

Carbon Reduction Plan

Supplier name: **AND Digital**

Publication date: **31st March 2023**

Commitment to achieving Net Zero

AND Digital is committed to achieving overall 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.

Baseline Year: 2021			
Additional Details relating to the Baseline Emissions calculations.			
AND Digital has assessed its emissions for a number of recent years, but a combination of rapid growth in headcount and changes in operational practices due to Covid-19 mean that previous year's GHG emissions did not represent an appropriate baseline. We established calendar year 2021 as our baseline, which is the same as our financial year (1 st January to 31 st December). We have enhanced footprint data quality during 2022 and have restated the base year numbers accordingly but have decided at this stage to retain 2021 as our baseline year. This will be reviewed during 2023. We have developed our GHG footprint following the guidance of the Greenhouse Gas Protocol Corporate Standard. This includes the Scope 1, Scope 2, and the specific set of Scope 3 emissions required under PPN06/21 related to our offices and operations (where applicable).			
Baseline year emissions: 2021 (1st January 2021 to 31st December 2021)			
EMISSIONS	TOTAL (tCO₂e)		
Scope 1	44.36 tCO₂e - Natural Gas		
Scope 2	51.66 tCO₂e - Purchased electricity (Location-based method)		
Scope 3 (Included Sources)	512.88 tCO₂e A breakdown is provided below.		
	<table border="1"> <tr> <td>Scope 3 category</td> <td>Total tCO₂e</td> </tr> </table>	Scope 3 category	Total tCO₂e
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	Category 3: Fuel & energy related activities. This includes well to tank losses related to gas and liquid fuels and electricity transmission and distribution losses.	26.81
	Category 4: Upstream transportation and distribution. As a provider of digital services our upstream transportation and distribution is limited, but we have included an assessment of our use of courier services.	25.95
	Category 5: Waste generated in operations. This includes wastewater. Water consumption has also been measured (and reported under this category for simplicity).	1.23
	Category 6: Business travel. This includes flights, car mileage, hotels, and other forms of public transport (and related WTT).	63.32
	Category 7: Employee commuting	395.57
	Category 9: Downstream transport and distribution. As a provider of digital services we do not produce any physical products, and as such we have no emissions related to downstream transport and distribution	Excluded: explanation provided.
Total Emissions	608.91 (tCO₂e)	

Current Emissions Reporting

Reporting Year: 2022 (1 st January 2022 to 31 st December 2022)															
EMISSIONS	TOTAL (tCO ₂ e)														
Scope 1	57.98 tCO ₂ e - Natural Gas														
Scope 2	67.09 tCO ₂ e - Purchased electricity (Location-based method)														
Scope 3 (Included Sources)	<p>588.50 tCO₂e</p> <p>A breakdown is provided below.</p> <table border="1"> <thead> <tr> <th>Scope 3 category</th> <th>Total tCO₂e</th> </tr> </thead> <tbody> <tr> <td>Category 3: Fuel & energy related activities. This includes well to tank losses related to gas and liquid fuels and electricity transmission and distribution losses.</td> <td>33.51</td> </tr> <tr> <td>Category 4: Upstream transportation and distribution. As a provider of digital services our upstream transportation and distribution is limited, but we have included an assessment of our use of courier services.</td> <td>17.35</td> </tr> <tr> <td>Category 5: Waste generated in operations. This includes wastewater. Water consumption has also been measured (and reported under this category for simplicity).</td> <td>2.04</td> </tr> <tr> <td>Category 6: Business travel. This includes flights, car mileage, hotels, and other forms of public transport.</td> <td>195.81</td> </tr> <tr> <td>Category 7: Employee commuting</td> <td>339.79</td> </tr> <tr> <td>Category 9: Downstream transport and distribution. As a provider of digital services we do not produce any physical products, and as such we have no emissions related to downstream transport and distribution</td> <td>Excluded: explanation provided.</td> </tr> </tbody> </table>	Scope 3 category	Total tCO ₂ e	Category 3: Fuel & energy related activities. This includes well to tank losses related to gas and liquid fuels and electricity transmission and distribution losses.	33.51	Category 4: Upstream transportation and distribution. As a provider of digital services our upstream transportation and distribution is limited, but we have included an assessment of our use of courier services.	17.35	Category 5: Waste generated in operations. This includes wastewater. Water consumption has also been measured (and reported under this category for simplicity).	2.04	Category 6: Business travel. This includes flights, car mileage, hotels, and other forms of public transport.	195.81	Category 7: Employee commuting	339.79	Category 9: Downstream transport and distribution. As a provider of digital services we do not produce any physical products, and as such we have no emissions related to downstream transport and distribution	Excluded: explanation provided.
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Total Emissions	713.52 tCO₂e														

