

CARBON REDUCTION PLAN

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CARBON REDUCTION PLAN

1. Commitment To Achieving Net Zero

BWB Holdings Limited (comprising BWB Consulting Ltd, Quincey Mason Practices Limited and Deetu Consulting Ltd) is committed to achieving Net Zero emissions by 2050 at the latest, with the interim target of a 30% reduction in emissions by 2025, based on our baseline year.

2. 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.

BWB has been reporting on our greenhouse gas emissions since 2020 when we signed up to the Pledge to Net Zero (PtNZ), joining other organisations in the environmental services sector in taking a leading role in delivering on the UK Government's commitment to bring all greenhouse gas (GHG) emissions to Net Zero by 2050.

Our GHG emissions inventory follows the methods outlined in The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and covers the following direct and indirect emissions sources.

- Scope 1: Direct GHG emissions from company owned or leased cars and pool vehicles and HFCs from air conditioning refrigerant leakage from units within the organisation's control.
- Scope 2: Indirect GHG emissions from the generation of purchased electricity consumed in BWB's offices and electricity associated with charging electric company cars.
- Scope 3: Indirect GHG emissions for business travel (Category 6) and purchased good and services (Category 1).

Since the baseline year we have added additional categories to our Scope 3 emissions and now also report on capital goods (IT equipment and large electrical items), transportation and distribution losses associated with our scope 2 energy use.

There are a number of Scope 3 emissions categories required by PPN 06/21 which are not applicable to our operations or for which data is not currently available:

- Category 4 Upstream transportation and distribution. Not assessed. Emissions from this category have been considered as negligible for us as a professional services company.
- Category 5 Waste generated in our operations. The waste generated in our operations has not yet been calculated. Most of our waste is general office waste which goes into communal waste streams managed by the landlords. We believe that it does not contribute significantly to our Scope 3 emissions but we are considering how we can include it within our future reporting.



- Category 7 Employee commuting. This was not included in our baseline assessment. We are planning to conduct an employee survey to assess the emissions associated with commuting. This has been delayed due to the Covid 19 pandemic which significantly impacted commuting patterns. Since 2020 we have included an estimate of our emissions from employees working at home.
- Category 9 Downstream transportation and distribution. Not applicable. As a professional services company BWB does not transport or distribute physical products.

Our reporting year for our greenhouse gas emissions is aligned with our financial year which runs 1 January to 31 December. Our Carbon Reduction Plan will be reviewed and updated within 6 months of our financial year-end.

Baseline Year: 2019	
Additional Details relating to the Baseline Emissions calculations.	
dataset is avo Our most sign included in so	n used as the baseline year as the most recent year for which a full ailable. ificant source of scope 3 emissions is business travel. Paper use was also cope 3 as the main material used by the company in carrying out its which we have direct control.
Baseline year	emissions:
EMISSIONS	TOTAL (†CO2e)
Scope 1	60.70
Scope 2	87.54 Location based
Scope 3 (Included Sources)	• Upstream transportation and distribution: Not quantified. Please see note above.
	Waste generated in operations: Not quantified. Please see note above.
	Business Travel: 202.09
	• Employee commuting: Not quantified. Please see note above.
	 Downstream transportation and distribution: N/A. As a professional services company BWB does not transport or distribute physical products.
	Other Scope 3 emissions included in the baseline:
	Purchased good and services (Paper): 2.31
	Total Scope 3 emissions: 204.40
Total Emissions	352.64



3. Current Emissions Reporting

Reporting Year: 2021	
EMISSIONS	TOTAL (†CO2e)
Scope 1	28.24
Scope 2	57.67 Location based 37.07 Market based
Scope 3 (Included Sources)	 Upstream transportation and distribution: Not quantified. Please see note above. Waste generated in operations: Not quantified. Please see note above. Business Travel: 87.87 Employee commuting (Estimate of emissions associated with employees working at home): 135.41 Downstream transportation and distribution: N/A. As a professional services company BWB does not transport or distribute physical products. Other Scope 3 emissions included in 2021 reporting: Purchased good and services (Paper, IT equipment, large electrical items): 11.83 Transportation and distribution losses associated with our scope 2 energy use: 3.53
	Total Scope 3 emissions: 238.64
Total Emissions	324.55 Location Based 303.95 Market Based

Our total greenhouse gas emissions (Scope 1, 2 & 3) have reduced by 14% compared to our baseline year, although our Scope 3 emissions have increased as the business has grown with a 13% increase in headcount over the same period:

- Scope 1 emissions have reduced 53% compared to our baseline.
- Scope 2 emissions have reduced 58% compared to our baseline.
- Scope 3 emissions have increased 17% compared to our baseline.

