SCG
Be More Connected

# Carbon Reduction Plan

**Supplier name:** SCG Connected
**Company Registration Number:** 01328040
**Published date:** March 2025

## Commitment to achieving Net Zero

SCG Connected is committed to achieving Net Zero emissions by 2040.

## 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. We have chosen our baseline year to be April 2022 – March 2023.

| Baseline Year: FYE 2023 | |
|---|---|
| Baseline emissions have been updated with revised home working following clarification from DEFRA around the use of home working figures to account for seasonal changes in domestic heating demands.<br>Emissions accounted for in scope 2 are from mileage in company EVs and account for offsite charging. Energy procured for the office is supplied by a 100% renewable energy tariff and as such there are no market-based emissions to report.<br>There are no emissions to report for scope 1 Fugitive Emissions, Process Emissions or scope 2 Heat & Steam due to a lack of relevant activities or infrastructure in offices. | |
| **EMISSIONS** | **TOTAL ($tCO_2e$)** |
| Scope 1 | 76.861 |
| Scope 2 | Market-based: 10.912<br>Location-based: 145.590 |
| Scope 3 including:<br>• Fuel & Energy Related Services<br>• Business Travel<br>• Transportation & Distribution (Upstream & Downstream)<br>• Employee Commuting & Homeworking<br>• Operational Waste & Water<br>• Leased Assets (Upstream) | 481.190 |
| **Total Emissions** | **Market-based: 568.963**<br>Location-based: 703.640 |

Our total emissions equate to a Carbon Intensity Metric of 2.722 $tCO_2e$ per full-time employee equivalent (FTE) based on 209 FTEs during the baseline period (using market-based emissions).

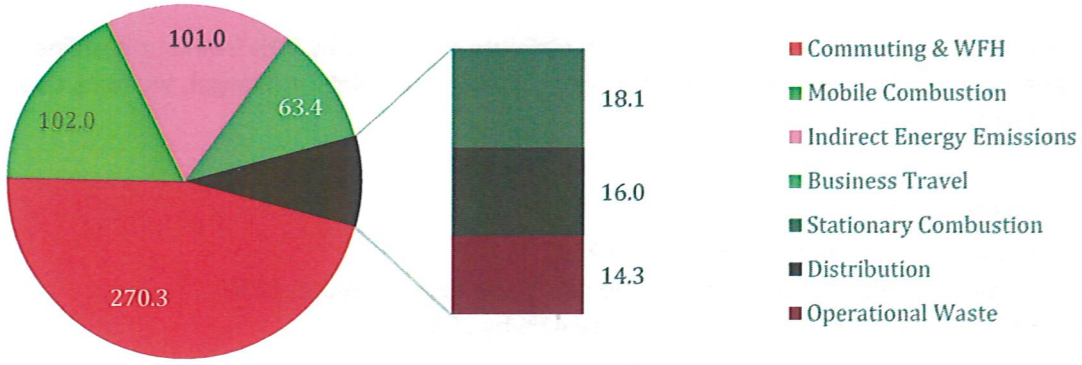
**Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. We have chosen to base our Net Zero target on a market-based methodology.*

## Current Emissions Reporting

| Reporting Year: FYE 2024 | |
|---|---|
| The measurement boundaries and inventory for the April 2023 – March 2024 measurement align with those utilised to produce the baseline emissions measurement outlined above.<br><br>Emissions accounted for in scope 2 are from mileage in company EVs and account for offsite charging. Energy procured for the office is supplied by a 100% renewable energy tariff and as such there are no market-based emissions to report. | |
| **EMISSIONS** | **TOTAL ($tCO_2e$)** |
| Scope 1 | 116.489 |
| Scope 2 | Market-based: 3.611<br>Location-based: 51.868 |
| Scope 3 including:<br>• Fuel & Energy Related Services<br>• Business Travel<br>• Transportation & Distribution (Upstream & Downstream)<br>• Employee Commuting & Homeworking<br>• Operational Waste & Water<br>• Leased Assets (Upstream) | 465.056 |
| **Total Emissions** | **Market-based: 585.156**<br>Location-based: 633.413 |

Our total emissions equate to a Carbon Intensity Metric of 2.636 $tCO_2e$ per full-time employee equivalent (FTE) based on 222 FTEs during the measurement period (using market-based emissions).

## Current Emissions Breakdown ($tCO_2e$)



## Emissions reduction targets

SCG Connected is committed to achieving Net Zero by 2040.

To achieve Net Zero we will need to reduce our absolute emissions by 90% from our baseline year and offset any residual emissions. To track our progress towards our long-term Net Zero target, we have also set some near-term targets to 2030.

