



# Carbon Reduction Plan For SmartSourcing

**Publish date:** 2nd October 2024

**Created by:** Sean Barry



# Our Commitment

SmartSourcing is committed to achieving Net Zero emissions by 2035.

## What does Net Zero mean in practice?

To achieve Net Zero, we will be aiming to reduce emissions in line with the latest science-based targets (SBTs). SBTs are greenhouse gas reduction goals set by organisations, they are defined as “science-based” when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. To achieve Net Zero under this scenario, we are aiming to reduce our absolute carbon emissions by at least 90% from our baseline year. This is in line with science-based Net Zero targets.

SBTi recommends that organisations commit to near-term targets (that cover a minimum of 5 years/maximum of 10 years from the baseline year), as well as long-term targets.

## Our near-term targets:

- Maintain our Scope 1 & 2 market-based emissions at zero through to 2030.
- Reduce our emissions from Scope 3 categories measured in baseline year by 30% from our baseline year by 2026.
- Reduce our emissions from Scope 3 categories measured in baseline year by 50% from our baseline year by 2030.
- Reduce our emissions from all Scope 3 categories by 30% from our 2022-23 reporting year (when we first measured all categories) by 2026.
- Reduce our emissions from all Scope 3 categories by 50% from 2022-23 reporting year (when we first measured all categories) by 2030.

## Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2035.
- Neutralise any residual emissions using verified carbon offsets.

**Scope 1 emissions:** direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from the combustion of fuels in on-site boilers, furnaces, or vehicles.

**Scope 2 emissions:** indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.

**Scope 3 emissions:** all other indirect greenhouse gas emissions that occur in an organisation’s value chain, including emissions from upstream and downstream activities.

# Our Carbon Footprint

## 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 to set our baseline year as 1 August 2020 – 31 July 2021.

Baseline Year: 2020-21	
Emissions	Total (tonnes CO <sub>2</sub> e)
Scope 1 <i>None due to having no: gas or other combustion; company owned or leased vehicles; aircon or other fugitive emissions; and no manufacturing.</i>	0.0
Scope 2*	5.5
Scope 3 including: <ul style="list-style-type: none"><li>- Purchased Goods &amp; Services</li><li>- Business Travel</li><li>- Transportation &amp; Distribution (Upstream &amp; Downstream)</li><li>- Employee Commuting &amp; Homeworking</li><li>- Operational Waste &amp; Water</li></ul>	55.3
<b>Total Measured Emissions*</b>	<b>60.8</b>

\*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.

## Carbon Intensity Metrics

Baseline year: 2020-21	Carbon intensity metric (measured categories only)
Employees (tCO <sub>2</sub> e per FTE)	2.3
Revenue (kgCO <sub>2</sub> e per £)	0.002068

Based upon 26 FTEs (full-time employee equivalents), and a £29.4 million revenue during the measurement period. We are using market-based emissions to calculate our intensity metrics.

