

Carbon Reduction Plan



Supplier name: *Methods Business and Digital Technology Limited*

Publication date: 30th June 2023

Commitment to achieving Net Zero

Methods Business and Digital Technology Limited is committed to achieving Net Zero emissions from its operations and supply chains by 2050.

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: 2020	
Additional Details relating to the Baseline Emissions calculations.	
<p>Baseline year emissions:</p> <p>Our baseline year was chosen as 2020, having moved to larger offices at the end of 2019 to accommodate business and personnel growth.</p> <ul style="list-style-type: none"> • Scope 1 covers direct emissions, including those associated with the direct consumption of natural gas, heating oil, diesel fuel as well as emissions associated with owned and leased vehicles and fugitive emissions. • Scope 2 covers indirect emissions including those associated with the purchase and consumption of local electricity and distinct heating energy. <p>For Scope 1 and 2 calculations we followed the <u>2019 HM Government Environmental Reporting Guidelines</u>. We have also used the <u>GHG Reporting Protocol - Corporate Standard</u> and the UK Government's <u>Greenhouse gas reporting: conversion factors 2021</u>.</p> <ul style="list-style-type: none"> • Scope 3 (Categories 1, 3, 5, 6, 7, 8) covers other indirect emissions such as business travel, hotel stays, waste disposal, upstream emissions from purchased fuels and electricity. Emissions from employees teleworking have also been factored in including estimates from home energy consumption. <p>For Scope 3 calculations we followed the guidance of <u>GHG Reporting Protocol - Corporate Standard</u> and have used the UK Government's <u>Greenhouse gas reporting: conversion factors 2021</u> for reporting. Different advised methods of calculations have been employed to calculate best these emissions including fuel method, distance method, spend method using proxy techniques, industry averages.</p>	
EMISSIONS	TOTAL tonnes (t) of carbon dioxide (CO ₂) (tCO _{2e}) (restated)
Scope 1	13.10
Scope 2	20.32
Scope 3 (Included Sources)	78.44
Total Emissions	111.86

Please note that the above calculations have been re-stated since the September 30th 2021 report, following the discovery of previous calculation errors, and now better reflect actual emissions for the baseline year.

Reporting Year Emissions

Reporting Year: 12 months to 31 st December 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	8.89
Scope 2	17.98
Scope 3 (see below for details)	109.13
Total Emissions for 2022	136.00

Scope 3 category	Category description	Applicability	tCO ₂ e
4	Upstream transportation and distribution	<i>Not applicable given the nature of our business being a professional services company</i>	0.0
5	Waste generated in operations		0.22
6	Business travel		52.24
7	Employee commuting, including employee teleworking		45.54
9	Downstream transportation and distribution	<i>Not applicable given the nature of our business being a professional services company</i>	0.00
Other categories			11.13
	TOTAL SCOPE 3 EMISSIONS FOR 2022		109.13

Notes

As outlined in last year's report, we have continued to work on improving our on-going monitoring and reporting of emissions and have made software improvements to our internal operating platforms so as to capture more relevant and accurate data in a systemic way. This has resulted in better understanding of key areas and enabled improved education and communication across all stakeholders in the business.

Scope 1 emissions saw an unexpected fall from the prior year, of just under 60%. This reflected issues with the building's main PPM system, which was offline for some periods during the year. This system has now been replaced, and although the new machines are designed to be much more efficient, an increase in the Scope 1 emissions can be expected to be seen during 2023, when compared to this artificially low amount.

As expected, and commented on in last year's report, 2022 saw a significant (65%) increase in Scope 3 output, driven by 2 major factors:

