



Civica UK Ltd.'s Carbon Reduction Plan

December 2022

Civica's Commitment to achieving Net Zero Carbon

Civica UK Limited is committed to achieving Net Zero Carbon emissions by 2040 (or sooner).

This target demonstrates our ambition to become industry leaders in reducing our environmental impact in support of the UK's Net Zero Target.

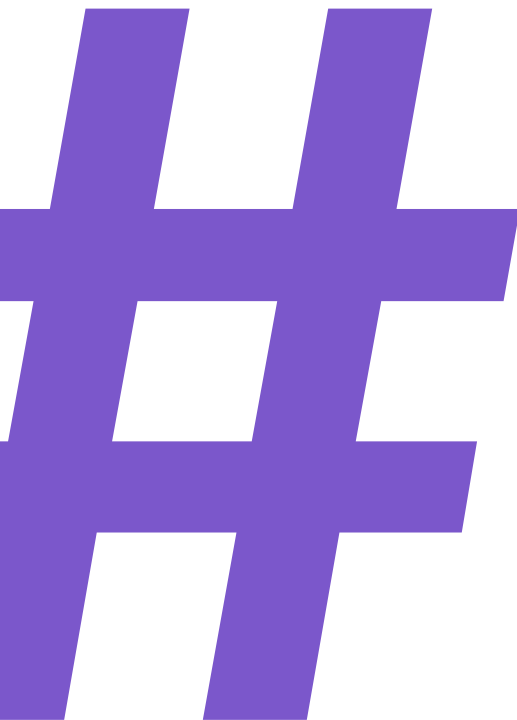
To underline this ambition we are focusing not only on our direct emissions sources but are also actively engaging with our wider supply chain to understand, measure and develop meaningful emission reduction targets in line with our Net Zero Target. Net Zero Carbon requires Civica to reduce our operational GHG emissions as close to zero as possible by 2040 and then using carbon offsetting/sequestration to mitigate our remaining operational emissions (residual emissions from essential business operations).



Current Reporting Year -FY 2021/22 GHG Emissions Footprint

Civica UK's baseline greenhouse gas (GHG) emissions footprint for our 2020/21 financial year (1st October 2021 – 30th September 2022), are presented below. Reporting year emissions presented are a record of GHG gases resulting from our UK operations only and will be used as a benchmark against which future targets and our progress towards Net Zero will be measured against.

GHG emissions have been calculated following best practice methodology set out by the GHG Protocol and UK Government Reporting Guidelines. Scope 1 and Scope 2 GHG emissions have also been calculated in accordance with existing Streamlined Energy and Carbon Reporting requirements (SECR); which mandates reporting of Civica's GHG emissions on an annual basis. All results are presented in tonnes CO₂e (carbon dioxide equivalent).