# Current Emissions Reporting

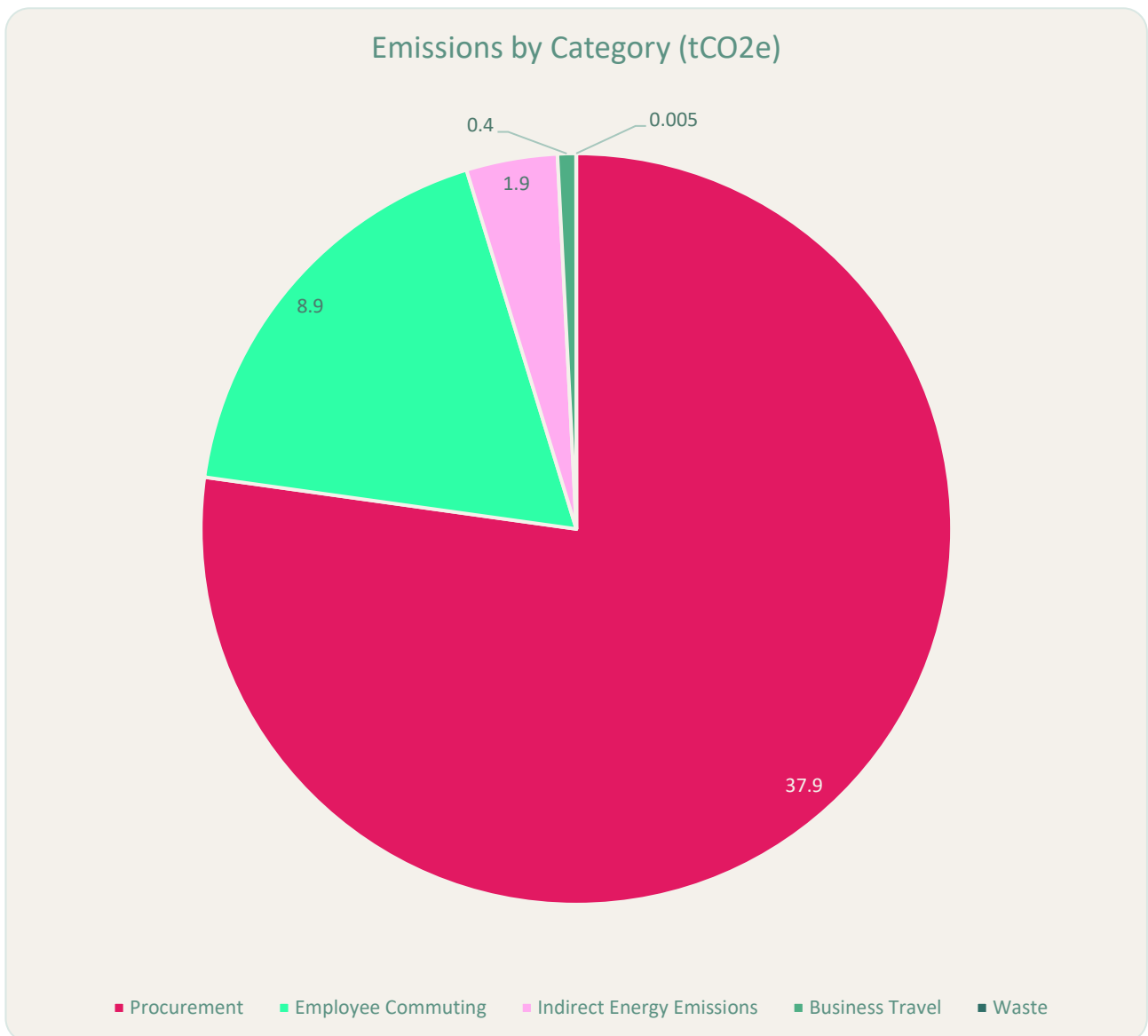
Current Reporting Year: 2023-24	
Emissions	Total (tonnes CO <sub>2</sub> e)
<p>Scope 1</p> <p><i>None due to having no: gas or other combustion; company owned or leased vehicles; aircon or other fugitive emissions; and no manufacturing.</i></p>	0.0
<p>Scope 2*</p> <p><i>No market-based emissions due to having a 100% renewable electricity tariff.</i></p>	<p>Market-based: 0.0</p> <p>Location-based: 3.2</p>
<p>Scope 3 including:</p> <ul style="list-style-type: none"> <li>- Purchased Goods &amp; Services</li> <li>- <i>Capital Goods (none)</i> <ul style="list-style-type: none"> <li>○ <i>None, as we did not buy any capital goods this reporting year</i></li> </ul> </li> <li>- Fuel &amp; Energy Related Services</li> <li>- Business Travel</li> <li>- <i>Transportation &amp; Distribution (Upstream &amp; Downstream) (none)</i> <ul style="list-style-type: none"> <li>○ <i>None due to no outbound deliveries, and all inbound delivery emissions from suppliers are included within procurement spend-based factors</i></li> </ul> </li> <li>- Employee Commuting &amp; Homeworking</li> <li>- Operational Waste &amp; Water</li> <li>- <i>Leased Assets (Upstream &amp; Downstream) (none)</i> <ul style="list-style-type: none"> <li>○ <i>None, as there are no buildings, vehicles or other assets leased or leased out</i></li> </ul> </li> <li>- <i>Product (Processing, Use, End of Life Treatment) (none)</i> <ul style="list-style-type: none"> <li>○ <i>None, as we do not have any sold products</i></li> </ul> </li> <li>- <i>Franchises &amp; Investments (none)</i> <ul style="list-style-type: none"> <li>○ <i>None, as our company does not have any franchising agreements nor investments into any other companies</i></li> </ul> </li> </ul>	49.1
<b>Total Emissions*</b>	<p><b>Market-based: 49.1</b></p> <p><b>Location-based: 52.3</b></p>

