

Carbon Reduction Plan

Supplier name: Apleona UK Ltd
Publication date: August 2023



COMMITMENT TO ACHIEVING NET ZERO

Apleona UK Ltd is committed to achieving Net Zero emissions by 2045. We have published our Carbon Roadmap on our website to highlight our key milestones in decarbonising our business. As part of Apleona Group, we plan to formally sign up to the Science Based Target Initiative in 2024.

EMISSIONS FOOTPRINT

Baseline emissions are a record of the greenhouse gases that have been produced in the past and are the reference point against which emissions reduction can be measured. The Company's baseline year is 2020.

The Company operates an environmental management system certified to ISO 14001 standard as well as an energy management system certified to ISO 50001 standard. The Group's management system ensures that it meets environmental and energy standards and legislative requirements across the Apleona UK business.

The Company maintains records of its energy consumption using the Governments GHG Protocol. Key metrics for the financial year ended 31 December 2022 include:

ENERGY PERFORMANCE

	Baseline Year 2020	2021	2022
Gas (kwh)	407,814	270,315	298,381
Electricity (kwh)	219,534	178,859	171,003
Transport fuels (litres)	225,031	181,274	178,185
Kilometres travelled (km)	1,747,044	1,412,679	1,811,762

CARBON PERFORMANCE

t/CO ₂ e	Baseline Year 2020	2021	2022
Scope 1	679	541	539
Scope 2	51	38	33
Scope 3	270	192	296
Location-based total	1000	771	868

The location based result is used as a proxy for the market-based method, as we are clarifying the market based data from our electricity suppliers. This includes our operating offices in London, Motherwell, Leeds and Newhouse.

INTENSITY RATIO

	Baseline Year 2020	2021	2022
Emissions (t/CO ₂ e) per turnover	12.2 (based on £82.28m turnover)	9.1 (based on £84.55m turnover)	10.7 (based on £80.37m turnover)

Organisational boundaries were set with reference to the methodology described in the GHG Protocol and ISO 14064- 1:2006 standards. An operational control consolidation approach was used to account for our impacts and emissions.

The materiality of metrics above have been determined by their contribution to our overall impact and our ability to influence the impact of the operation. The scope of the report includes company property used, company fleet, non-company vehicles, rail and air travel. Supply chain, waste, water and rental cars are not included due to the limited availability of accurate data. We have engaged with supply chain partners representing 20% of our supply chain spend and collated their carbon emissions to estimate our Scope 3 emissions.

Whilst this is being validated, we have taken the opportunity to engage with our supply chain on sustainability. That has led to new innovations being trialled and promoted across our contracts, supporting energy efficiency and waste reduction. We plan to enhance our Scope 3 reporting in future years. Carbon emissions from our customers' real estate locations which we maintain and operate from are also out of scope.

EMISSIONS REDUCTION TARGETS

In order to continue our progress to achieving Net Zero, we have adopted the carbon reduction target of a **5%** year on year reduction, via a combination of initiatives which will tackle Scopes 1, 2,3 emissions.

The Company takes its role as a responsible business seriously and we consistently explore ways to reduce our environmental impacts through the reduction of energy and carbon. 92% of our carbon emissions arise from business travel in company and non-company vehicles, therefore the focus to decarbonise is through our fleet.

We are committed to further developing our route to zero carbon by 2045 as a Group, which will include electrifying our fleet as well as working with our supply chain and employees to reduce Scope 3 emissions over time. We already procure electricity for our offices from renewable sources.

CARBON REDUCTION INITIATIVES

- In 2022, we have seen a small reduction in Scope 1 and 2 emissions but an increase in Scope 3 emissions due to 8% increase in staff numbers in 2022 and more employees choosing cash allowance over a company car.
- Absolute CO₂e emissions have reduced by 13% from the baseline year of 2020, from 1,000 t/CO₂e to 868 t/ CO₂e
- We have seen 55% increase in travel in non-company cars, rail and air last year compared to 2021, due to increased staff numbers and greater connectivity with Apleona Group.
- By working closely with our fleet providers, we have increased the range of hybrid vehicles available to our staff. 25% of our company fleet are electrified vehicles, either fully electric or electric hybrid and this will continue to increase over time. We have increased the number of fully electric vehicles to 7 and the number of hybrid vehicles to 21.
- Electricity procured for our offices in Motherwell, Leeds and Newhouse is from 100% renewable sources
- Gas and electricity use in our properties is measured via our energy management platform Enerlutech, which captures half-hourly data as well as usage from invoices. As a result, measurement of energy use is more accurate and transparent.

- Our commercial vehicle fleet is fitted with Euro VI engines
- We have encouraged the use of communication technology within our business as an alternative to driving and have subsequently seen a fall in our carbon footprint

Other ongoing processes in relation to energy and carbon efficiency include:

- Our Sustainability Committee is chaired by our MD and includes key colleagues from the business measuring and overseeing our performance and driving improvements. Climate Action is one of our key goals and we have set ourselves a number of specific targets to drive reductions in energy and our carbon footprint
- Continued use of the recognised PDCA (Plan, Do Check, Act) cycle in assessing Facility Management processes within premises
- Continued support to customers waste reduction and recycling programmes

We are working to develop and implement further carbon reduction measures, as detailed below in the extract from our Energy Management Plan and in our 2023 Sustainability Targets of which Climate Action is one of our core targeted pillars:

ENERGY MANAGEMENT PLAN

Energy management is a fundamental business issue. In addition to more stringent environmental legislation, energy management is important to our business for the following reasons:

- Regulatory compliance;
- Supporting Apleona's Net Zero Carbon commitment;
- Meeting our clients' expectations and improving energy efficiency of their properties;
- Reduced costs through efficiencies and less wastage.

