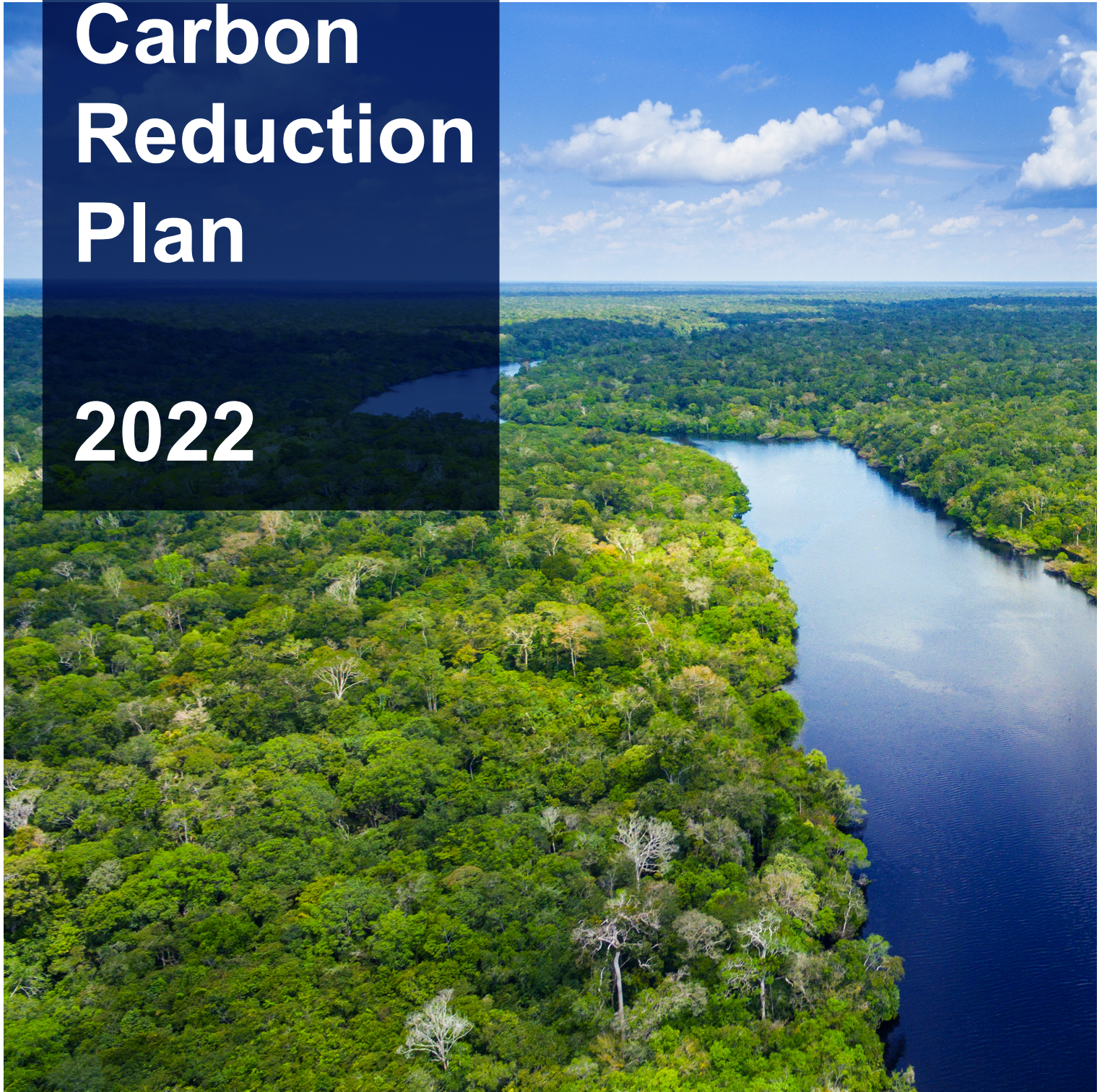


Carbon Reduction Plan

2022



Changing organisations for the
better

provelio



Declaration from our Board

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 Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

“ We are committed to achieving net zero emissions 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: Year to 31 October 2019	
Additional details relating to the baseline emissions calculations:	
We have undertaken a full audit of our carbon emissions across the business to cover scope 1 and 2 emissions. We have reviewed in detail our scope 3 emissions and have endeavoured to include any activity within the business to which scope 3 emissions can be attributed. Our scope 3 data includes a calculation of emissions related to purchased goods and services, business travel, waste generated and employee commuting. 2019 was chosen as our baseline year because we had reasonable data sets for the year and the year was a more typical year of business having occurred prior to the Covid pandemic.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO2e)
Scope 1	0.00
Scope 2	1.14
Scope 3 (purchased goods and services, business travel, waste generated and employee commuting)	52.16
Total Emissions (before any Carbon offsetting)	53.30