## Carbon Intensity Metrics

Current year: 2023-24	Carbon intensity metric
Employees (tCO <sub>2</sub> e per FTE)	2.1
Revenue (kgCO <sub>2</sub> e per £)	0.002038

Based upon 23.0 FTEs (full-time employee equivalents), and a £24.1 million revenue during the measurement period. We are using market-based emissions to calculate our intensity metrics.

## Carbon Emissions Breakdown



<b>Scope 1</b>	tonnes CO <sub>2</sub> e
Stationary Combustion	0.0
Mobile Combustion	0.0
Fugitive Emissions	0.0
Process Emissions	0.0
<b>Scope 2</b>	
Electricity ( <i>Location-based</i> )	3.2
Electricity ( <i>Market-based</i> )	0.0
Heat & Steam	0.0
<b>Scope 3 (Upstream)</b>	
Purchased Goods & Services	37.9
Capital Goods	0.0
Fuel & Energy Related Activities	1.9
Upstream Transportation & Distribution	0.0
Operational Waste & Water	0.005
Business Travel	0.4
Employee Commuting & Homeworking	8.9
Upstream Leased Assets	0.0
<b>Scope 3 (Downstream)</b>	
Downstream Transportation & Distribution	0.0
Processing of Sold Products	0.0
Use of Sold Products	0.0
End-of-Life Treatment of Sold Products	0.0
Downstream Leased Assets	0.0
Franchises	0.0
Investments	0.0

# Carbon Reduction

## Our Net Zero targets

SmartSourcing is committed to achieving Net Zero by 2035. To achieve Net Zero under this scenario, we are aiming to reduce our absolute carbon emissions by at least 90% from our baseline year. This is in line with science-based Net Zero targets.

## Our near-term targets:

- Maintain our Scope 1 & 2 market-based emissions at zero through to 2030.
- Reduce our emissions from Scope 3 categories measured in baseline year by 30% from our baseline year by 2026.
- Reduce our emissions from Scope 3 categories measured in baseline year by 50% from our baseline year by 2030.
- Reduce our emissions from all Scope 3 categories by 30% from our 2022-23 reporting year (when we first measured all categories) by 2026.
- Reduce our emissions from all Scope 3 categories by 50% from 2022-23 reporting year (when we first measured all categories) by 2030.

## Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2035.
- Neutralise any residual emissions using verified carbon offsets.



## Progress

Emissions	Carbon Footprint (tonnes CO <sub>2</sub> e)			% change from earliest measurement
	Baseline year: 2020-21	First full measurement: 2022-23	Current year: 2023-24	
Scope 1	0.0	0.0	0.0	-
Scope 2	5.5	1.6	0.0	-100%
Scope 3 (initial categories)	55.3	51.8	47.1	-15%
<b>Total emissions (initial categories)</b>	60.8	53.3	47.1	-22.5%
Scope 3 (all categories)	(not measured)	53.3	49.1	-7.9%
<b>Total emissions</b>	(not measured)	54.9	49.1	-7.9%