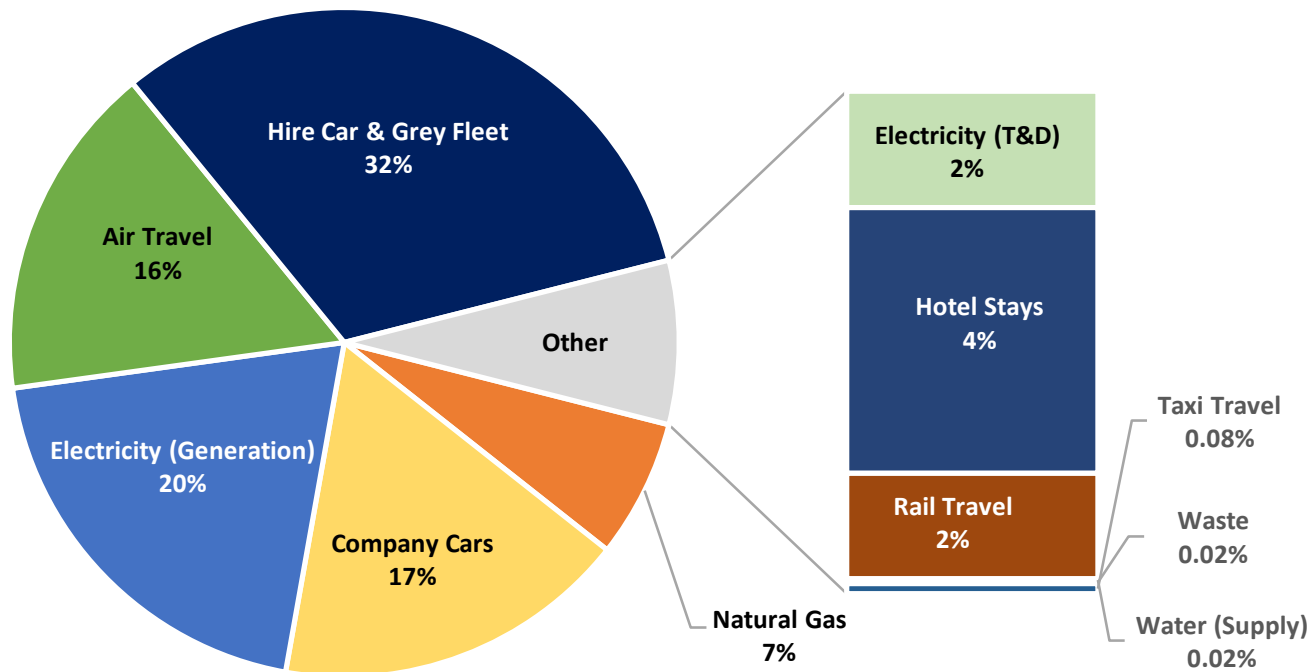
FY 2021/22 GHG Emissions Footprint (tonnes CO ₂ e)				
Reporting Scope	GHG Emissions Category ¹ (GHG Protocol)	GHG Emissions Source	GHG Emissions (tonnes CO ₂ e)	Percentage of GHG Emissions (%)
Scope 1	Direct GHG Emissions	Company Cars	243.92	17.2%
		Natural Gas	94.95	6.7%
Scope 2	Energy Indirect GHG Emissions	Electricity (Generation)	284.18	20.0%
Scope 3	(Cat 6) Business Travel	Hire Car & Grey Fleet Air Travel	453.79	31.9%
		Air Travel	231.31	16.3%
		Hotel Stays	59.37	4.2%
	(Cat 3) - Fuel & Energy Related Activities	Electricity (T&D) ²	26.00	1.8%
	(Cat 6) Business Travel	Rail Travel	23.57	1.7%
		Taxi Travel	2.24	0.2%
	(Cat 5) Waste generated in operations	Water	0.56	0.039%
		Waste	0.52	0.037%
Total GHG Emissions (tonnes CO ₂ e)			1,420.41	
GHG Emissions per £M turnover (tonnes CO ₂ e)			4.52	
GHG Emissions per employee (tonnes CO ₂ e)			0.49	

Table 1 - FY 2021/22 GHG Emissions split by source and reporting scope.

¹ Full detail on Scope 3 emissions categories is outlined within the GHG Protocol Corporate Accounting & Reporting Standard

² Transmission & distribution losses.

Civica UK Limited GHG Emissions Footprint (FY 2021/22 - % split by source)



Key Commentary:

- Business travel (including use of company cars, grey fleet mileage, air travel, public transport use and hotel stays) collectively accounts for 86% of our FY 2021-22 GHG emissions. This is likely to represent a significant proportion of our emissions moving forwards.
- Utilities consumption across our offices (electricity, natural gas, waste, and water) accounts for the remaining 14% of our 2021- 22 emissions footprint.
- GHG emissions results do not include procured goods and services (which are calculated separately as part of our ongoing carbon management activities). We recognise that this is a key reduction priority, however our emphasis is currently on identifying more robust methods to quantify our supply chain emissions before setting reduction targets.
- Civica does not currently collect information upon the staff commuting hence its exclusion from our current GHG emissions. We are currently assessing how this information can be collated and included within our future GHG emissions calculations

Exclusions:

- GHG emissions results for our current and baseline reporting years do not include procured goods and services (which are monitored separately as part of our ongoing carbon management activities); which includes upstream and downstream transportation and distribution. We recognise that this is a key reduction priority, however our emphasis is currently on identifying more robust methods to quantify our supply chain emissions before including this within the scope of our existing Net Zero targets.
- Civica does not currently collect information upon the staff commuting hence its exclusion from our current GHG emissions. We are currently assessing how this information can be collated and included within our future GHG emissions calculations.