The Company has set the following targets and objectives to drive continuous improvement in energy management throughout 2023. These support our wider Sustainability Strategy aligned to our priority Global Goals, in particular the Sustainable Development Goals 13: Climate Action.

Lagging and Leading Indicators
Reduce CO ² e emissions by 5% per annum
Increase the number of fully electric vehicles to 10 to support our Net Zero Target
Improve the management of fuel cards
Reduce electricity usage by 5% at our properties
Increase the procurement of electricity from renewable sources
Nominated Energy Champions to complete mandatory training

The delivery mechanism for the above targets is described overleaf, which is to be reviewed as part of our Sustainability Committee meetings, chaired by our MD and held on a 6-weekly basis.

SUSTAINABILITY TARGETS 2023

Group Target	Management Programme	Local Actions	Responsible for monitoring
Reduce CO ² e emissions by 5% per annum	With the help from our nominated fleet provider, review our Company car policy and fleet strategy.	Communicate the revised Company car policy to local teams and drivers of company vehicles.	Procurement Manager, Sustainability Manager
Increase the number of electrical vehicles to 10 to support our Net Zero target	Replace 20+ vehicles where leases are expiring with more fuel efficient / hybrid / EVs alternatives and increase the number of EVs to 10	Engage with the Procurement Manager to discuss fleet options and suitability of hybrid / EVs.	Procurement Manager
Improve the management of fuel cards	Implement controls around the use of fuel cards Consider the installation of on-board trackers in commercial vans	Follow the Company's instructions relating to fuel cards.	Procurement Manager
Reduce electricity usage by 5% at our properties	New heating systems at Motherwell to be commissioned. Energy audits completed at Motherwell, Leeds and London Install sensors to support energy reductions at the Leeds office	Support energy reduction by turning off assets not in use and closing out recommendations from energy audits	Procurement Manager
Increase the procurement of electricity from renewable sources	Electricity contract for Motherwell office is expiring 30/09/2023. ABL Consultants to source electricity from renewable sources in line with Apleona Group.		CFO, ABL Consultants
Nominate Energy Champions to complete mandatory training	Energy Champions to complete Energy Monitoring and Targeting course by CIBSE cibse.org/training/search-courses/energy-monitoring-and-targeting	Support Energy Champions by allocating resource and time to attend meetings, to conduct energy audits and take relevant actions to optimise energy use	Account Director (Energy)

SUSTAINABILITY TARGETS 2023

DECENT WORK and ECONOMIC GROWTH



Recruit **10 additional employees from disadvantaged backgrounds** and/or with disability, *HR*

Support **10 additional apprenticeship** courses, *HR*

Invest in **30 staff** gaining new qualifications, *HR*

Complete **5000 hours** of training, *HR*

Launch **Equality Diversity Inclusion forum** and training, *HR*

Increase the number of **handhelds by 20%** to support efficiency and customer satisfaction through digitisation, *IT*

Engage with **top 7 supply chain partners on sustainability and carbon** reporting, *Procurement*

Triple our spend with SMEs (£) for catering supplies, *Catering and Events Manager*

Generate **£15k of savings to local charities** through furniture and uniform donations, *Workspace*

Conduct **10 modern slavery assessments** in our supply chain, *Sustainability Manager and Procurement*

GOOD HEALTH and WELL-BEING



Reduce accident/incident occurrences by 1%, *HSEQ*

Complete 80 safety walks, *HSEQ*

Deliver **four H&S campaigns** throughout the business, *HSEQ*

Avoid 10,000 litres of cleaning product by using 6 Clean Zero units on new contracts, *Cleaning Specialist*

Raise a total of £6,000 for our mental health charity partner Papyrus, throughout 2022/23

40% plant-based meals at all existing catering sites, promoting locally sourced / assured ingredients, *Catering and Events Manager*

Increase the **usage of EAP** by 20%, *HR*

Conduct **4 awareness campaigns** on mental health, *HR*

CLIMATE ACTION



Reduce CO2e emissions by 5% per annum, *Procurement, Sustainability Manager*

Deliver 500,000 kWh savings for our clients, *Account Director (Energy)*

Increase the number of fully **electric vehicles** to 10 to support of our Net Zero Target, *Procurement*

Achieve external certification to **ISO 50001**, *Account Director (Energy), Sustainability Manager*

Avoid waste by **repairing 1000 furniture items** for re-use, *Workspace*

Reduce electricity usage by 5% at our properties and **water use by 2%**, *Account Director (Energy), Sustainability Manager*

Recycle 82% of our office waste at our properties, *Sustainability Manager*

Refurbish and put back into use additional **50 items of cleaning equipment**, *Regional Cleaning Specialist*

Reduce sachets by 80% as well as the use of disposables, *Catering and Events Manager*

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 ⁷ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting ⁸.

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 ⁹.

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:

A handwritten signature in black ink, appearing to read 'Jacqui Paice', written in a cursive style.

Jacqui Paice
Managing Director UK

Date: 20/07/2023

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