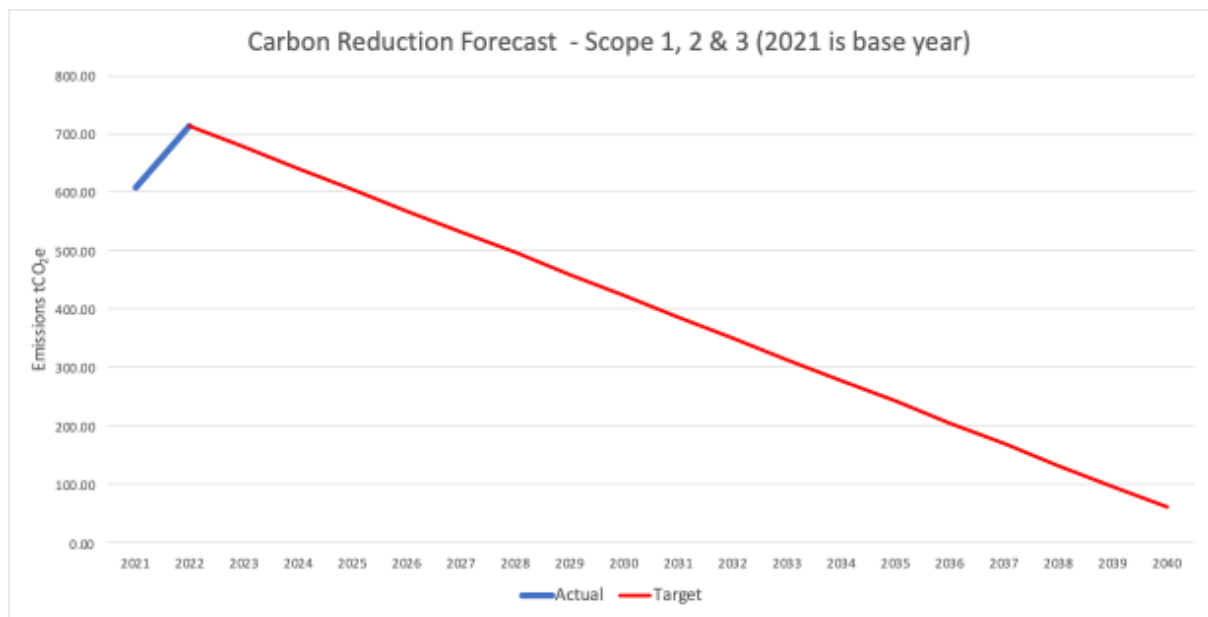
Emissions reduction targets

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

- *To achieve Net Zero for Scope 1 and Scope 2 emissions by 2025, compared to a 2021 baseline*
- *To achieve Net Zero for Scope 3 emissions by 2040, compared to a 2021 baseline*

There is significant planned growth in headcount over the next four years, but our aim is to achieve absolute reductions year on year from 2023, effectively decoupling growth from carbon impacts for the modelled emission areas, as shown in the chart below.

