

Carbon Reduction Plan

Client name: SmartSourcing Ltd
Company Registration Number: 04359421
Published date: October 2023

Commitment to achieving Net Zero

SmartSourcing Ltd is committed to achieving Net Zero emissions for categories measured in baseline year by 2030, and for our all GHG categories in **2035**.

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. We have chosen our baseline year to be 01/08/2020 to 31/07/2021.

Baseline Year: 2020-2021	
Additional details relating to the Baseline Emissions calculations:	
<i>Scope 1 emissions were 0 due to no gas, no company vehicles, no process emissions and no air conditioning.</i>	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	0
Scope 2	5.51
Scope 3 including: <ul style="list-style-type: none"> ● Goods & Services ● Business Travel ● Transportation & Distribution (Up and Downstream) ● Employee Commuting ● Operational Waste & Water 	55.3
Total Emissions	60.8

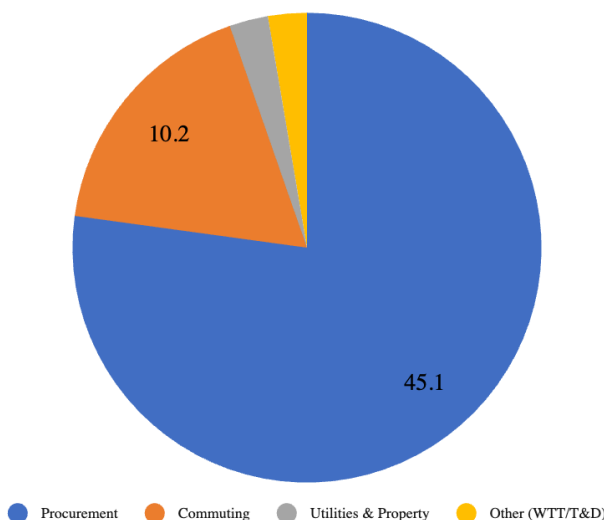
Current Emissions Reporting

Reporting Year: 2022 - 2023	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	0.0
Scope 2	Market-based: 1.6 Location-based: 1.6
Scope 3 including: <ul style="list-style-type: none"> ● Purchased Goods & Services ● Capital Goods <i>(newly in scope)</i> ● Fuel & Energy Related Services <i>(newly in scope)</i> ● Business Travel ● Transportation & Distribution (Downstream) ● Transportation & Distribution (Upstream) ● Employee Commuting ● Employee Homeworking <i>(newly in scope)</i> ● Operational Waste & Water ● Upstream Leased Assets <i>(newly in scope)</i> ● Downstream Leased Assets <i>(newly in scope)</i> ● Franchises & Investments <i>(newly in scope)</i> 	58.3 <i>(5.1 excluding newly in scope categories)</i>
Total Emissions	Market-based: 59.8 Location-based: 59.8

Our total emissions equate to a Carbon Intensity Metric of **2.30 tCO₂e per employee** based on **26** employees during the measurement 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.*