Comparison with FY 2020/21 GHG Emissions Footprint

A comparison against our previous year's GHG emissions footprint is presented in the table below. The increase in emissions seen between both years is a result of a significant increase in the amount of business travel being completed by staff as operations increased following travel restrictions imposed as a result of the Covid-19 Pandemic in FY 2020/21. The current reporting year is therefore more

representative of our operations and will be used as a revised baseline for future target setting and trajectory modelling.

It is important to note however that emissions from utilities have decreased by 36%. This reduction can be attributed to a combination of hybrid/remote working arrangements as well as the ongoing rationalisation of our offices.

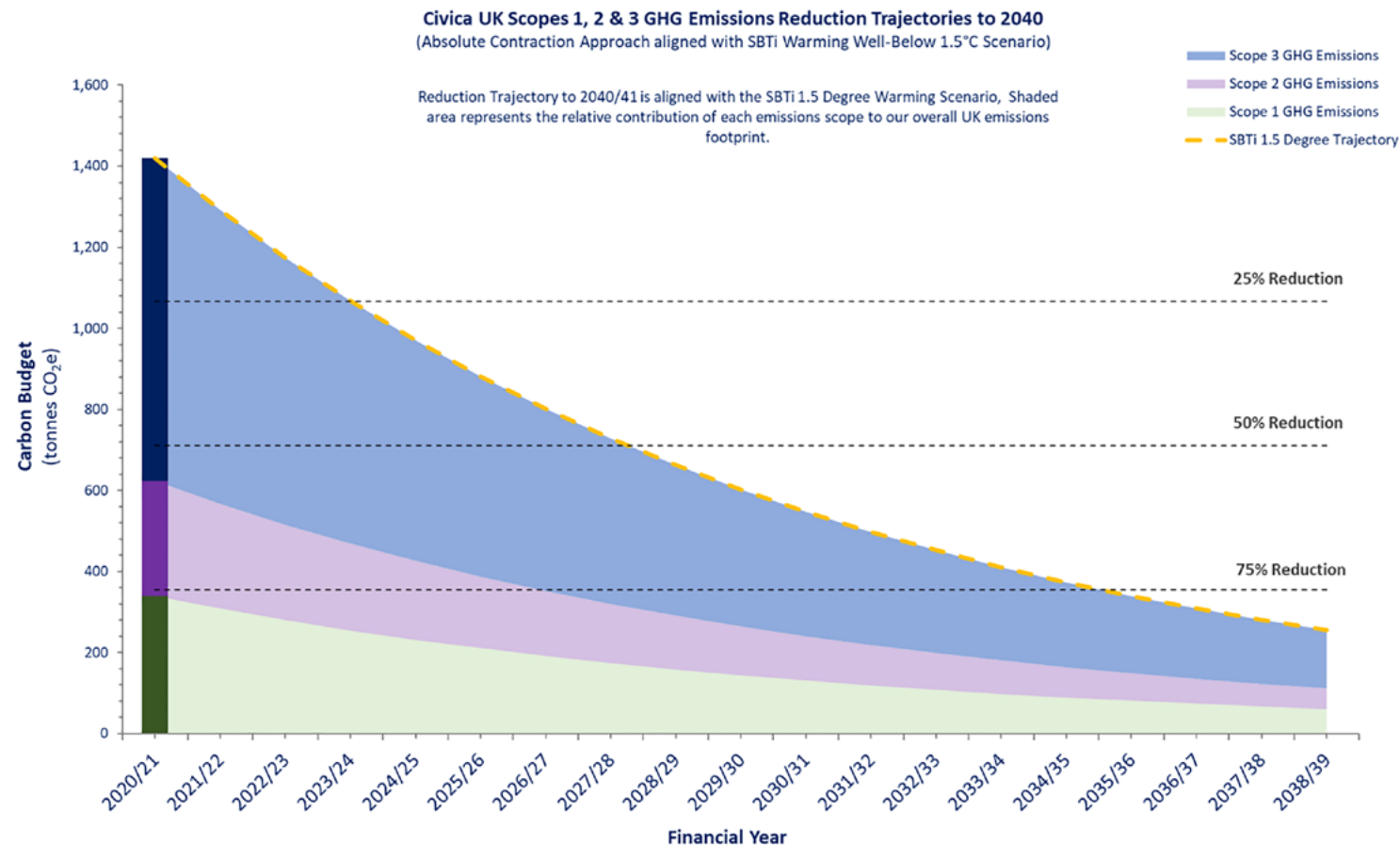
2020/21 vs 2021/22 GHG Emissions Footprint				
Reporting Scope	GHG Emissions Category (GHG Protocol)	GHG Emissions Source	FY 2020/21 GHG Emissions	FY 2021/22 GHG Emissions
Scope 1	Direct GHG Emissions	Company Cars	32.48	243.92
		Natural Gas	218.61	94.95
	Total Scope 1 GHG Emissions (tCO2e)		251.09	338.87
Scope 2	Energy Indirect GHG Emissions	Electricity (Generation)	310.20	284.18
	Total Scope 2 GHG Emissions (tCO2e)		310.20	284.18
Scope 3	(Cat 6) Business Travel	Hire Car & Grey Fleet	42.57	453.79
		Air Travel	58.79	231.31
		Hotel Stays	5.20	59.37
	(Cat 3) - Fuel & Energy Related Activities	Electricity (T&D)	27.45	26.00
	(Cat 6) Business Travel	Rail Travel	1.90	23.57
		Taxi Travel	0.16	2.24
	(Cat 5) Waste generated in operations	Water	1.68	0.56
		Waste	0.28	0.52
	Total Scope 3 GHG Emissions (tCO2e)		138.03	797.36
Total GHG Emissions (tonnes CO2e)			699.30	1,420.41
GHG Emissions per £M turnover (tonnes CO2e)			2.04	4.52
GHG Emissions per employee (tonnes CO2e)			0.23	0.49