Emissions	Employee carbon intensity metric (tCO <sub>2</sub> e per FTE)			% change from earliest measurement
	Baseline year: 2020-21	First full measurement: 2022-23	Current year: 2023-24	
Total emissions (initial categories)	2.3	2.05	2.05	-14.3%
<b>Total emissions (all categories)</b>	(not measured)	2.1	2.1	0%

Emissions	Revenue carbon intensity metric (kgCO <sub>2</sub> e per £)			% change from earliest measurement
	Baseline year: 2020-21	First full measurement: 2022-23	Current year: 2023-24	
Total emissions (initial categories)	0.002068	0.002193	0.001954	-5.5%
<b>Total emissions (all categories)</b>	<i>(not measured)</i>	<b>0.002258</b>	<b>0.002038</b>	<b>-9.7%</b>

In 2023, our near-term targets were:

- Reduce our Scope 1 & 2 emissions to zero by 2024.
  - o We are proud to report that we have **achieved** this target.
  - o Therefore, we have set a new maintenance target from this year onwards:
    - Maintain our Scope 1 & 2 market-based emissions at zero through to 2030.
- Reduce our emissions from Scope 3 categories measured in baseline year by 70% from our baseline year by 2026, and reduce our emissions from Scope 3 categories measured in baseline year by 90% from our baseline year by 2030.
  - o Although we would have liked to maintain these targets for the categories measured in the baseline year, we recognise that last year's target was overly ambitious, as we are already highly carbon-efficient. As achieving a 90% reduction by 2030 is unrealistic for a company in our position, we have decided to adjust our targets to be more ambitiously realistic:
    - Reduce our emissions from Scope 3 categories measured in baseline year by 30% from our baseline year by 2026.
    - Reduce our emissions from Scope 3 categories measured in baseline year by 50% from our baseline year by 2030.
  - o Since the baseline year, we have reduced emissions by 15% for these initial categories.
- Reduce our emissions from all Scope 3 categories by 30% from our 2022-23 reporting year (when we first measured all categories) by 2026, and reduce our emissions from all Scope 3 categories by 50% from 2022-23 reporting year (when we first measured all categories) by 2030.
  - o Since our 2022-23 reporting year, we have reduced emissions by 7.9% for all Scope 3 categories.

We are partially on track to achieve our near-term targets, and so will accelerate our progress.

## Completed Carbon Reduction Initiatives

The following emissions management measures and projects have been completed or implemented.

Activity	Completion Date	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. Year 1 appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations.	2023	1,2,3
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
Has an informal policy of encouraging car sharing where feasible, for both business travel and commuting.	2024	3
Switched over to 100% renewable energy supply at our renewal date in 2024. In addition, internal projects to support energy efficiency. This reduced our market-based scope 2 emissions to zero.	2024	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
Installed new energy-efficient servers, which should reduce electricity use.	2024	2

Reduced the size of our office, which will contribute to reducing energy consumption.	2024	2
---	------	---

## Future Carbon Reduction Plans

We are committing to action the following emissions management measures and projects in line with our Net Zero targets.

Reduction Plans – Scope 1 & Scope 2				
Activity No.	Activity	Target Date	% Reduction Target	Category
1	<p>Currently we do not have any Scope 1 or Scope 2 market-based emissions, and we intend to keep it this way.</p> <p>If we expand or move to a new site, we shall do our best to ensure the new site:</p> <ul style="list-style-type: none"> <li>is powered by 100% renewable electricity (market based)</li> <li>does not have gas heating or uses as little as possible in the short term</li> <li>uses energy-efficient appliances.</li> </ul> <p>If the UK Grid is 100% powered by renewable energy at this point, our Scope 2 location-based (and market-based) electricity emissions will already be zero.</p>	-	-	Stationary Combustion Purchased Electricity
2	<p>Implement energy efficiency measures to reduce the overall amount of electricity consumed at sites, and optimise operational procedures.</p> <p>Examples of reduction measures include:</p> <ul style="list-style-type: none"> <li>upgrading lighting and introducing more sensor lighting in working areas, and aligning sensor times to usage patterns (eg 3 minutes for corridors, 20 minutes for working spaces)</li> <li>installing timers on sockets/equipment to automatically turn appliances off during non-working hours</li> <li>reviewing and renewing inefficient equipment (when at end of life), and actively consider the energy efficiency</li> </ul>	2025	Medium (location-based)	Purchased Electricity