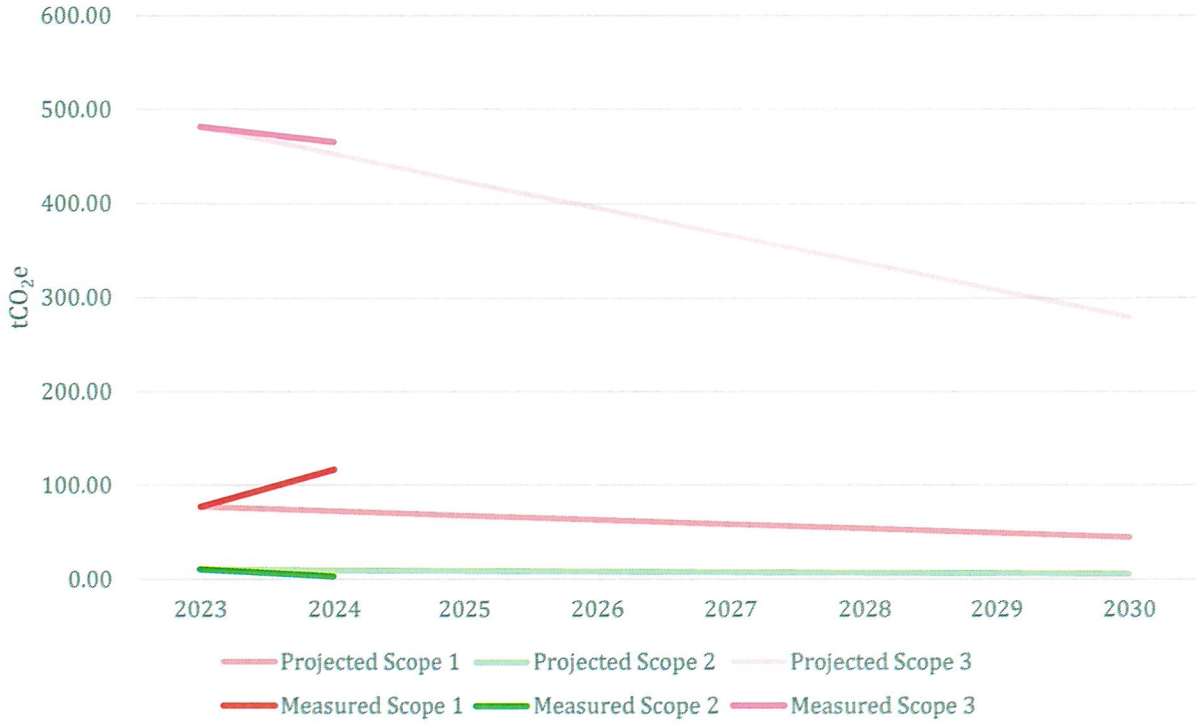
Our near-term targets:

- Reduce scope 1 emissions by 42% by 2030.
- Continue to procure 100% renewable energy up to and beyond 2030.
- Reduce measured scope 3 emissions by 42% by 2030.

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2040.
- Neutralise any residual emissions using verified carbon offsets.

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



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## Carbon Reduction Projects

*Completed Carbon Reduction Initiatives*

The following environmental management measures and projects have been completed or implemented since undertaking our baseline emissions measurement.

| Activity | Completion Year | Scope |
|---|---|---|
| Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions.<br>Appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations. | 2023 | 1, 2, 3 |
| Achieved ISO 14001 certification following implementation of an Environmental Management System. | 2024 | 1, 2, 3 |
| Office electricity supplied by 100% renewable energy contract. | 2023 | 2 |
| We have initiated the electrification of our company fleet, currently this consists of 32% electric vehicles and 16% hybrids. We aim to increase the % of electric and/or hybrid vehicles within the company fleet as current vehicles reach end of life. | 2023 & onward | 1, 2 |
| Installed 2 EV charging points at our office, which are supplied by our renewable energy contract. | 2023 | 1, 2 |
| Within the office space energy efficiency measures have been put in place, including but not limited to motion sensors, LED lighting (to be expanded as current fixtures fail), water cistern improvements, timer controls, paper-light working, recycling (inc. batteries) and hybrid working. | ongoing | 1, 2, 3 |

