



[CLARASYS]

Carbon Reduction Plan

Our pathway to net zero

Reporting year 2022

clarasys.com

Table of Contents

1. Our net zero vision	3
1.1 Introduction	3
1.2 Our commitments	3
1.3 Governance	4
2. Baseline emissions	5
3. Emissions reduction targets	8
4. Carbon reduction measures	10
5. Declaration and sign-off	12

1. Our net zero vision

1.1 Introduction

For Clarasys, sustainability is about ensuring that individuals, organisations and systems are built to ensure the ongoing success of society, the planet and the economy.

While private organisations have predominantly focused on commercial success and societal improvements in the past, the urgency of the climate and the environmental crises mean it is critical that we fundamentally redesign our world to ensure the planet is protected and restored.

Among the numerous sustainability issues that need to be addressed, global warming and climate change have emerged as particularly urgent. The report published by the Intergovernmental Panel on Climate Change (IPCC) in August 2021 confirms in unequivocal terms that human-caused climate change is putting natural ecosystems and society at growing and severe physical risks. According to the report and the wider scientific community, an increase of global temperatures above 1.5°C will impact the variability of the climate and our ability to live and survive and thrive on the planet we live on. This will lead to more extreme weather events, such as flash floods, which in turn will have devastating economic impact and social impacts, especially affecting the most vulnerable in our societies.

We are aiming to be a more sustainable consultancy, ensuring our operations do not negatively impact the environment and go further to try to maximise environmental, social and economic benefits we can create for stakeholders. Therefore, as part of our commitment to sustainability and in line with our purpose to make a lasting difference to the way people work, live and grow, we believe it is our duty to play our part in reducing global emissions and limiting global warming.

As a consulting company, we understand our work and projects are where we can have the greatest impact in reducing global emissions. This is why we are integrating sustainability practices and carbon reduction principles in our design and project choices and developing our sustainability proposition, working with our clients to achieve a net-zero economy and society.

However, ensuring our own company is making sustainable choices and changing practices to reduce our own impact on the environment is a necessary prerequisite to achieve our aim. This is why we have set ambitious carbon reduction targets and developed this Carbon Reduction Plan (CRP) to ensure we are on track to meeting them.

1.2 Our commitments

Clarasys commits to achieving **net zero emissions by 2050 at the latest**, which means achieving an absolute reduction in scope 1, 2 and 3 emissions by 90%.

We are currently in the process of developing a target for validation by the Science-Based Targets Initiative (SBTi). It is expected that we will set a more ambitious net zero target date than 2050, however this will be confirmed following target validation.

With this net zero commitment, we are pledging to reduce carbon emissions to as close to zero as possible and then using carbon removal or sequestration technologies to net out the remainder of our emissions. We have committed to reach our net-zero target by 2050 at the latest to keep global warming within safe limits – recognised by the mainstream scientific community to be 1.5°C compared to pre-industrial era.

1.3 Governance

This CRP has been created in accordance with [Procurement Policy Note \(PPN\) 06/21 Technical standard for Completion of Carbon Reduction Plans](#).

As per PPN 06/21, it will be provided when responding to in-scope Central Government procurement (subject to the Public Contracts Regulations 2015 and contracts in excess of £5 million per annum).

Greenhouse gas emissions, reductions of greenhouse gas emissions and removals of greenhouse gas from the atmosphere shall be measured or calculated in tonnes of carbon dioxide equivalent (CO₂e) using the appropriate conversion factors published by the Department for Business Environment and Industrial Strategy (BEIS). A “tonne of carbon dioxide equivalent” means one metric tonne of carbon dioxide or an amount of any other greenhouse gas with an equivalent global warming potential.

The CRP will be reviewed and updated annually, and uploaded to a prominent location on the Clarasys website for public scrutiny.

The CRP has been approved by Clarasys’ CEO, Matt Cheung, to demonstrate a clear commitment to emissions reduction at the highest level.

2. Baseline emissions

Baseline emissions are a record of the greenhouse gas emissions 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.

Table 1. Clarasys 2022 Carbon Footprint.