Table 2 - Comparison of FY 2021/22 GHG Emissions with our baseline reporting year (2020/21)

Emissions Reduction Targets & Trajectory

Civica developed a Net Zero Carbon Strategy for our baseline year, defining interim targets that we set, aligned with our ambition to become **Net Zero by 2040**. We recognise that in order to achieve Net Zero we will have to mitigate our residual GHG emissions (i.e., those from essential operation of the company) through carbon offsetting and/or sequestration mechanisms. The trajectories outlined in this report present Civica UK's Scope 1, 2 and 3 emissions reduction pathways aligned with warming scenarios outlined by the Science Based Targets Initiative (SBTi) Absolute Contraction Approach². This approach is designed to provide trajectories which are aligned with published climate science and the aims of the Paris Agreement: Well-Below 1.5°C Warming Scenario by 2100 (9.1% reduction in GHG emissions per annum to reach Net Zero Carbon by 2040).

Civica's emissions reduction trajectory, considering the current year's GHG emissions footprint data is presented below.



Shading denotes the gap between trajectory and zero GHG emissions and is used to provide an indication as to the magnitude of offsetting/sequestration required to achieve Net Zero. This chart will be updated on an annual basis to show our progress against these reduction trajectories.

Civica is currently in the process of developing interim targets to monitor progress against our Net Zero Target and will update our Carbon Reduction Plan and our trajectory chart accordingly once interim targets have been agreed.

² Science Based Targets initiative - [SBTi-criteria.pdf \(sciencebasedtargets.org\)](https://sciencebasedtargets.org/)