	of equipment when new purchases are required (eg laptops, fridges, dishwashers)			
3	<p>To completely reduce location-based energy emissions to zero, encourage the landlord to install onsite renewable energy generation technologies where feasible, such as solar PV panels (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 electricity emissions will already be zero.</p>	2030	100% (location and market-based)	Purchased Electricity

Based upon the above, it is projected that Scope 1 & 2 carbon emissions will be maintained at **0 tCO<sub>2</sub>e** through to 2030.

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

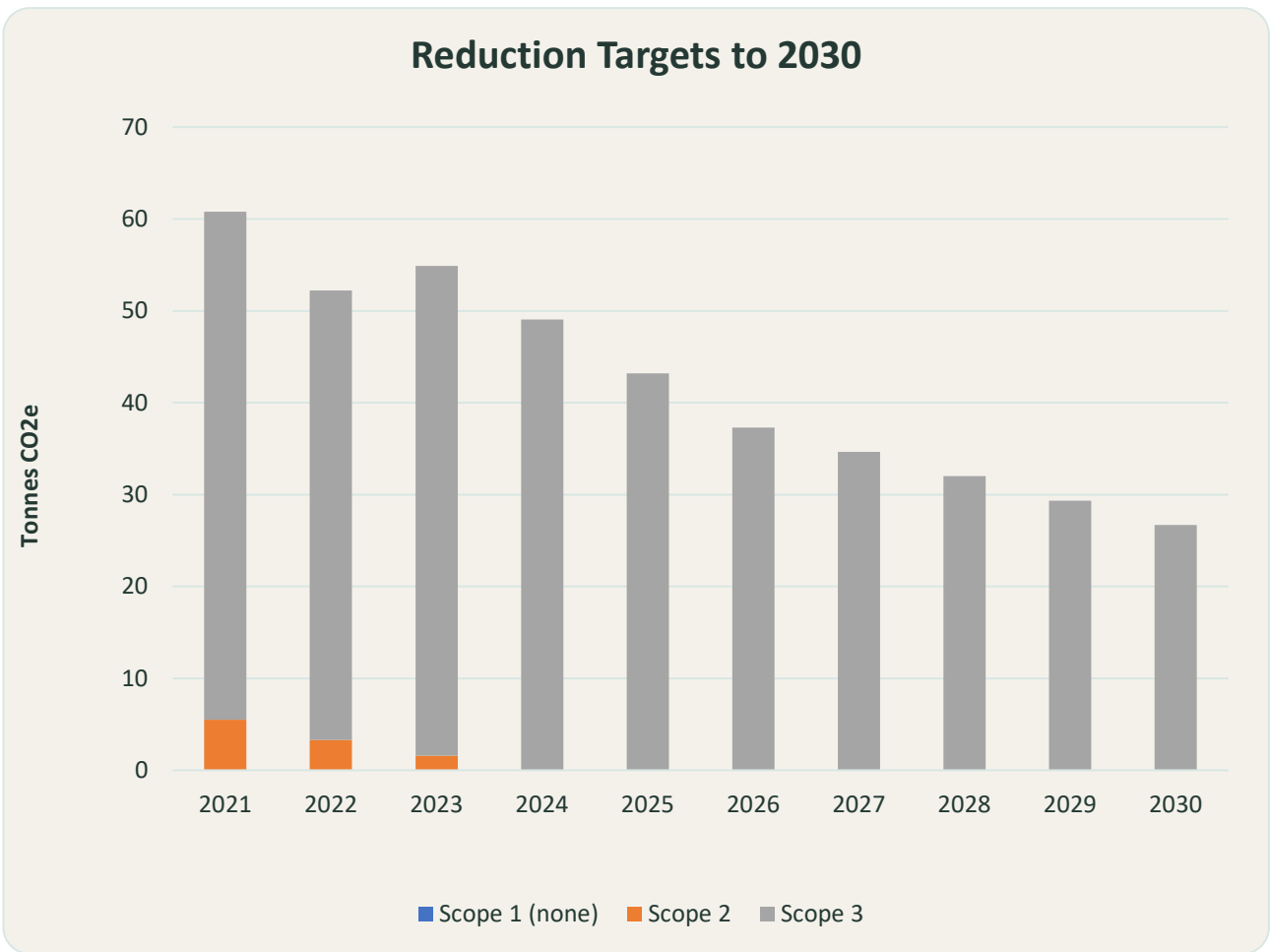
Reduction Plans – Scope 3				
Activity No.	Activity	Target Date	% Reduction Target	Category
1	Consider training and engagement for the Green Team, leadership, and the wider employee base. Including and not limited to, creating spaces for environmental positive conversations (internal comms, newsletters, 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.	2025	2.5 - 7.5%	Commuting & Homeworking Business Travel
2	<p><b>Implement a Sustainable Procurement Policy.</b> 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 future measurement &amp; encourage supply chain integration towards Net Zero.</p> <p>Complete this audit within two phases:</p> <ol style="list-style-type: none"> <li>1. Identify suppliers for engagement</li> <li>2. Formulate and collect data (survey/scoring)</li> </ol> <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.</p>	2025 - 2027	High	Purchased Goods & Services

