

The Growth Company Carbon Reduction Plan

Commitment to achieving Net Zero

The Growth Company is committed to achieving Net Zero emissions by 2035.

Baseline Emissions Footprint

Baseline Year: 2019/20

Additional Details relating to the Baseline Emissions calculations

The Growth Company's (GC) carbon emissions have been calculated in line with our Streamlined Energy and Carbon Reporting Regulations (SECR) requirements, that is our Scope 1 and Scope 2 emissions as well as our Scope 3 emissions which relate to business travel. Additional Scope 3 categories, calculated retrospectively in line with GHG (Greenhouse Gas) Protocol guidance and using the relevant UK Government Carbon Conversion Factors, have been included in this Carbon Reduction Plan.

All our emissions reporting includes Well-to-Tank, Transmission and Distribution, and Radiative forcing (RF) conversion factors where relevant. Our reporting scope covers the entire group as this best reflects the agile way in which we use our office space.

Baseline year emissions: 2019/20	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	138
Scope 2	362
Scope 3 (Included Sources)	Category 4 & 9 – Upstream & Downstream Transport - 109 Category 5 – Waste - 39 Category 6 – Business Travel - 337 Category 7 – Employee Commuting & Homeworking - 2,049
Total Emissions	3,035



Current Emissions Reporting

Reporting Year: 2021-22

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	143
Scope 2	334
Scope 3 (Included Sources)	Category 1 – Purchased goods & Services - 6 Category 4 & 9 – Upstream & Downstream Transport - 244 Category 5 – Waste - 32 Category 6 – Business Travel - 72 Category 7 – Employee Commuting & Homeworking - 1,835
Total Emissions	2,665

Emissions reduction targets

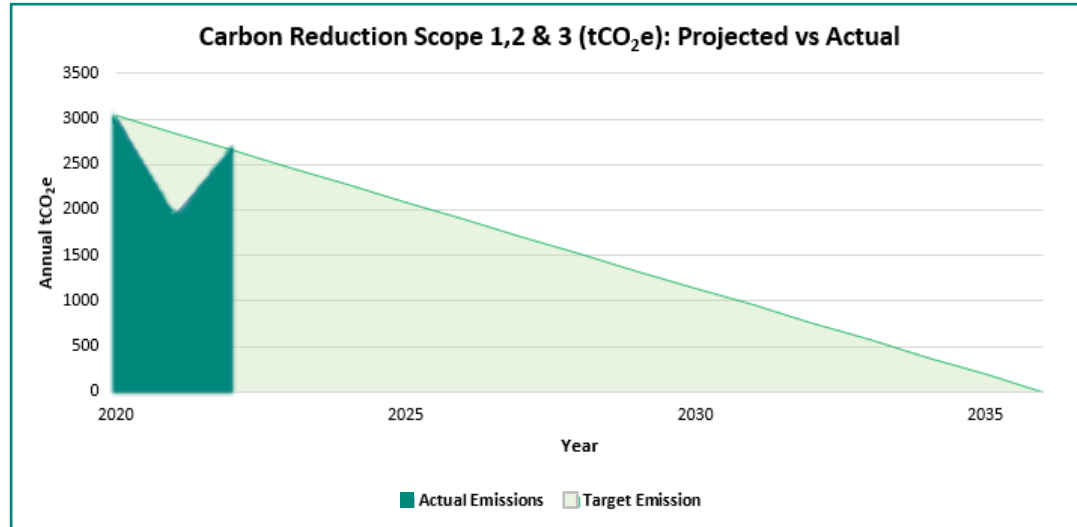
In February 2022, GC set a target to be Net Zero by 2035 across all three scopes, recognising the latest scientific evidence that there needs to be a rapid transition to a net zero economy to help ensure global temperatures do not exceed 1.5°C.

As of 2020-21, GC has been Carbon Neutral across our Scope 1 and 2 emissions, as well as the five Scope 3 categories defined in Procurement Policy Note 06/21 and will continue to off-set its measured carbon emissions year-on-year.