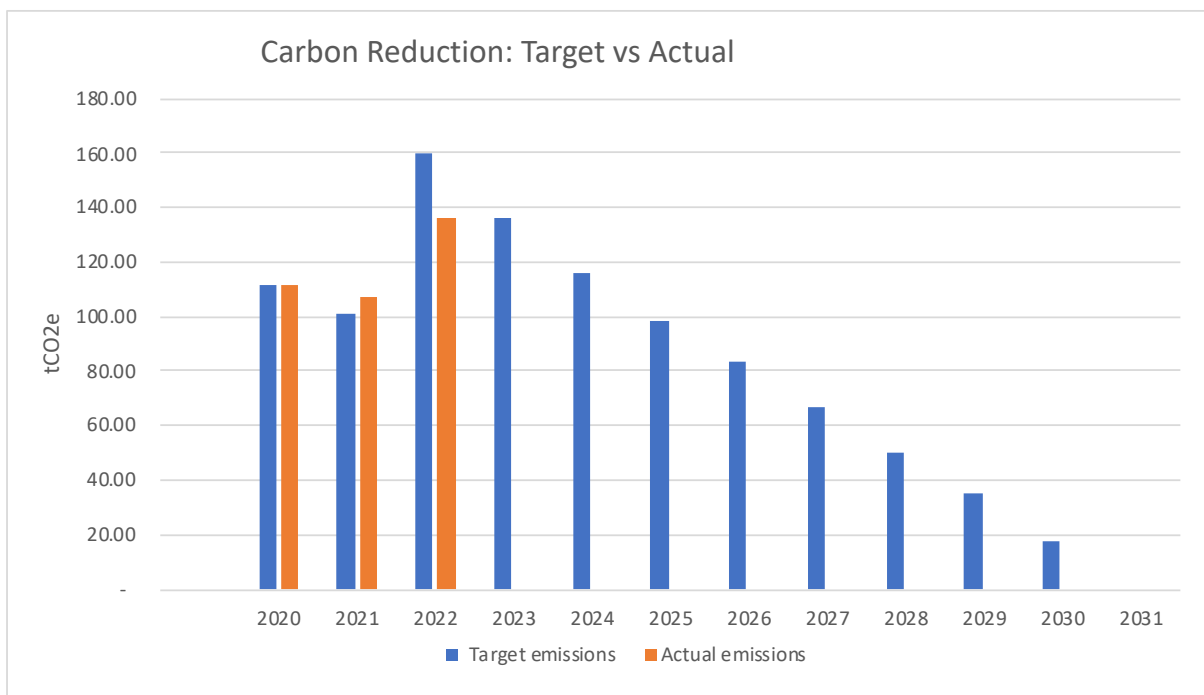
- First, driven by business growth, colleague numbers increased over the 12 months by in-excess of 50%, and though this was counter balanced by a reduction in the number of contractors, employed by the company on short term assignments, there was an overall net increase in people numbers of approximately 6%. This material surge in colleague numbers is relevant in light of the fact that by very nature we would expect colleagues to have to undertake a higher amount of business-related travel on client projects than we would contractors on short assignments with our customer base.*
- Secondly, the frequency of business travel overall increased significantly in 2022 as a direct result of the freeing up of the 2020 & 2021 COVID travel and meeting restrictions, meaning that a higher number of client projects, meetings, and company events switched back to being in-person than virtual.*

These two factors together unavoidably, though expectedly, increased our Scope 3 category 6 output from business travel and accommodation by over 350% compared to prior year.

Emissions' reduction targets

In order to continue our progress to achieving Net Zero, we adopted a carbon reduction target of decreasing carbon emissions to **84 tCO₂e by 2026**. Clearly, though, the business expansion and accompanying increase in emissions we saw in 2022 make this a more substantial challenge, and what previously represented a net reduction of 25% is now closer to 40%

With the continuing planned significant growth and expansion of the company, in the coming years, we are fully aware that the main driver for the delivery of this reduction will therefore need to be through the deployment of specific internationally recognised carbon offsetting projects and schemes such as: ClimateCare, Clear Eco, 3degrees, Earthly, CarbonFootprint. We have therefore established a working group to explore these options further.



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

In 2019 we relocated our London office to accommodate growth. As part of our continuing environmental commitment to reduce our carbon emissions, this office relocation and refurbishment was designed with the specific intention of achieving the RICS's Silver SKA¹ rating, which was awarded. This included:

- Selecting a space specifically with floor to ceiling windows forming all external walls, so as to enable the maximum natural light to enter, thereby reducing the need for internal lighting
- Selecting a space for the new London HQ which was easily accessible via various public transport links, to ensure minimal need to drive personal cars into work

¹ <https://www.rics.org/uk/about-rics/responsible-business/ska-rating/>

- The installation and use of energy efficient lighting, with PIR sensors and daylight detectors, which ensures fixtures are switched off when sunlight enters the room
- Using only LED lamps for all the light fittings with CRI 80 and 20,000 hours or more of expected life
- A programme of works which was planned specifically towards the reduction of waste considered within installation for plasterboard, flooring and acoustic treatments
- Ensuring that all the old furniture and loose items not reused in the new office were recycled by our supplier, Premier Sustain. This produced a total CO2 saving of 4.33 tonnes
- Choosing to use insulation that has zero Ozone Depletion Potential for both walls and pipes, to ensure the least amount of environmental impact. ARP1200 was used for walls and Armaflex for pipework
- Investing in 3 **Billi** tap systems in the new offices, for both hot and drinking water, each shown to reduce carbon output by approximately 8kg CO2 per day
- Ensuring the office design introduced multiple types of recycling points across the office, including food & paper/plastic use
- Eliminating corporate use of single used plastics and providing all colleagues with reusable alternatives