Emissions by Category 2022-23



Emissions reduction targets

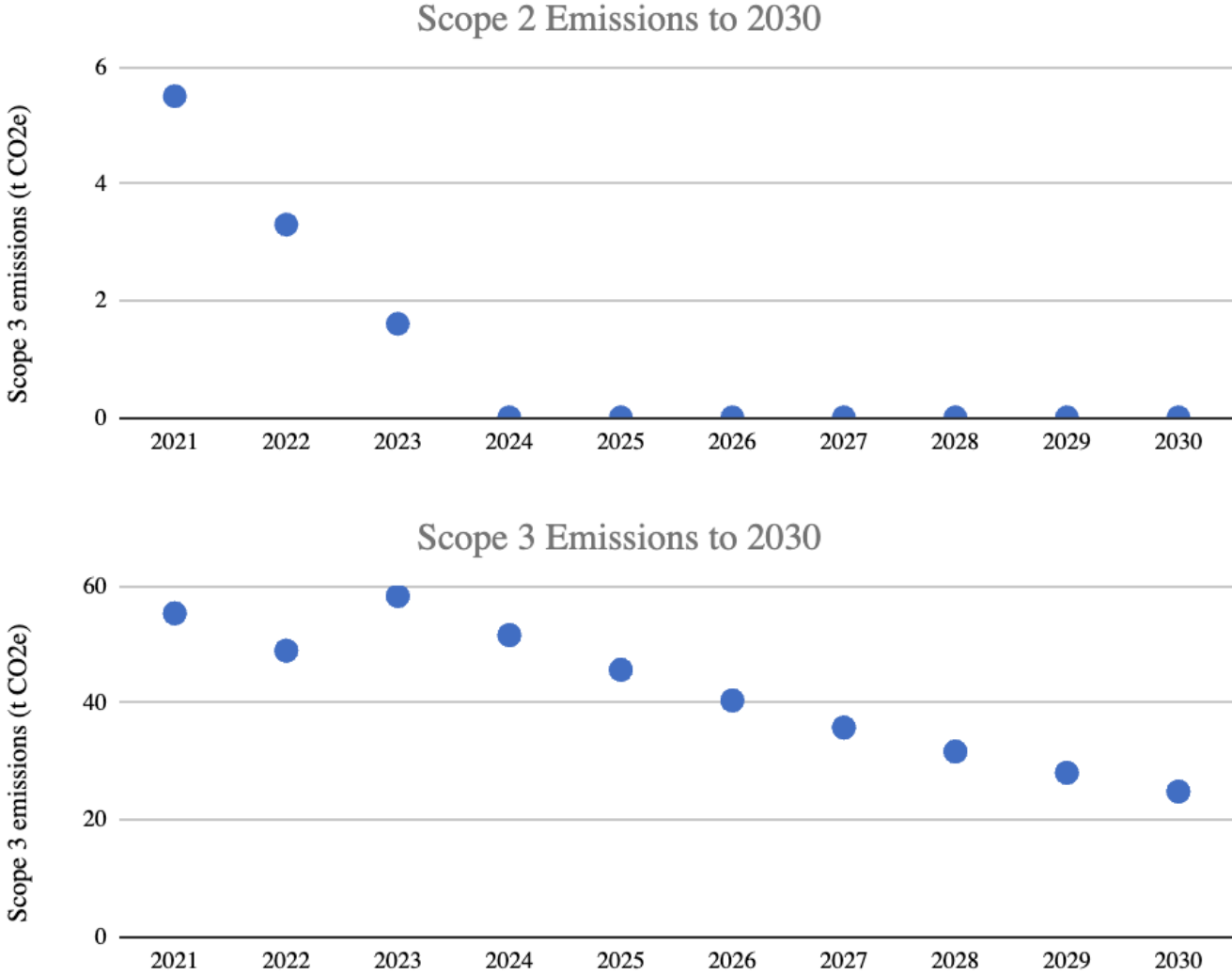
SmartSourcing Ltd is committed to achieving Net Zero emissions for categories measured in baseline year by 2030, and for our all GHG categories in **2035**.

To progress towards Net Zero, this plan sets carbon reduction targets for the 7-year period to 2030. During this time, targets will be set for the remaining period to ensure Net Zero will be achieved by 2035.

We are aiming to reduce our absolute carbon emissions by at least 90% from our baseline year, or achieve (and maintain) a carbon intensity metric of <1 tonne CO₂e per employee, whichever comes soonest. This is in line with science-based Net Zero targets. To keep ourselves on track with these long-term targets, we have set the following near-term goals:

- Reduce our Scope 1 & 2 emissions to zero by 2024.
- Reduce our emissions from Scope 3 categories measured in baseline year by 70% from our baseline year by 2026.
- Reduce our emissions from Scope 3 categories measured in baseline year by 90% from our baseline year by 2030.
- Reduce our emissions from all Scope 3 categories by 30% from this reporting year by 2026.
- Reduce our emissions from all Scope 3 categories by 50% from this reporting year by 2030.

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 the 2020-2021 baseline.