	Develop and monitor procurement policy for all new suppliers to align to Net Zero goals.			
3	<p>Consider moving to a more sustainable default pension provider.</p> <p>Although companies are not able to control or give advice as to what pension fund employees choose, we can control what our default pension fund we enrol our staff on.</p> <p>We shall explore which pension fund providers' default funds do not invest in high-carbon industries (eg no oil and gas).</p>	2025-2027	Medium	Purchased Goods & Services
4	Prioritise purchasing from local suppliers to limit delivery mileage.	2024 - 2027	Medium-high	Purchased Goods & Services Upstream Distribution
5	<p><b>Update and incentivise Environmental Impact statement within travel policy</b> 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>Commit to offering support to workforce with options for active and low-emission travel schemes, such as:</p> <ul style="list-style-type: none"> <li>- Cycle to work scheme</li> <li>- EV salary sacrifice scheme</li> <li>- Car sharing opportunities</li> </ul> <p>Utilise the emissions travel hierarchy:</p> <ul style="list-style-type: none"> <li>- Digital communication</li> <li>- Walking and cycling</li> <li>- Public and shared transport</li> <li>- EV's and car sharing/clubs</li> <li>- ICE vehicles and car sharing/clubs</li> </ul> <p>Consider creative ways to engage and support the workforce to influence change.</p> <p>Examples include setting an internal organisation carbon credit scheme (limit that to a number of tCO<sub>2</sub>e per year), extra holiday days for low emission travel choice, bonuses,</p>	2025	Medium-high	Business Travel Commuting



	subsidised travel, equal mileage payments for diesel/petrol/EVs/cycling.			
6	Work towards an internal zero waste/paperless strategy; encouraging staff to reduce their paper and waste in the office. Reduce bins on site.	2025	Medium	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 49.1 tCO<sub>2</sub>e to 37.3 tCO<sub>2</sub>e by 2026, and 26.7 tCO<sub>2</sub>e by 2030. This is a **reduction of 46%** 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 standard <sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting <sup>2</sup>.

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) Standard <sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the SmartSourcing Executive Team.

**Signed on behalf of SmartSourcing:**



---

**Name:** JUDITH HALL

**Position:** MANAGING DIRECTOR

**Date:** 02/10/2024

---

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

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

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