On a more general front, since moving to our new building, we executed a number of other initiatives, which still continue, to control and reduce carbon emissions from our daily working routines. These have included:

- Selecting flowers and planting on our terraces to attract bees, butterflies, and other insects
- The establishment and promotion of the Government's Cycle to Work scheme with available bike sheds and showers in the building
- The embedding of a paperless office culture by mandating the ongoing storage of documents and records in the cloud
- Continuing use of discreet software to control, monitor and report on the use of printers, where unavoidable for short term needs, together with enabling simple and efficient digital scanning of documents
- We have made a free on-line toolkit available to some of our clients to help their staff work remotely, thereby reducing the amount of travel required
- We improved our software platforms to systemically track mileage more easily and accurately for cars, trains, and flights and audit regularly our GHG impact of business travel

Ongoing Carbon Reduction Initiatives

- Continuing planning, monitoring, and reporting under our Environmental Management System (EMS), which is independently certified under ISO14001
- Regular and ongoing internal audits of adherence to our office waste disposal guidelines, driving 90% overall pass rates related to the correct separation of recyclable and non-recyclable waste in our offices
- Supporting two internal groups of colleagues who provide thought leadership on embedding environmental responsibility into everything we do:
 - Our Green Team focusses on internal Methods' environmental impacts (further detail below)

- Our Environmental Responsibility Community of Interest focusses on finding ways to help our clients consider and improve their own efforts to reduce emissions
- We keep the timings of the use of the air-conditioning in the office under constant review, amending as required, to minimise the hours usage as much as possible
- We have continued to promote a hybrid working model for colleagues, creating a sustainable balance between working from home and either in our office or on client sites, thereby reducing both the expectation and need for business related travel where feasible
- Promoting involvement for colleagues to participate in volunteer activities on local environmental projects, through paid time away from work, and the internal advertising of such opportunities to push participation
- We are publishing infographics internally to show colleagues current levels of emissions to encourage a culture of concern and focus on reducing these

We continue to review our business travel policy, encouraging the use of interactive video technology where possible to reduce travel needs, and by promoting green ways of transport (e.g., cycling) and greener accommodation (green hotels)

Future Carbon Reduction Initiatives

We are looking to implement additional initiatives, more precise monitoring, and greater carbon offset as part of our determination to achieve our carbon reduction targets.

- We have made a commitment with one of our clients to participate in, and sponsor, the creation and maintenance of a green space, partly to offset our emissions
- We are committed to providing a speaker for at least one Thought Leadership event each year – talking about how we have been offsetting carbon emissions, collaborating, and influencing
- We have commissioned independent audits of our office waste output to focus better and more specific campaigns in the office, to reduce any non-recyclable waste
- We are looking to increase the ratio of using locally based consultants on specific client projects, thereby reducing required travel
- We are focussed on improving the ease and accuracy of our GHG emissions measurements, including changes to our internal business systems, driving greater transparency and granularity in monitoring our progress against the 4.2% minimum annual linear reduction² required to meet the global level of reduction, in order to remain within the Paris agreement³ target of keeping global average temperature below 1.5% above pre-industrial levels
- Our internal Green Team will continue working on the implementation of new local initiatives. The team has been mandated to explore all relevant areas of the internal operations and works to identify and develop sustainable practices through regular dedicated quarterly reviews and evaluations
- We understand from the academic literature and academic institutions, such as the Centre for Alternative Technology, that achieving net zero cannot stop global warming. We therefore aim to engage in carbon sequestration projects to draw down legacy carbon

² <https://sciencebasedtargets.org/resources/legacy/2017/04/SBTi-manual.pdf>

³ https://ec.europa.eu/clima/policies/international/negotiations/paris_en

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 standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

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) Standard⁶.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors

Signed on behalf of the Supplier:



Mark A Hewitt
Chief Operating Officer
30th June 2023

⁴ <https://ghgprotocol.org/corporate-standard>

⁵ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶ <https://ghgprotocol.org/standards/scope-3-standard>