Activity	Completion Date	Scope
Implemented ISO 14001, ISO 27001, ISO 9001 management systems.	2012	1,2,3
Created a Climate Ambassador to lead initiatives. This ambassador has been assigned to support the roll out of initiatives and management of data, this includes sharing and collaborating throughout the organisation.	2020	1,2,3
Became predominantly paperless, apart from the accounting department.	2020	3
Made rail the primary option for domestic business travel.	2021	3
Committing to reducing scope 2 electricity emissions by increasing the renewable aspect of purchased tariff to 50. In addition, internal projects to support energy efficiency.	2021	2
Implemented Cyber Essentials Plus, parts of the standard include tech energy efficiency measures.	2021	2
Implemented 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.	2022	2

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	% Reduction Target	Category
1	Switch over to 100% renewable energy supply at the next renewal date.	2024	100%	Purchased Electricity
2	<p>Implement energy efficiency measures to reduce the overall amount of electricity consumed at sites.</p> <p>Examples of reduction measures include upgrading lighting, introducing more sensor lighting, installing timers on sockets/equipment. Also review and renew inefficient equipment (when at end of life), and actively consider the energy efficiency of equipment when new purchases are required (eg laptops, fridges, dishwashers).</p> <p>Invite colleagues to openly explore challenges and barriers to collaboratively find solutions for reduction.</p>	2025	10%	Purchased Electricity
3	<p>To completely reduce market and location-based energy emissions to zero, encourage the landlord to install on-site renewable energy generation technologies such as solar PV panels, solar heating, improve insulation, heat pumps (following an energy audit to assess feasibility and payback periods), to generate 100% of heating and energy demand.</p> <p>If the UK Grid is 100% powered by renewable energy before this point, your Scope 2 location-based (and market-based) electricity emissions will already be zero.</p>	2030	100% (location and market-based)	Purchased Electricity

Based upon the above completed and planned initiatives, it is projected that Scope 1 & 2 carbon emissions will decrease to **0 tCO₂e** by 2026.

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

REDUCTION PLANS – Scope 3				
Activity No.	Activity	Target Date	% Reduction Target	Category
1	Develop a comprehensive Net Zero strategy, which will analyse how each of our emissions drivers will reach net zero (including our newly measured emissions categories).	2024	-	All
2	Consider training and engagement for the Green Ambassador, 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.	2024	2.5 - 7.5%	Commuting & Home Working Business Travel
3	<p>Implement a Sustainable Procurement Policy. Encourage suppliers to adopt sustainable practices and improve their own carbon footprint through supplier engagement, procurement policies and contracts, and monitoring reporting mechanisms.</p> <p>Commit to a Sustainability Audit or Survey to request further information regarding credentials – Plan to send these to the Top 5/10 suppliers by spend. This data collection will support reduction journey by gathering important data for year two measurement & encourage supply chain integration towards Net Zero.</p> <p>Complete this audit within Two Phases –</p> <ol style="list-style-type: none"> Identify suppliers for engagement. 	2024 - 2027	20%	Purchased Goods & Services

	<p>2. Formulate and collect data (survey/scoring)</p> <p>Once completed prioritise suppliers with lower carbon footprints as part of the above phased approach. This may also involve purchasing second hand/refurbished (furniture, IT equipment) and extending the lifespan of purchased items. Develop and monitor procurement policy for all new suppliers to align to Net Zero goals.</p>			
4	<p>Update and incentivise Environmental Impact statement within 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. Commit to offering support to workforce with options for active travel schemes, such as car sharing opportunities.</p> <p>Utilise the emissions travel hierarchy –</p> <ul style="list-style-type: none"> Digital communication Walking Cycling Public and shared transport Public and shared EV's and car sharing ICE vehicles and car sharing <p>Consider creative ways to engage and support workforce to influence change. 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, equal mileage payments for diesel/petrol/EVs/cycling.</p>	2025	15%	Commuting Business Travel
5	<p>Work towards an internal zero waste/paperless strategy; encouraging staff to reduce their paper and waste in the office. Reduce bins on site and gain clear data directly from service providers for recycling vs waste. Reducing 50% year on year.</p>	2025	75%	Waste

Based upon the above completed and planned initiatives, it is projected that **as a minimum** Scope 3 carbon emissions will further decrease over the next seven years from the current

normalised measurement of **58.3** tCO₂e to **24.78** tCO₂e by 2030. At a minimum, this will be a reduction of **43%**

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 SmartSourcing's Executive Team.

Signed on behalf of SmartSourcing Ltd:



Name: JUDITH HALL
Position: MANAGING DIRECTOR
Date: 8TH MARCH 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>