

## **Efficio Limited**

# **Carbon Reduction Plan (CRP)**

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# 1. Commitment to Achieving Net Zero

Efficio Limited (Efficio) is committed to achieving Net Zero emissions no later than 2050, in line with climate science and the goals of the Paris Agreement. As part of this commitment, Efficio aims to set a science-based target and to explore the formal validation of this target through the Science Based Targets Initiative (SBTi) by 2025.

Efficio's services identify, deliver and sustain opportunities in procurement for our clients. To that end, we are developing KPIs to track the sustainability impacts of our solutions for our clients. We understand that the work in service of our clients will also have an impact on the wider world and we take that responsibility seriously. We approach this responsibility by ensuring that what we do is sustainable, across our direct environmental impact, our communities, our clients and our people. As with any endeavour, we recognise that we are on a journey in this commitment, expanding our awareness and delivering improvements in an iterative way.

Efficio will aim to follow and promote good sustainability practices, reduce the environmental impacts of all activities, and help employees, clients, and partners to do the same. The scope of our Net Zero commitment will cover all Efficio entities globally, and include Scope 1, 2 and 3 emissions as defined by the GHG Protocol.

Efficio is continuing to improve the measurement and monitoring of our Greenhouse Gas (GHG) emissions and seeking opportunities to reduce emissions across our activities, by taking the following actions:

1. Measuring all relevant Scope 1, 2 and 3 emissions globally
2. Aligning our carbon reduction targets with a science-based trajectory
3. Preparing to respond voluntarily to CDP for the first time in 2024
4. Completing the submission for an EcoVadis rating in late 2023.

## 2. Baseline and Current Emissions Footprint

Baseline emissions are a record of the GHGs that were released during a 12-month period in the recent past and happened prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which future emissions reduction can be measured. The reporting period is the financial year 2022/23 and the baseline year is the financial year 2018/19. The operational control approach has been applied to report all emissions that Efficio has direct control over and has full authority to introduce and implement operating policies.

Efficio has calculated Scope 1 and 2 emissions using activity data provided by landlords of properties that Efficio occupied during the reporting year. Efficio does not own any company vehicles so Scope 1 vehicle emissions are zero. Scope 3 emissions have been calculated for categories where data is available and the source is considered to be material.

Efficio utilised its CarbonCube® which is a platform developed in-house to quantify emissions from Scope 3 categories 1 and 2. Business travel and employee commuting remain the other material Scope 3 categories. Efficio has no material upstream transportation and distribution of goods, therefore there are no emissions associated with this category. Similarly, Efficio does not manufacture and distribute products so there are no emissions associated with downstream transportation, processing and use of products.

The next step will be to complete a full screening exercise for Efficio's global operation and complete a global baseline to prepare for the setting of science-based targets.

## 2.1 Scope 1, 2 and 3 Emissions for Efficio UK Ltd

|   | Activity                                     | 2018/19<br>tCO <sub>2</sub> e | 2020/21<br>tCO <sub>2</sub> e | 2021/22<br>tCO <sub>2</sub> e | 2022/23<br>tCO <sub>2</sub> e |
|---|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Scope 1</b>  |  |                               |                               |                               |                               |
| Direct emissions from owned or controlled sources   | Natural gas                                  | 68                            | 68                            | 68                            | 7                             |
|   | Other fuel                                   | -                             | -                             | -                             | -                             |
|   | Fugitive emissions                           | -                             | -                             | -                             | -                             |
|   | Owned vehicles                               | -                             | -                             | -                             | -                             |
| <b>Scope 2</b>  |  |                               |                               |                               |                               |
| Indirect emissions from the generation of purchased electricity, steam, heating and cooling | Generation of electricity consumed           | 57                            | 49                            | 44                            | 79                            |
| <b>Scope 3</b>  |  |                               |                               |                               |                               |
| Other indirect emissions  | 1 Purchased goods and services               | -                             | -                             | -                             | 1,416                         |
|   | 2 Capital goods                              | -                             | -                             | -                             | -                             |
|   | 3 Fuel and energy-related activities         | -                             | -                             | -                             | -                             |
|   | 4 Upstream transport and distribution        | -                             | -                             | -                             | 7                             |
|   | 5 Waste generated in operations              | 0.2                           | 0.2                           | 0.2                           | 0.2                           |
|   | 6 Business travel                            | 3,481                         | 1,790                         | 145                           | 1,011                         |
|   | 7 Employee commuting & WFH                   | 191                           | 133                           | 38                            | 68                            |
|   | 8 Upstream leased assets                     | -                             | -                             | -                             | -                             |
|   | 9 Downstream transportation and distribution | -                             | -                             | -                             | -                             |
|   | 10 Processing of sold products               | -                             | -                             | -                             | -                             |
|   | 11 Use of sold products                      | -                             | -                             | -                             | -                             |
|   | 12 End-of-life treatment of sold products    | -                             | -                             | -                             | -                             |
|   | 13 Downstream leased assets                  | -                             | -                             | -                             | -                             |
|   | 14 Franchisees                               | -                             | -                             | -                             | -                             |
|   | 15 Investments                               | -                             | -                             | -                             | -                             |
| <b>Employee baseline</b>  |  |                               |                               |                               |                               |
|   | Number of employees (FTE)                    | 358                           | 314                           | 389                           | 434                           |
| <b>Total</b>  |  |                               |                               |                               |                               |
|   | Total  | 3,729                         | 233                           | 1,966                         | 2,587                         |

## 3. Emissions Reduction Targets

Efficio intends to implement a phased approach to achieving Net Zero emissions, through intermediate targets:

- **Short term:** Target all operations under direct control
- **Medium term:** Target certain indirect operations (i.e. waste, water, indirect fuel and energy, employee commuting and downstream leased assets)
- **Long term:** Target indirect operations related to the supply chain (purchased goods and services)

To continue our progress to reduce emissions from our business activities, Efficio has adopted the following interim carbon reduction targets, against a 2018/19 baseline:

- 15% reduction in GHG emissions (Scope 1 +2) intensity per full-time employee by the end of 2025;
- 20% reduction in business travel emissions intensity per full-time employee by the end of 2025.