Reporting Year: 2022	
Additional Details relating to the Baseline Emissions calculations.	
<p><i>The most recent reporting year for Clarasys is 2022 (calendar year). Although previous carbon footprint calculations have been undertaken in 2020 and 2021, we have chosen 2022 as the baseline year as it is the most complete GHG inventory done to date and is therefore considered to be most representative of the company's current emissions profile.</i></p> <p><i>We have calculated our carbon footprint for 2022 in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard for Scope 1 and 2 emissions, as well as the Corporate Value Chain (Scope 3) Standard and Scope 3 Calculation Guidance for Scope 3 emissions.</i></p> <p><i>We have accounted for emissions within our operational boundary using the Operational Control methodology (i.e. report on all sources of emissions over sources that we have full authority to introduce and implement operating policies), as this best reflects Clarasys's actual ability to influence carbon emission reductions.</i></p> <p><i>To calculate our emissions, we have used the CompareYourFootprint (CYF) tool, which adheres to the GHG Protocol and uses the UK Government's latest carbon factors for our UK-based operations and the GHG Protocol average data method for our US-based operations.</i></p>	
Baseline year emissions:	
EMISSIONS	tCO₂e
Scope 1	<p><i>Direct emissions from sources that are owned or controlled by Clarasys (e.g. fuel combustion in company owned boilers, furnaces, vehicles or refrigerant leakage at company facilities).</i></p> <p>Total: 41.35 tCO₂e</p>
Scope 2	<p><i>Indirect emissions from the generation of purchased energy (e.g., purchase of electricity, steam, heat, and cooling).</i></p> <p>Total (Location-Based): 32.06 tCO₂e</p> <p>Total (Market-Based): 65.96 tCO₂e</p>

Scope 3	Total (Location-Based): 211.64 tCO₂e	
	A per-category breakdown is provided below.	
	Note: We have not included Scope 3 category 9 (Downstream transportation and distribution), which are required by PPN 06/21, as we do not currently have any activities with emissions that fall under this category. This assessment of materiality will be undertaken throughout each reporting period to ensure we are refining our approach to account for all material emissions categories.	
	Scope 3 category	Emissions (tCO₂e) <i>Location-Based</i>
	Category 1: Purchased goods and services <i>Apparel; Cleaning; Facility maintenance; Web and cloud hosting; Office supplies; Food and drink; Furniture; Water</i>	33.71 tCO₂e
	Category 2: Capital goods <i>IT equipment</i>	8.53 tCO₂e
	Category 3: Fuel- and energy-related activities <i>Emissions related to the production (i.e. extraction, generation, transportation) of fuels and energy purchased and consumed by Clarasys in the reporting year that are not included in scope 1 or scope 2.</i>	17.66 tCO₂e
Category 4: Upstream transportation and distribution <i>Transportation and distribution of products purchased in the reporting year, between Clarasys' tier 1 suppliers and our own operations in vehicles not owned or operated by the company.</i>	0.65 tCO₂e	
Category 5: Waste generated in operations <i>Emissions from third-party disposal and treatment of waste generated in the Clarasys's owned or controlled operations in the reporting year.</i>	2.52 tCO₂e	

	<p>Category 6: Business travel</p> <p><i>Emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars. This also includes emissions from hotel stays.</i></p>	95.37 tCO₂e
	<p>Category 7: Employee commuting</p> <p><i>Emissions from the transportation of employees between their homes and Clarasys offices, via e.g. car, bus, rail, underground/subway, air. This also includes emissions from remote working.</i></p>	53.22 tCO₂e
Total Emissions (Location-Based)	285.05 tCO₂e	
Total Emissions (Market-Based)	326.55 tCO₂e	

3. Emissions reduction targets

Based on our carbon footprint calculation for 2022, we have undertaken high-level modelling of our indicative Net Zero trajectory for Scope 1, 2 and 3 emissions. These trajectories are based on the principles set out in the Science-Based Targets initiative (SBTi) [Target Validation Protocol](#).

