

Carbon Reduction Plan

Supplier name: The PSC

Publication date: July 2023

Commitment to achieving Net Zero

In 2020, The PSC committed to achieving carbon neutrality by 2021. We have achieved this aim, becoming a carbon negative organisation across all quarters from FY2021/22 to FY2022/23. We are now seeking to maintain carbon negativity across all quarters going forward. We are also committed to implementing further carbon reduction to reduce the contribution of offsetting, reaching net zero well in advance of the UK Government's commitment to reach net zero 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: 2019		
Additional Details relating to the Baseline Emissions calculations.		
<p>Our emissions baseline was calculated using all available company travel and expenses data, covering scope 1, 2 and 3 emissions.</p> <p>As a company that provides consulting services and does not manufacture or sell any physical goods, it was quickly evident that business travel would be our largest area of emissions. Following this initial analysis, focus was placed on accurately determining emissions from business travel in line with UK government guidance and official conversion factors.</p> <p>In addition, scope 3 emissions relating to accommodation used during business travel, staff commuting, and emissions relating to the office were determined.</p> <p>To effectively account for and monitor these emissions we built our own carbon reporting tool, which is continuously developed and updated on a quarterly basis, and is used to report emissions to the company's Board.</p>		
Baseline year emissions: 166 tCO₂e		
EMISSIONS	TOTAL (tCO₂e)	Drivers

Scope 1	N/A	<ul style="list-style-type: none"> We do not own any property or vehicles, and do not manufacture any physical goods
Scope 2	32.4 tCO₂e	<ul style="list-style-type: none"> Office – heating (26.67 tCO₂e) Office - electricity (5.72 tCO₂e)
Scope 3 (Included Sources)	133.6 tCO₂e	<ul style="list-style-type: none"> Upstream transportation and distribution (0.14 tCO₂e) Waste generated in operations (1.52 tCO₂e) Business travel (108.38 tCO₂e) Employee commuting (12.19 tCO₂e) Downstream transportation and distribution (0 tCO₂e) - we do not manufacture or sell any physical goods Accommodation (9.51 tCO₂e) Home working (0 tCO₂e) Office - paper (1.91 tCO₂e)
Total Emissions	166.0 tCO₂e	
Emissions per FTE	4.4 tCO₂e	

Current Emissions Reporting

Year of reporting: 2022/23		
EMISSIONS	TOTAL (tCO₂e)	Drivers
Scope 1	N/A	<ul style="list-style-type: none"> We do not own any property or vehicles, and do not manufacture any physical goods
Scope 2	2.6 tCO₂e	<ul style="list-style-type: none"> Office – heating (1.24 tCO₂e) Office – electricity (1.40 tCO₂e)
Scope 3 (Included Sources)	42.0 tCO₂e	<ul style="list-style-type: none"> Upstream transportation and distribution (0.10 tCO₂e) Waste generated in operations (2.24 tCO₂e) Business travel (1.12 tCO₂e) Employee commuting (9.39 tCO₂e)

		<ul style="list-style-type: none"> • Downstream transportation and distribution (0 tCO₂e) - we do not manufacture or sell any physical goods • Accommodation (0.17 tCO₂e) • Office - paper (1.47 tCO₂e) • Homeworking - heating (26.99 tCO₂e) • Homeworking - electricity (0.55 tCO₂e)
Total Emissions	43.4 tCO₂e	
Emissions per FTE	0.8 tCO₂e	

Emissions reduction targets

In 2020, The PSC's Board ratified **three ambitious sustainability targets**, to ensure we play our role in society's transition to a sustainable future. These touch on social, environmental, and economic sustainability in everything we do, including our work with partners – from clients to suppliers and contractors. Our targets are:

1. Achieve carbon neutrality by 2021, and become carbon negative in 2021
2. Use 80% suppliers and partners with ambitious sustainability policies by 2025
3. Expand our impact with clients and partners by 2023

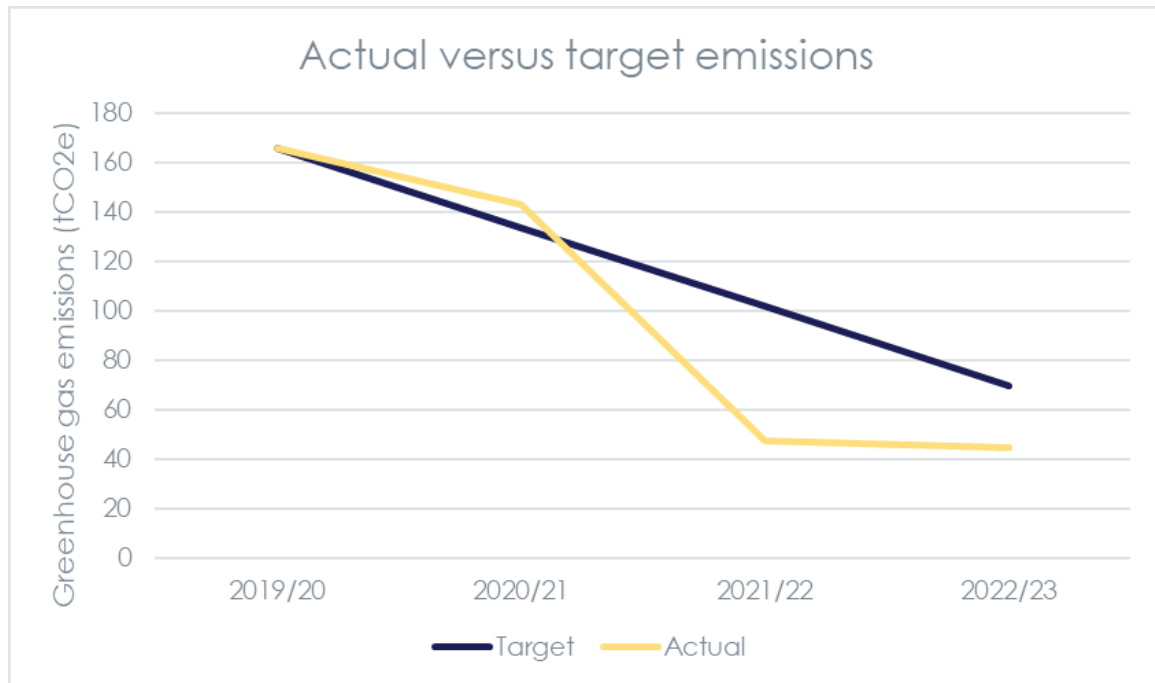
We achieved target 1 through carbon offsetting in FY 2021/22. With the approval of The PSC's Board, **we now offset our remaining emissions at a rate of 200% to reach carbon negativity.**