Our planned growth in 2022 was expected to cause emissions to rise, which they did, but by less than our original forecast. Our Net Zero targets aim to reduce total emissions to below 2021 levels as quickly as possible and continue to reduce them on our Net Zero journey. We project that carbon emissions will decrease over the next five years to approximately 500 tCO₂e by the end of 2027. This is a reduction of approximately 33% compared to 2022.



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the last report, and these measures will be in effect when performing the contract.

During 2022 the group established new long-term emission reduction targets, established a dedicated team to drive progress, and delivered a series of projects to enable future emission reductions. This included:

- Developed and communicated our Net Zero Strategy, including setting ambitious targets to achieve Net Zero Scope 1 and 2 emissions by 2025, and for Scope 3 by 2040.
- Established a dedicated Net Zero team to drive progress.
- Enhanced our carbon footprint data collection and reporting processes.
- Engaged with our landlords to collect further information and utility data and used this to develop a detailed report on our current estate and a new Office Blueprint strategy. This is being used to drive discussions with existing landlords to advocate for improved energy efficiency, and in lease renewal and the selection of new office buildings. It should be noted that the group occupies serviced office space with energy use and efficiency measures outside of the group's direct control. This restricts our influence on our 2025 target, which will be reviewed during 2023, but we remain fully committed to reducing these impacts as much as possible.
- Enhanced expenses reporting processes to enable more accurate assessment and reporting of travel-related carbon impacts.
- Commissioned a project to develop a new Net Zero Travel strategy, which is expected to be launched in 2023.
- Continued to support a hybrid working model, with employees encouraged to work in either their local office, client site or from home as best suits the work they are undertaking.
- Undertook an extensive commuting survey to help us better understand how our employees travel to work to enable us to both measure and report this impact as well as consider steps to help minimise the impact of commuting.
- Established a Community of Practice for sustainable software development
- Launched a network of Sustainability Champions
- Reviewed and modified our onboarding process to reduce environmental impacts (for example by giving new employees less branded materials).
- Continued to offer the Government's Cycle to Work Scheme which is actively publicised when joining as part of the ANDi's Benefit Package as well as annual reminders of the scheme as part of the annual benefits and entitlement renewal process.
- Offering a vehicle salary sacrifice benefit scheme for employees to access significant reductions if taking an electric or ULEV vehicle

Future Plans

Our 2023 programme includes:

- Continuing to use the group Office Blueprint and global property partner relationship to reduce the impacts of our existing office based operations, and to select new office locations aligned to our Scope 1 and Scope 2 emission reduction target.
- Finalising and launching our Net Zero Travel strategy, including establishing ambitious business travel reduction targets and engaging employees to help them minimise business travel and use lower carbon travel options where possible.
- Further enhancing our carbon footprint calculation data,
- Reviewing our emissions baseline, targets, performance and impact reduction strategies due to rapid business growth, to ensure they remain appropriate and impactful.
- Leveraging our Community of Practice to increasingly engage clients and advocate for enhanced sustainable software development and solutions in addition to offering 'Well Architected Reviews' across our client base.
- Expanding our network of Sustainability Champions.

- Investigating our wider Scope 3 impacts and the impact of the goods and services we provide.
- Conducting an audit of our supply chain (beginning with our T20 suppliers) and establishing a company wide Sustainable Procurement Policy.
- Devolving and localising impact reduction delivery plans to our hubs and clubs.

Declaration and Sign Off

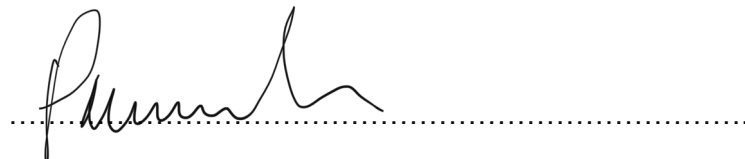
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG 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 Supplier:



Paramjit Uppal - Founder and CEO

Date:

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

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

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