

Carbon Reduction Plan

1. Commitment to Achieving Net Zero

Sanderson Solutions Group Plc is committed to achieving Net Zero emissions by 2050.

2. 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.

Baseline Year Emissions: July 2019/June 2020			
Additional Details relating to the Baseline Emissions calculations.			
EMISSIONS	TOTAL (tCO ₂ e)		
Scope 1	14.06		
Scope 2	27.37		
Scope 3 (Included Sources)	495.86		
Total Emissions	537.29		

3. Monitored Emissions Reporting

Reporting Year:	July 2020/June 2021	July 2021/June 2022	
EMISSIONS	TOTAL (tCO ₂ e)		
Scope 1	14.26	32.84	
Scope 2	32.32	44.64	
Scope 3 (Included Sources)	228.99	179.22	
Total Emissions	275.57	256.70	

4. Current Emissions Reporting

Reporting Year:	July 2022/June 2023
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	19.17
Scope 2	52.36
Scope 3 (Included Sources)	571.23
Total Emissions	542.76

5. Emissions Reduction Targets

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

The company has recently embarked upon a science-based carbon emissions reduction target, facilitated through the company's environmental objectives, targeting:

- Employee commuting Encouraging alternative transport forms
- Business travel Introducing a travel policy, avoiding travelling where possible, using alternative transport forms & choosing airlines with lower emissions
- Electricity usage Switching to 100% renewables and encouraging energy efficiency at all Sanderson offices
- Food and Drink Purchasing sustainable and plant-based food
- Sustainability partnerships Planting tree's when making placements

We project that carbon emissions will decrease over the next ten years with a reduction of 42%.

6. Progress Measurements

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



Carbon Reduction: Projected vs. Actual

Year

7. Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019/2020 baseline. The carbon emission reduction achieved by these schemes equate to 280.59 tCO₂e, a 52 %ge reduction against the 2019/20 baseline and the measures will be in effect when performing the contract

Sanderson's Environmental Policy Statement references a host of company environmental aims including:

- To minimise the use of natural resources
- To minimise pollution and promote greener transport options
- To continually improve and monitor the performance of the company
- To reduce (prevent) pollution
- The protection of the environment
- Compliance with all relevant legislative, regulatory, and other environmental requirements
- To continuously improve and monitor environmental performance

The statement also includes additional detail relative to commitments made regarding:

- Waste
- Energy
- The achievement of Net Zero by 2050 (including monitoring the company's carbon footprint and setting science-based targets)

The statement provides a breakdown of emissions as utilised for purposes of the Streamlined Energy and Carbon Reporting (SECR) disclosure within The Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

As part of our continued achievement to upstand our ISO14001 Certification, one of our key Environmental objectives is set to reduce our carbon footprint, maximising the opportunities that have been presented because of covid, to change our approach to travel. This so far has been achieved by:

- Very little travel for client visits or international company travel has taken place
- Introduction of flexible working, reducing need to commute 5 days a week. At least 50% of all employees traveling less than 5 days a week working 3 days in the office and 2 from home
- Tree's used count reduced consistently quarter on quarter achieving an annual reduction of 75% from 2019

In addition to our commitment to reduce our carbon footprint through Science Based Targets Initiative, we are taking positive climate actions through a new partnership with Ecologi. Sanderson has pledged to plant a tree for every person placed with our clients. To date we have planted 10,503 trees as part of the Ecologi reforestation project.

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- Employee commuting Encouraging alternative transport forms
- Business travel Introducing a travel policy, avoiding travelling where possible, using alternative transport forms & choosing airlines with lower emissions
- Electricity usage Switching to 100% renewables and encouraging energy efficiency at all Sanderson offices
- Food and Drink Purchasing sustainable and plant-based food

Sanderson Reduction Road Map

A road map of actions to target under each scope is detailed below:

GHG Emissions Category	Activity Category	Actions	Potential Impact
Scope 1	Gas	Switch to alternative sources of heat in offices, e.g., heat pumps or other electrical heaters powered by renewable electricity.	Heat pumps that are powered by a renewable energy source would completely eliminate all scope 1 GHG emissions.
	Gas	Maximise energy efficiency by only heating rooms when necessary and regularly servicing boilers.	This will reduce overall kWh consumption and therefore carbon emissions
Scope 2	Electricity	Switch to a 100% renewable electricity tariff in all offices.	This would eliminate all scope 2 GHG emissions
	Electricity	Maximise energy efficiency in offices with LED lighting, motion sensors and building management systems	This will reduce overall kWh consumption and therefore carbon emissions
Scope 3	Commuting	Encourage the use of public transport and cycling over cars for employee commuting	These steps would contribute to the reduction of commuting emissions which was a carbon hotspot in both reporting years. Cars emit 69% more CO2 e than buses and 456% more than national rail per passenger.km.
	Commuting & Business Travel	Introduce a salary sacrifice scheme that incentivises the purchase/lease of electric vehicles for employees' commute	Battery powered electric vehicles have no tailpipe emissions and if powered by 100% renewable sources of electricity release 0tCO2 e per km travelled
	Business Travel	Introduce a travel policy that reduces the number of flights taken by assessing their necessity before booking	Air travel in 2020/21 was completely eliminated; a 35.9 tCO2 e reduction (19% of all business travel)
	Business Travel	Encourage the use of rail travel over driving for business trips.	If 50% of all expensed mileage was converted to rail travel it would reduce total business travel emissions by 13% (2019/20).
	Business Travel	Eliminate the use of domestic flights for business travel.	Carbon emissions per passenger.km are 83% lower if taken by national rail
	Food and Drink & Commuting	Improve data capture on commuting behaviour and food and drink purchases	This will significantly improve the accuracy of the accounting of these two hotspots and allow for more informed recommendations.

8. Declaration & 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 Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Company:

Adam Meadows, Chief Operating Officer July 2023

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

²https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting ³https://ghgprotocol.org/standards/scope-3-standard