Carbon Reduction Projects

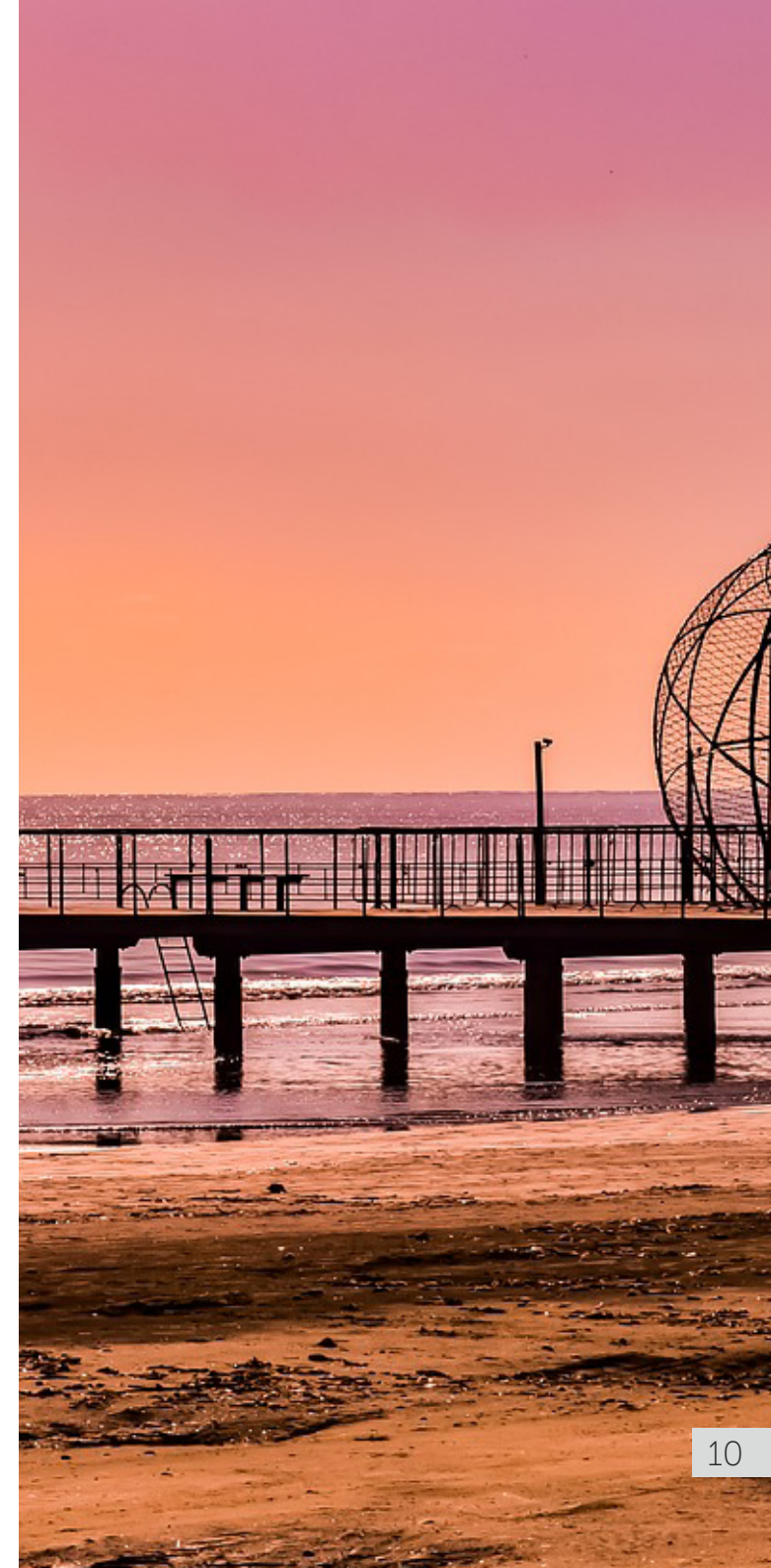
Civica already has a number of environmental management and sustainability measures in place across our operations; designed to reduce our environmental impact of our operations. The progress and impact of these measures is actively monitored by our Environmental, Social and Governance Committee (ESG), headed up by Executive Director and Chief Marketing Officer, Luella Porter.

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the start of our baseline year, including:

- Appointing a Head of ESG to lead this area and an ESG committee to plan, execute and report on activity.
- We have continued to work with our customers to co-create public services that are fit for today and for the future. Our Civica NorthStar Innovation Lab works with customers to create physical and virtual opportunities for us to jointly explore trends and technologies to support them with their own Net Zero ambitions.
- Working with customers to develop innovative software-based services that reduce property/power requirements; helping customers take more sustainable choices, applications which remove paper, underpinned by energy efficiency cloud-based services.