GC off-set year-on-year measured carbon emissions using the Gold Standard, whilst also implementing carbon reduction initiatives. In choosing a scheme we use the following methodology:

- 90% of our retired carbon credits are with projects which reduce the production of greenhouse gases e.g. a renewable energy scheme
- 10% of our retired carbon credits are with projects which capture carbon e.g. a tree planting, biodiversity schemes

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



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

Since our baseline year, we have achieved a 12% reduction in our carbon emissions. This has been achieved even though we have seen a 26% increase in the number of FTE (Full Time Equivalent) colleagues and a 19% increase in our turnover since 2019-20.

GC has seen an increase in both electricity and gas consumption when compared to 2020/21, although this can be attributed to an increase in the size of our estate, a 48% increase in reporting floor area since 2020-19, as well as a return to business-as-usual activities post Covid.

A large proportion of our reduction is in relation to continued decrease in business travel. It's expected that this is likely to increase as we return to business-as-usual activities and international travel continues to open up.

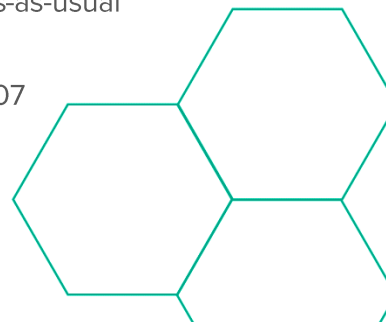
We project that carbon emissions will decrease over the next five years to 1,707 tCO₂e by 2026-27. This is a reduction of 44%.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

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 370 tCO₂e, a 12% reduction against the 2019 baseline and the measures will be in effect when performing the contract:

- Achieved ISO 14001 certification
- Green Energy tariffs have been used when purchasing energy directly by GC
- Installed sub-metering and using the data to identify energy inefficiencies
- Introduced good energy management procedures such as a heating and cooling policy, automatic sleep mode and switch off, utilising sensor-based lighting and natural light
- Introduced a 'Our Working Way' policy to encourage agile, flexible working from home locations, digitisation of paperwork and the use of electronic/virtual meetings and training
- Sustainable transport options available to all colleagues, including season ticket loan offer and cycle to work scheme and all are encouraged to use public transport for business travel through our expenses system
- Introduction of salary sacrifice electric vehicle EV leasing scheme
- Minimised the use of virgin paper by ensuring all our paper has 100% recycled content
- Reduced waste to landfill through dedicated recycling and general waste bins
- Reducing water waste through installation of instant hot water dispensers
- Increased staff awareness and engagement through our internal Team Green Climate Action Group
- Mandatory Environmental Awareness training for all staff and included within induction process



Future Carbon Reduction Initiatives

In February 2022, approval was secured from the Board to set new carbon reduction targets, namely to become Net Zero by 2035 across Scopes 1, 2 and 3. This plan consists of:

1. Redefining the scope of our Carbon Footprint to include additional Scope 3 categories
2. Recalculating emissions from 2019/20 as the baseline year and previously reported years, as well as every year thereafter
3. Identify and implement activities which would reduce our energy consumption and so our emissions using our ESOS (Energy Savings Opportunity Scheme) recommendations as a guide and
4. 'Offset' the residual emissions

This decision, combined with our ESOS work and wider societal awareness, has resulted in a sustained focus on our energy usage and carbon emissions, with a higher degree of consciousness of individual actions and their environmental impacts.

In the future GC will be implementing further measures such as:

- Working with our landlords and encouraging them to switch to renewable energy sources
- Engaging with our tier one suppliers to understand the environmental impact of our supply chain
- Undertake an estates wide energy audit as part of our ESOS compliance process in 2022/23, the findings of which will be used to strengthen our carbon reduction plan
- Rollout of Carbon Literacy Training across the organisation with an aim of 15% of our colleagues being trained by 2024
- Increasing the scope of our carbon footprint and the accuracy of our data through the procurement of an Environment and Social Value reporting platform



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

Signed on behalf of the Supplier:

Mark Hughes Group Chief Executive
The Growth Company