Scope 1 emissions are direct greenhouse gas emissions that occur from sources that are controlled or owned by the reporting organisation (emissions associate with fuel combustion in boilers, furnaces, vehicles)

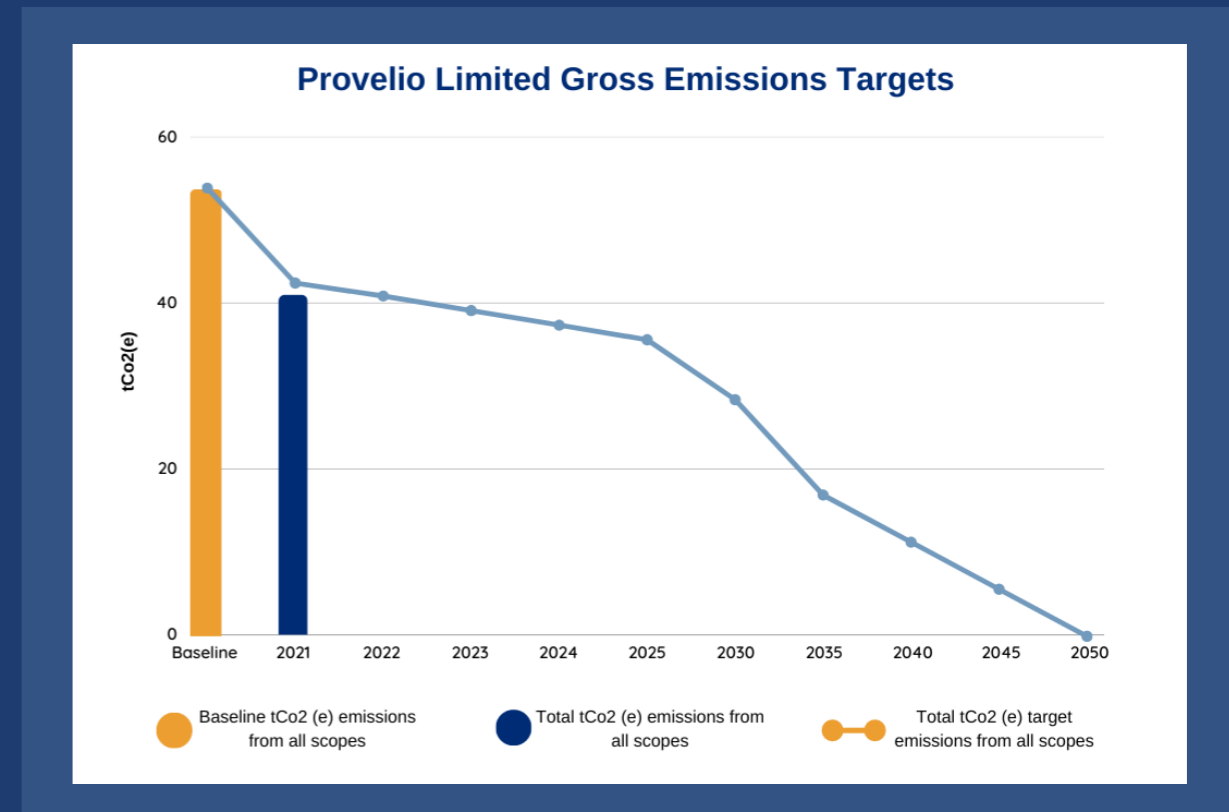
Scope 2 emissions are indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat, or cooling. They are accounted for by the reporting organization as they are a result of the organization's energy use.

Scope 3 emissions include all sources not within an organization's scope 1 and 2 boundary. Scope 3 emissions often represent the majority of an organization's total greenhouse gas emissions

Current Emissions Reporting

Reporting Year: Year to 31 October 2021	
EMISSIONS	TOTAL (tCO2e)
Scope 1	0.00
Scope 2	0.00
Scope 3 (purchased goods and services, business travel, waste generated and employee commuting)	40.91
Total Emissions (before any Carbon offsetting)	40.91

The below diagram represents our current reported years and our targeted emissions reductions from all scopes to 2050 in absolute terms should we remain the same size as we are today.