- We continued to align with all environmental legislation that relates to the company through ISO audits.
- Internally we have run a number of carbon reducing initiatives with our employees including:
 - Operating a Donate-a-day scheme where staff spend a day supporting their chosen charity, which could be environment or conservation-related; including joining one of our planting days with Rewards. Earth where we plant up to 750 trees per planting day.
 - Initiated the internal ESG and Net Zero project called 'One Smart Step' with its own company mascot called 'Leafy'. Developed by our ESG Committee, every two weeks Leafy provides advice on the simple, but impactful things we can do together to improve our environmental performance and ensure we're carbon conscious both at work and at home. We also encourage individuals to send ideas to Leafy on new ideas and actions we can implement.
 - Civica has launched a 'Civica Forest' in which we plant trees every month in partnership with Rewards. Earth in their locations around the UK. Rewards. Earth employs the Green Task Force to carry out this planting. The Green Task Force consists of returning veterans in the UK who use Nature Based Therapy to help veterans overcome PTSD; so in planting our trees each month and on our planting days, we are not only supporting the environment but also supporting veterans to gain long term employment and nationally recognised qualifications.
 - Continued to undertake the following initiatives in all our office locations: recycling facilities, single use plastic reduction including the shift from plastic to glass milk containers, provision of timer switches for office devices, cistern water savings devices installed in toilets and washrooms to reduce water consumption, installation of LED lighting when fitting out and refreshing offices, WEEE recycling of all hardware, print reduction, mobile phone and printer cartridge recycling and FSC certified paper.
- Continued a hybrid approach to working for all our staff, which supports homeworking and minimises emissions through reduced commuting. To support homeworking, all staff use online collaboration tools, such as MS Office and Teams.
- Ensured environmental considerations are a priority for refurbished offices to identify and provide environmentally friendly solutions both in terms of the fit-out of the office and the disposal of waste generated during works. These measures included the recycling of carpet, the selection of environmentally friendly building materials, and the installation of LED lighting with PIR sensors as standard.
- Operating socially responsible purchasing, using ethically and/or environmentally friendly suppliers; sustainable procurement/purchasing, considering environmental/social effects, reduced consumption.
- Continued to support our customers in their adoption of Cloud technology. Those customers that have moved to our Azure hosted Cloud solutions have benefited from Microsoft's global carbon neutral status since 2012, and their commitment to being carbon negative by 2030. By using Azure technology, the customer's carbon footprint will be reduced, whilst also having the benefit of reducing the reliance on less efficient technologies currently in use.





Planned Carbon Reduction Initiatives

Over the next 12 months we plan to build on our existing knowledge and understanding by implementing the following projects:

- Identify gaps in scope 3 reportable carbon emissions. Establish methodology for capturing any missing data sources and work with both established and new suppliers on how we will collate and report on this data.
- Develop a route map for achieving net zero which includes:
 - achievable GHG reduction targets that support us and our customers in achieving their targets and continue to measure and report on progress
 - identification of cost-effective emission reduction opportunities and commitment to required changes in operations to deliver them
 - identification and management of climate-related risks to our business
 - identification and utilization of carbon removal schemes (such as wind farms) after full reduction strategies have been applied.
- Set organisation-wide carbon emissions reduction targets supported by interim targets

- Continue to provide support for our sector in understanding how to reduce carbon
- Continue to provide Carbon reducing and Net Zero communication to all employees and consider running annual training through our Civica Academy.
- Continue to maintain membership with Rewards. Earth (monthly tree planting in partnership with the Green Task Force) and will be exploring how carbon offsetting can be used alongside our carbon reduction initiatives.
- Continuing to develop our website content which highlights how Civica supports the delivery of its customers net zero ambitions
- In the longer term we will be exploring a range of initiatives including participation in the Race to Net Zero which will be public statements about our credentials and commitment to achieving Net Zero.



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 Standard; using the appropriate Government emission Conversion Factors for GHG Company Reporting.

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 from Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

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:



Luella Porter
Chief Marketing Officer
Civica Group Ltd.

Date: 15th December 2022