall in size of fleet, due to the acquisition, but have also managed to increase the number of electric vehicles.*
  - b. *Optimisation of White Fleet, this is business as usual, SPS UK&I has reduced the number of diesel vehicles from the existing fleet, but is often dependent on Client requirements and willingness to contribute. Wider research (via our Fleet Partners providing updated advice & guidance/options) regarding vehicle types and retaining lease vehicle for a longer periods of time.*
2. *Energy / Carbon reduction in our owned/leased buildings (Scope 2),*
  - a. *Introduction of Sourcing Renewable Energy for all Sites (reduce CO2 emissions) – this could increase costs, but negate the need to Carbon Offset later. Business via Procurement & Business Services committing to the identification of securing 100% renewable energy sources for all sites (currently have 3 suppliers offering between 40 & 100%).*
  - b. *The acquisition has seen two extra sites (Birmingham & QES) where energy is/was being used. The optimisation of LSC has resulted in almost a 50% increase in energy usage*
3. *Business Mileage/Travel carbon reductions (Scope 3),*
  - a. *Improved Teams (Online Meetings) Usage – assess current usage of Teams (comparison prior to covid, during covid and current). Mandate 1 in 3 meetings are held utilising Teams.*
  - b. *Migration from Road to Rail (promote & monitor Rail Card Usage) – HR to encourage / promote use of Rail Cards to reduce costs.*
  - c. *Reduce Business Air Travel (Domestic, European & International), much higher than prior to Covid for Domestic. European & International, consider what actions are to be taken to change the current trend.*
4. *Waste Management (SPS Sites Only) (Scope 3)*
  - a. *Aim to send all Waste to Recycling or Energy from Waste, eradicating Landfill as an option. Business Services are currently working closely with EcoServ to identify how our waste management could be improved (partnering with GPT Waste).*
5. *Purchased Goods & Services – including Impact of digital solutions replacing paper post to reduce carbon emissions i.e. transit and staff costs*

It was projected that carbon emissions would naturally decrease over the next five years with closer monitoring of our activities and applying the mindset of continual improvements aligned to all of our ISO standards. However following the acquisition in 2022, doubling the business headcount, data has shown that the Business has returned to a more normal, following the Covid pandemic, resulting in increases in all Scopes (1-3). Therefore much greater activity needs to be taken now to bring us back on course, the business strategy needs to be robustly reviewed/developed/updated and communicated to the whole organisation, any existing policies need to be reviewed by relevant teams/departments to fully support our ambitious target to reach our goal of Net Zero.

The Leadership Team and Senior Managers must to ensure that all policies/procedures are clearly communicated to all parties and that all teams/departments are held accountable to contribute towards the business energy/CO<sub>2</sub> efficiency savings, via reducing energy usage (*power down machines when not required, reduce temperature of boilers etc.*), business travel (*via increase use teams meetings, booking all travel via Egencia, reduction in personal car usage for business etc*), working smarter and monitoring our suppliers for zero/low emissions .

Adherence to Business Policies is the responsibility of all management & staff, appropriate auditable controls need to be applied and evidence available on request.

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



EMISSIONS	Baseline Data TOTAL (tCO <sub>2</sub> e) 2022	Targets for future years			
		2025	2030	2035	2040
<b>Scope 1</b> - emissions are direct greenhouse gas emissions that occur from sources that are controlled or owned by the reporting organisation. e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles <i>(Arval)</i>	<b>314.93</b>	<b>157.47</b>	<b>0</b>		
<b>Scope 2</b> - emissions are indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat, or cooling. They are accounted for by the reporting organization as they are a result of the organisation's energy use.	<b>129.83</b>	<b>64.91</b>	<b>0</b>		
<b>Scope 3</b> - emissions include all sources not within an organisation's scope 1 and 2 boundary. Scope 3 emissions often represent the majority of an organisation's total greenhouse gas emissions.	<b>4,848.25</b>	<b>3878.60</b>	<b>2715.02</b>	<b>1357.51</b>	<b>0</b>
1. Business travel <ul style="list-style-type: none"> <li>a. Rental &amp; Private Mileage</li> <li>b. Rail Mileage</li> <li>c. Flights</li> <li>d. Hotel nights</li> </ul>	A = 17.74 B = 99.20 C = 236.59 D = 19.70 <b>Total = 373.23</b>	<b>298.58</b>	<b>209.01</b>	<b>104.50</b>	<b>0</b>
2. Employee Commuting <i>(captured via Global)</i>	<b>3,886.82</b>	<b>3109.46</b>	<b>2176.62</b>	<b>1088.31</b>	<b>0</b>
3. Waste generated in operations <i>(captured at SPS Sites ONLY)</i>	<b>79.49</b>	<b>63.59</b>	<b>44.52</b>	<b>22.26</b>	<b>0</b>
4. Purchased Goods & Services	<b>350.35</b>	<b>280.28</b>	<b>196.20</b>	<b>98.10</b>	<b>0</b>
5. Fuel & energy related activities	<b>158.36</b>	<b>126.69</b>	<b>88.68</b>	<b>44.34</b>	<b>0</b>
6. Downstream transportation and distribution <i>(Local Contract Knowledge)</i>	<b>0</b>	<b>?</b>	<b>?</b>	<b>?</b>	<b>0</b>
<b>Total Emissions</b>	<b>5293.02</b>	<b>1845.79</b>	<b>880.82</b>	<b>440.41</b>	<b>0</b>

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019.

#### ***For information only***

*SPS completed Carbon Reduction projects:*

- 1. Achievement and maintenance of ISO14001*
- 2. Installation of Solar Panels at DTC / Adoption of LED/PIR lighting controls*
- 3. Changes to policy resulting in a reduction in company travel and flights or the electrification of the company fleet.*

Planned to implement further measures such as:

- 1. Appoint a Senior Manager to take the lead in data collection & management*
- 2. Improve Job Descriptions to make all senior managers accountable to deliver improvements in the business Carbon Reduction Plan*
- 3. Continued adoption of LED/PIR lighting controls,*
- 4. Increase in EV Fleet (with client commitment)*
- 5. Achieve of ISO50001 Energy Management (supersedes ESOS Phase 3)*
- 6. Review alternatives & closer monitoring of paper/consumables*
- 7. Improve data collection around Upstream / Downstream Transportation across our sites*
- 8. Improve Waste Management data collection across our sites*

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with Government 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 Greenhouse Gas (GHG) Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with Streamlined Energy and Carbon Reporting (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) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

### Signed on behalf of SPS UK&I Ltd:

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**Gary Harrold, CEO**

Date: .....