However, we aim to continue building on this success by further reducing our emissions in the first place. In 2020, we generated realistic **emissions reduction targets** across all our main causes of emissions, projecting that carbon emissions would decrease in the four years from 2019 to 69.6 tCO₂e by 2023. This is a reduction of 58%.

The emissions reduction targets we set in 2020 were:

	2019	2023		
Emissions category	Baseline emissions (tCO2e)	Target emissions (tCO2e)	Change	Plan to achieve this
Scope 1	0	0	0%	No change
Scope 2	32.4	0.0	-100%	
Office – gas heating	26.67	0.00	-100%	Switch to office using electric heating
Office - electricity	5.72	0.00	-100%	Switch to office using electric heating, with net zero target for 2030
Scope 3	133.7	69.6	-48%	
Upstream transportation and distribution	0.14	0.10	-33%	No change
Waste generated in operations	1.52	0.00	-100%	Increase in waste due to growth of business
Business travel	108.38	48.70	-55%	Overall reduction in travel, including eliminating flights to/from UK and Australia and switching to train travel wherever possible
Employee commuting	12.19	12.19	0%	No change
Downstream transportation and distribution	0.00	0.00	0%	No change
Accommodation	9.51	7.50	-21%	Decrease in nights away, and reduction in use of hotels in favour of rented apartments
Office - paper	1.91	1.10	-42%	Digitisation and reduced printing
Homeworking - Electricity	0.00	N/A	N/A	
Homeworking – Heating	0.00	N/A	N/A	
Total	166.0	69.6	-58%	
Target rate to offset remaining emissions	-	200%	-	

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



At the end of FY 2022/23, we are pleased to have achieved our planned carbon reduction. We have not reached the 100% reduction in Scope 2 emissions we projected; our use of a shared office provider with shared facilities has been the key limiting factor in this respect, as they aim to reach net zero by 2030. However, our reduction of Scope 3 emissions has been more substantial than projected, enabling us to reach our overall emissions goals.

This is largely due to COVID-19 changing the way we work: we now operate a “virtual first” model that means we rarely travel to client site, and staff work at home or in the office according to their and their teams’ preferences. This has rapidly reduced our emissions associated with business travel, accommodation while travelling and staff commuting. While we anticipate many of these changes will be locked in for the foreseeable future, we are also taking further steps to ensure we can maintain reduced carbon emissions if travel is restored. For example, we have formally updated our travel and expenses policy to incentivise train travel and economy travel (which is associated with fewer emissions per person than business travel).

We are now in the process of setting more ambitious goals to reach net zero – as opposed to carbon neutrality – in the coming years. We are also taking steps to reduce the carbon emissions within our supply chain, aiming for 80% of our suppliers to have ambitious sustainability policies by 2025.

Carbon Reduction Projects Completed

The following environmental management measures and projects have been completed or implemented since the 2019 baseline:

- Update of working model to “virtual first” and allowing employees to choose when to work from home and when to come to the office

- Provision of guidance to all employees around how to individually switch to a more sustainable pension, and investigation of what it would take for a business of our size to switch to a more sustainable group plan (this has included hiring an expert to conduct market research)
- Incentivisation of sustainable behaviours at home through a “Sustainability Challenge” conducted during lockdown (examples of behaviours incentivised include adopting LED lighting, changing the balance of diets to be more plant-based, and reducing use of central heating)
- Update of our travel and expenses policy to incentivise more sustainable forms of transport
- Transfer of carbon reporting function to business support team to ensure it is completed in a consistent and timely fashion (rather than as side-of-desk work)
- Definition of “ambitious sustainability policies” and tracking of whether our main suppliers meet that definition
- Transition of group pension provider to one that is aligned with our sustainability ambition

Due to the coincident impact of COVID-19 on our ways of working (as described above) it is difficult to separate out the impact of these initiatives on our carbon emissions, particularly when it comes to scope 3 emissions (e.g. business travel, accommodation and commuting). However, combined with the impact of the COVID-19 pandemic, the carbon emission reduction achieved by these schemes equate to 114 tCO₂e, a 69% reduction against the 2019 baseline. These measures will remain in effect when performing future contracts.

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

- Provision of guidance to all employees around how to switch to renewable energy suppliers at home
- Implementation of a salary sacrifice scheme for electric vehicles
- More extensive engagement with SME suppliers to support their transition to net zero
- Continued engagement with our team to promote sustainable behaviour changes
- Monitoring the carbon associated with each of our projects, and developing project-specific carbon reduction plans

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 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

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

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

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:

Catherine Mulcahy
Chief Operating Officer
Date: 11/07/23

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