While we have made significant steps to reduce our Scope 1 and Scope 2 emissions, through the procurement of certified green energy in our Leeds and Manchester offices and transitioning our company car fleet to electric vehicles, we have seen our Scope 3 emissions increase over the same period.

This was not entirely unexpected as the business has experienced unprecedented growth during this period and we have also been making strides to increase the robustness of our Scope 3 baseline. Scope 3 emissions are our largest operational impact, accounting for 78% of our total emissions.



The increase in Scope 3 emissions is primarily due to including an estimate for working from home emissions, which was not included in our 2019 baseline and accounts for 57% of our scope 3 emissions. We have also included IT procurement for the first time in 2021.

While our Scope 3 emissions have increased overall, emissions associated with business travel have reduced by 57% compared to our baseline. This is a result of the increased use of virtual meetings during the pandemic, which we continue to encourage particularly for internal business meetings.

4. Emissions Reduction Targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

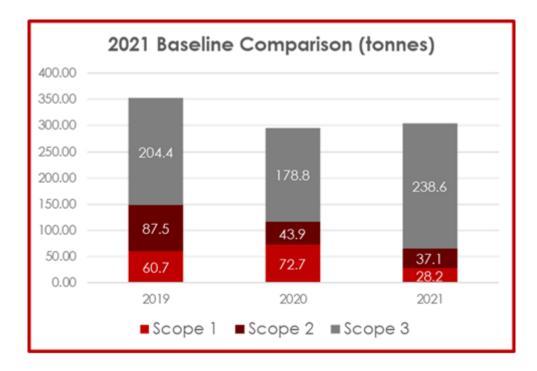
• To reduce scope 1 and scope 2 GHG emissions by 30% by 2025 from a 2019 base year.

As scope 3 emissions, primarily those associated with business travel, represent over 50% of the organisation's total GHG emissions, BWB has also committed to the following scope 3 target.

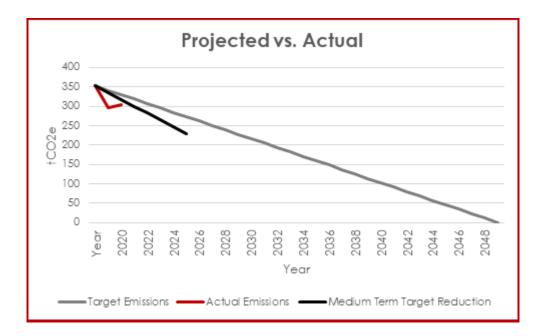
• To reduce scope 3 GHG emissions by 30% by 2025 from a 2019 base year.

We project that carbon emissions will decrease over the next five years to 229.22 tCO2e by 2026. This is a reduction of 35%.

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







5. Carbon Reduction Projects

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. The carbon emission reduction achieved by these schemes equate to 48.69 tCO2e (market based), a 14% reduction against the 2019 baseline. Reduced business travel due to Covid 19 had a positive impact on the reduction. The measures outlined below and any additional measures implemented at a later date will be in effect when fulfilling any relevant contracts.

- In January 2020 we became a signatory to the Pledge to Net Zero, joining other organisations in the environmental services sector in taking a leading role in delivering on the UK's target of achieving net zero carbon emissions by 2050.
- In February 2022 we published our Sustainability Policy setting out our commitment to embedding sustainability into all aspects of our operations and everyday practice.
- We maintained our certification to ISO 14001:2015 Environmental Management Systems and aligned our environmental management system objectives with our Net Zero targets.
- We transitioned all company and pool cars to either hybrid or full electric models.
- We installed smart meters in our Nottingham and Birmingham offices, the data from which will be used to inform plans for possible future energy saving measures.
- We switched to certified green energy in our Manchester and Leeds offices.
- We adopted a Hybrid Working Policy enabling employees to split their time between working from home and attending the office.
- We implemented a Driving for Work Policy which promotes the use of remote communications and public transport options above driving to reduce company business miles and associated carbon emissions.



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

- Transitioning all company pool vans to hybrid or electric models.
- Continuing to work with our landlords to switch to renewable energy supplies in our offices.
- Launching an electric vehicle salary sacrifice scheme for employees.
- Conducting an annual commuter survey to assess the emissions associated with our employees' travel to and from work.
- Implementing energy saving measures in our offices such as LED lighting.
- Developing a sustainable design action plan for reducing the greenhouse gas emissions associated with our projects.

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

Signed on behalf of the Supplier:

Cullem aut

Date: 28 March 2022

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

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

³ <u>https://ghgprotocol.org/standards/scope-3-standard</u>



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