### 3.1 Science-Based Targets

Efficio recognises the importance of setting science-based targets (SBTs) which the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

Science-based targets provide a clearly defined pathway to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth.

Our current targets for Scope 1 and 2 emissions are aligned with a science-based trajectory but only capture our UK operations, and our ambition is to capture all operations and to set a Scope 3 target to align our targets fully with the methodology set by the Science Based Targets Initiative (SBTi) by 2025.

- 25% reduction in Scope 1 + 2 (market-based emissions) by end of 2025. This is our 5-year target for all of our Scope 1 and 2 emissions. Efficio expects to achieve this target through increasing energy efficiency, and by procuring renewable energy.
- To have all Scope 3 emissions recorded by 2023/24 and to ensure that Efficio suppliers, accounting for at least 75% of supply chain emissions, control their GHG emissions and have set GHG emissions reduction targets by 2025 increasing to 90% by 2030. This will be achieved by new sustainable procurement systems in line with the implementation of ISO 20400:2017 sustainable procurement.

## 4. Carbon Reduction Projects

### 4.1 Completed Carbon Reduction Initiatives

Efficio maintains and continually improves its quality and environmental management systems, which are externally certified to the ISO 9001:2015 and 14001:2015 standards and have been held since 2012.

Efficio has completed or implemented the following environmental management measures and projects since the 2018/19 baseline year. The target is to continue to progress from the point the baseline was set and build back better as we enter a new normal working environment.

### 4.2 Business Travel

Efficio is looking to introduce carbon cost of travel reporting to show employees and consultants the carbon cost related to their travel behaviour. The intention is that this will remove journeys or encourage lower emission travel options by choosing to teleconference rather than travel, or if they do travel, to choose the mode with the lowest carbon emissions; for example, taking the train between London and Paris rather than a flight.

### 4.3 Renewable Electricity and Energy Efficiency

Where Efficio has direct control of contracts, by 2025 the procurement of electricity consumed will be from renewable sources, reducing Scope 2 emissions to zero on a market basis in these locations.

Efficio will reduce the energy consumption of office equipment by purchasing energy-efficient equipment and by promoting energy conscious behaviour change.

### 4.4 Waste Management

Efficio prioritises consideration of the waste hierarchy, promoting where possible reuse or recycling ahead of disposal. Efficio also promotes good behaviour principles, promoting minimising the use of paper and other office consumables; reducing paper consumption by electronic documentation, e.g., DocuSign and where required encouraging the use of double-sided printing to reduce paper usage. Efficio will look for ways of identifying other opportunities to reduce office waste.

## 4.5 Carbon Offset Initiatives

In the past, Efficio has purchased carbon offsets for GHG emissions from its business travel. In this way Efficio's air travel emissions have been carbon neutral since 2017.

Efficio has previously offset its GHG emissions through CO2Balance and has also supported sustainability projects through partners such as Plastics Oceans and the World Resources Institute. These initiatives will be investigated in the future as part of our Net Zero ambition.

During the current financial year, we are directing funds to reporting and calculation of our global scope 1-3 emissions footprint, as well as reporting to Ecovadis and CDP for the first time.

We plan to review offsetting options available to us and will consider offsetting and sustainable aviation fuel for our residual business travel emissions in the next financial year.

## 4.6 Future Initiatives

As part of the future ways of working strategy, Efficio is exploring opportunities to deliver a reduction in its UK and global carbon footprint. This will include internal opportunity identification and externally by working with direct and indirect supply chains.

## 5. Delivering Sustainability Improvement

Through our consulting activities Efficio is in a privileged position to deliver both cost reduction and sustainability improvements in the supply chain. We believe that sustainability and achieving Net Zero are fundamental to the world around us and look to support our clients in understanding this and the strategic opportunities to achieve this.

At Efficio, we are moving towards all our procurement activity being 'sustainable procurement', by which we mean that procurement and supplier management processes baseline, target, deliver and track improved ESG outcomes in addition to core metrics of cost, quality and service. We help our clients determine opportunities, build team capabilities, and adopt strategies that enable them to maximise Environmental, Social and Governance (ESG) improvements without compromising on cost management.

We help clients to address these challenges through, for example:

1. Carbon and ESG baselining activities
2. Sustainable Procurement strategy and target setting
3. Enablement of Sustainable Procurement operating models
4. Delivery of ESG-targeted sourcing and Supplier Relationship Management programmes
5. Training and Awareness
6. Provision of data and tools, such as the CarbonCube®
7. Supporting effective external reporting

Sustainability must be embedded throughout procurement processes. At Efficio, we use tried-and-tested methodologies to enable resilient, transparent, and green supply chains and to target improvements across all ESG metrics. We often start by carrying out a thorough Sustainable Procurement Opportunity Assessment to determine key risks and opportunities before creating a strategy to deliver improvements, and then supporting clients to deliver measurable results.

## 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 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, for the Financial Year ending on 30<sup>th</sup> June 2023, has been reviewed and signed off by the board of directors.

Signed on behalf of Efficio:

Director's Signature: .....

Director's Name: .....

Date: .....