Near-Term Targets: For Scope 1+2 near-term targets it states that, for baseline years after or equal to 2020, absolute emissions must be reduced by $4.2\% \times (Target\ Year - Base\ Year)$ to ensure the target is at least as ambitious as the minimum of the approved range of emissions scenarios consistent with the 1.5°C goal. For Scope 3 targets, as we are classified as an SME, we cannot validate near-term Scope 3 targets with the SBTi, however we can commit to ‘measuring and reducing’ them.

Long-Term (Net Zero) Targets: The net zero ambition for Scope 1, 2 and 3 is, at a minimum, to reduce emissions 90% by 2050 from a 2022 base year.

The table below summarises the target setting method, target years and specific reduction targets. N.B. These targets have not yet been validated by the SBTi and are therefore liable to change, however for the purpose of this CRP they communicate our minimum ambition.

Table 2. Clarasys Net Zero trajectory summary.

Target setting method	Absolute reduction
Baseline year (calendar year)	2022
Baseline - Scope 1 emissions (tCO ₂ e)	41.4
Baseline - Scope 2 emissions (tCO ₂ e) - <i>Market-based</i>	66
Baseline - Scope 3 emissions (tCO ₂ e)	219.2
Baseline - TOTAL emissions (tCO ₂ e) - <i>Market-based</i>	326.6
Near-term target year	2030
Long-term target year	2050
Scope 1+2+3 '1.5C' near-term % reduction target	42%
Scope 1+2+3 long-term net zero % reduction target	90%

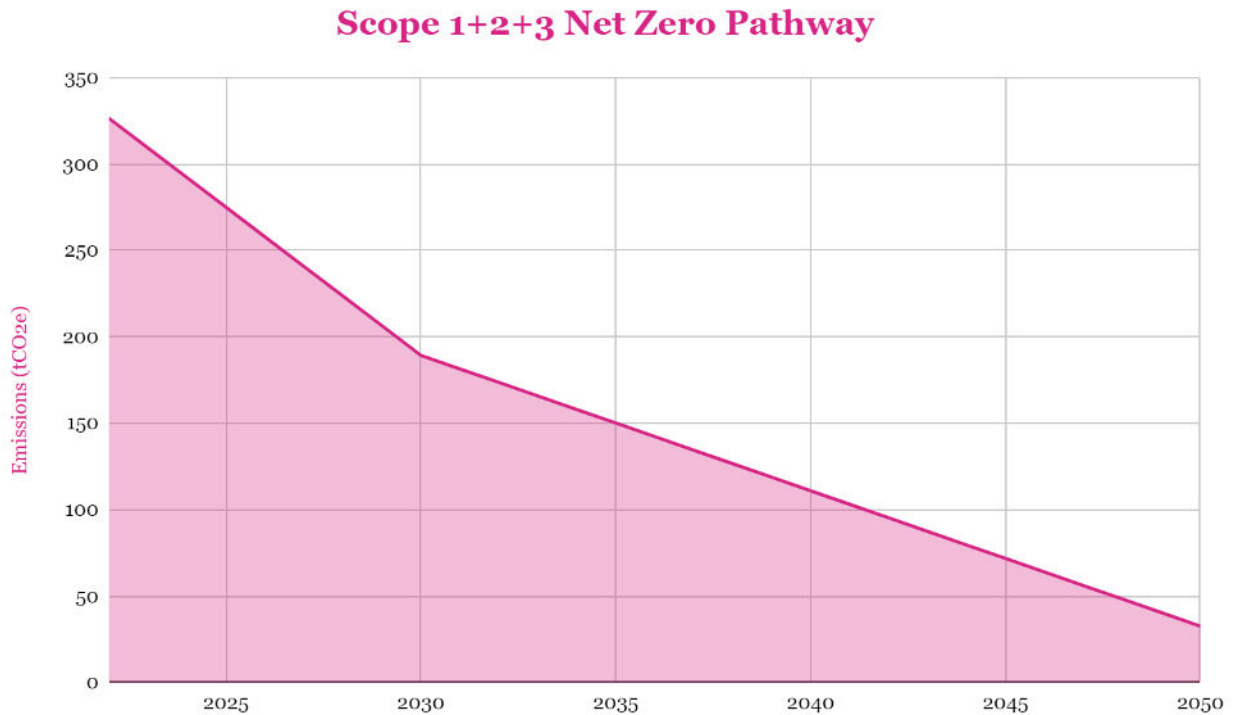


Figure 1. Clarasys Scope 1+2+3 Net-Zero (1.5°C) reduction pathway.