In the future we hope to implement further measures such as:

| REDUCTION PLANS – Scope 1 & Scope 2 | | | |
|---|---|---|---|
| **Activity No.** | **Activity** | **Target Date** | **Category** |
| 1 | Consider implementing low-cost options such as reducing thermostat temperature and adding heat & solar control reflective window sheets. | 2025 | Stationary Combustion |
| 2 | Consider and establish timelines around larger cost management of heating demand such as solar heating or heat pumps (following an energy audit to assess feasibility and payback periods), to generate 100% of heating demand.<br>Following installation consider decommissioning the LPG heating system. | 2030 | Stationary Combustion |
| 3 | Upgrade remaining lighting to LED as fixtures need replacement. | 2024 | Purchased Electricity |
| 4 | Increase electrification of company fleet considering the usage of electric, hybrid and (where feasible) hydrogen vehicles. | 2035 | Mobile Combustion, Purchased Electricity (EVs) |
| 5 | We will assign roles and responsibilities to Green Team members and encourage sustainable behaviours and initiatives within the workplace and at home. Including clear messaging for heat and energy efficiency behaviours. Examples include aligning heating times with working habits, keeping doors and windows closed during heated periods and turning off equipment when not in use. | 2025 | Purchased Electricity |
| 6 | Consider driver-efficiency training for company car users – this should demonstrate a reduction in total fuel/electricity use.<br>This should demonstrate a reduction in total fuel/electricity use but is dependent on capturing fuel consumption to track impact, currently a spend-based approach is used. | 2030 | Mobile Combustion Purchased Electricity (EVs) |

Based upon the above completed and planned initiatives, it is projected that Scope 1 & 2 carbon emissions will decrease to 50.908 $tCO_2e$ by 2030.

| REDUCTION PLANS – Scope 3 | | | |
|---|---|---|---|
| **Activity No.** | **Activity** | **Target Date** | **Category** |
| 1 | Consider training and engagement for the Green Team, leadership, and the wider employee base. Including and not limited to, creating spaces for environmental positive conversations (internal comms, newsletters, slack, Teams etc), certified Carbon Literacy Training for all applicable to roll out to further workforce and share with externals where appropriate. On average, certified learners reduce their carbon footprints by 5-15%, of which ~50% are work-related. | 2028 | Commuting & Home Working, Business Travel |
| 2 | Implement a Sustainable Procurement Policy to influence decisions regarding suppliers and their sustainability credentials. While purchased goods and services has not been included with our boundary, there is an opportunity for the Sustainable Procurement Policy to impact which carriage providers we work with. It is also recognised that engaging with our supply chain will facilitate improved supplier engagement in future years should our emissions inventory expand. | 2028 | Purchased Goods & Services |
| 3 | Review logistics partners/couriers and utilise the above Sustainable Procurement Policy. Work with providers to gather their emissions data, and/or switch to lower-carbon providers.<br><br>Prioritise purchasing from local suppliers to limit delivery mileage. | 2025 | Upstream Distribution |
| 4 | Work with Group to support the development and implementation of Sustainable Travel Policy to support environmental impact of choices when travelling, staying in hotels and commuting. The priorities within the policy will support active travel and low emission travel options where appropriate.<br><br>Utilise the emissions travel hierarchy:<br>• Digital communication<br>• Walking and cycling<br>• Public and shared transport<br>• EV's and car sharing/clubs<br>• ICE vehicles and car sharing/clubs<br>• Air travel<br><br>Consider creative ways to engage and support workforce to influence change. | 2028 | Business Travel, Commuting |

| | | | |
|---|---|---|---|
| 5 | Liaise with key suppliers to see whether they can ship with the minimal amount of packaging needed to secure the product. | 2024 | Waste |

Based upon the above completed and planned initiatives, it is projected that (as a minimum) scope 3 emissions will decrease from the baseline measurement of 481.190 $tCO_2e$ to 279.090 $tCO_2e$ by 2030. This is a reduction of 42% and will keep us on track to Net Zero.

## Declaration and Sign Off

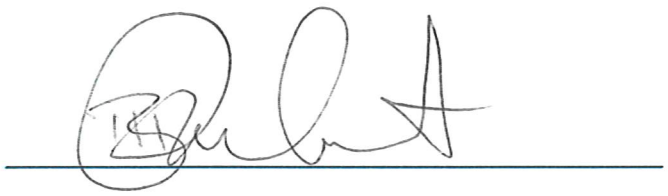
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

This Carbon Management Plan has been reviewed and approved by SCG Connected's Executive Team.

**Signed on behalf of SCG Connected:**



Name: Ben Philpott

Position: Managing Director

Date: 4th March 2025

1 https://ghgprotocol.org/corporate-standard

2 https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

3 https://ghgprotocol.org/corporate-value-chain-scope-3-standard