For the near-term (2030) target, we aim to reduce our absolute emissions across Scope 1, 2 and 3 by 42% from a 2022 baseline, with the long-term, net-zero target of achieving a 90% reduction by 2050.

For these reduction pathways we have used our market-based emissions for Scope 2 to reflect any measures implemented to decarbonise our energy supply. However, our approach to achieving net zero will follow the hierarchy of prioritising methods to avoid emissions in the first instance, then pursuing absolute reduction measures before we look towards substitution / replacement. In line with SBTi criteria, we will not use avoided or offset emissions as progress towards achieving our targets.

4. Carbon reduction measures

Completed reduction measures

We have implemented a number of measures across our operations during the reporting period that aim to support our net zero ambition - the performance of these will be monitored and reported against in following updates to this CRP. This will allow us to assess the effectiveness of the measures and iteratively improve our carbon reduction strategy to ensure we are on track to meeting our targets.

London office move

We have recently moved to a new office premises in London. Emissions from our facilities, including energy consumption, waste management, water consumption and employee commuting accounts for a significant proportion of our emissions. As such it represents a key opportunity to influence our emissions trajectory moving forward. To ensure our carbon reduction targets are reflected in the choices we make throughout this transition, we have engaged with our internal operations team to embed a number of best practice measures including:

- Energy, water and waste monitoring: we have incorporated more detailed reporting requirements across these key areas into our contract to ensure that we get more accurate data on our consumption. More accurate and nuanced data will allow us to track our consumption to identify any trends and be more targeted in our intervention to reduce carbon from these sources.
- Lighting control: we are looking to optimise lighting usage through configuring the lighting control in our office premises to accurately reflect our working habits, daylight provision and space usage to minimise energy consumption from lighting.
- Furniture procurement: we have moved to a bigger premises to accommodate our growing employee base. We have reused the majority of the furniture in our current office to minimise the need for new purchases.
- Encouraging sustainable behaviours: we have introduced new prompts and nudges to encourage sustainable behaviour through our floor layout design (e.g. clear signage around waste disposal)

Travel survey

We have completed a travel survey to better understand employees' travel and commuting habits and attitudes with the intention to use findings to develop sustainable travel guidance and encourage sustainable modes of transportation.

The travel guidance will focus primarily on our business air travel as this represents a significant percentage of our carbon footprint that we have the ability to influence.

Sustainable procurement policy

We have developed a sustainable procurement policy to guide company purchasing decisions, taking into account the environmental and social impact of our purchasing choices.

The policy tackles our our carbon reduction by encouraging:

- Minimising items bought
- Prioritising digital, refurbished/second hand, and leasing options when possible

- Prioritising products with lower carbon footprints (including local and sustainably produced goods).

Future reduction measures

As a company, we acknowledge we still have a long way to go to meet our carbon reduction targets and reach net-zero. To this end, we will continue reviewing and developing our carbon reduction measures based on increasingly accurate data and insights. As it stands, the priority measures we will be implementing in the future include:

- Validate near-term and net-zero reduction targets with the Science-Based Targets initiative (SBTi) to formalise our commitments
- Develop and embed a sustainable travel policy
- Evaluate and update our sustainable procurement policy
- Identifying further opportunities for carbon reduction in the new office premises post-occupancy
- Beyond our own footprint, we will continue to develop our ability to influence our clients and partners to bring about broader systems change to meet net zero, recognising that this is where we can have the greatest impact

5. Declaration and sign-off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Protocol [Corporate Accounting and Reporting Standard](#) and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

The required subset of Scope 3 emissions have been reported in accordance with the GHG Protocol [Corporate Value Chain \(Scope 3\) Standard](#) and [Scope 3 Calculation Guidance](#).

This Carbon Reduction Plan has been reviewed and signed off by Clarasys' CEO, Matt Cheung.

Date: 28th September 2023



Matt Cheung