Absolute Emissions Targets and Intensity Ratios



Business growth is strategically important to the business, it attracts new talent, provides career paths for existing employees, helps to acquire assets and attract investment, and it reduces business risk. However a growth in activities may mean additional purchases for our increased staffing levels so that our employees are sufficiently equipped to deliver our services for a larger number of client projects. These additional purchases could result in higher scope 3 material uses and increase our tCO₂(e). As a business we do not want to discourage growth, it is essential to long term business survival but we do need to ensure that our journey to net zero continues during this time and our efforts are concentrated in the right places, efforts may be concentrated in the wrong places if we only consider absolute numbers during a time of rapid growth. We need targets that relate to our efficiencies in usage for each piece of work undertaken as well as in absolute terms. We need to consider a ratio of tCO₂(e) against turnover and employees. If we can reduce the amount of tCO₂(e) per employee or per £1 of turnover we are still on the correct pathway to reducing our impact throughout any period of growth. These ratios should measure the intensity in which our business generates tCO₂(e) against its business activities. This will enable us to concentrate our efficiency drives in the right areas and make the fastest possible progress.

As a result of the above incorporated into our carbon plan are two intensity ratios that will help us to manage carbon reduction even if the general activities of the business is increasing:

Measuring tCO₂(e) in direct relation to £million of business turnover in the financial year reported upon

Turnover or activity ratio

33.11	2019
18.43	2021
15.56	2022 (target)

Whilst the company has shown an absolute decline in tCO₂(e) it is as important to note that this has been achieved against a background of increased activity or business growth and that the reduction in tCO₂(e) from the baseline year to 2021 is 44% for an equivalent level of activity. Business growth is expected to continue in 2022 and we are targetting a further reduction of in the tCO₂(e) to turnover ratio. We hope to reduce our tCO₂(e) per unit of activity by a further 15.5%. Achievement of this ratio despite predicting business growth would mean that Provelio is also meeting our absolute reduction targets set at a time of lower turnover and activity.

Measuring tCO₂(e) in direct relation to the average number of employees in the financial year reported on

2.67	2019
1.86	2021
1.60	2022 (target)

Emissions generated by each employee have also significantly fallen since the baseline year - a fall of 30%

A fall in production or use of tCO₂(e) per employee of 14% is targeted in 2022.



Carbon Reduction Projects - Complete

Scope 1 & 2

We have reduced our scope 1 and 2 carbon emissions from 1.14 tCO₂(e) in our baseline year of 2019 to zero in 2021. All of the energy we use in our owned premises is from renewable sources.

Scope 3

Our sources of scope 3 carbon emissions can be divided into three areas: waste management, purchase of goods and services and travel (both business and commuting).



Waste Management

We have always considered sustainable working as a priority and have been operating an ISO 14001 accredited environmental system for over ten years. As part of this programme we have been actively reducing our waste, energy usage, and recycling where ever possible. We have managed to reach a position where we have very little direct unrecycled waste and much of our used electronic equipment being repurposed and used by local charities after being cleansed of data.



Purchase of Goods and Services

The primary purchases of the company relate to new computer equipment, older equipment is recycled where ever possible and new equipment is chosen with regards to a balance between energy usage during operation and energy used to make the equipment.



Business Travel and Commuting

It is worth noting that our current largest source of emissions is generated by travelling, this includes business travel by car, hotel stays and commuting to work by car and our efforts to reduce our emissions are therefore currently concentrated in this area.

Our offices are equipped with showers and bike repair kits to encourage cycling to work where ever possible. We have been actively engaging with employees to reduce unnecessary travel and to establish new sustainable work practices.

We had introduced and used video conferencing and other technological solutions to reduce our business travelling several years before the Covid 19 outbreak and this has helped to reduce travelling. The pandemic demonstrated that more work could be carried out using virtual meetings and a wider culture of acceptance of electronic meetings further reduced unnecessary travel and our travelling emissions. However, we consider that some travelling is still unavoidable for us as management consultants in the built environment. Project sites require review and there are times when there is the need for face to face communication and contact. We have therefore introduced policies that encourage more sustainable methods of travel alongside our technological replacement of travel policies.

Our cloud computing technology means that staff no longer have to travel into the office unnecessarily but can work in the nearest convenient place, thus reducing travel to the office in the form of commuting and to and from the client as business travel. With the advent of hybrid working we have employees based in many more geographical locations than before enabling us to match our employees with client locations to work locally and reduce the travel burden whenever reasonably possible.

Our emissions figures above are shown before any carbon offset purchases because we consider that it is of importance to reduce our gross usage. We have purchased Gold standard, VCS verified carbon offset credits so that our net emissions are already zero. These offsets have been purchased in projects that have been reviewed and relate to projects that are developing the technologies and bases we need to move forward to a gross net zero position. The projects include investment in renewable technology development, essential for a world in which electricity is required for travel.

As management consultants in the built environment we have also invested in carbon offset credits that fund the development of healthy homes across the world, an investment that will continue even if our company goal of gross emissions reaches zero.



**We are
already
net carbon
neutral**

Future Carbon Reduction Projects

Following employee consultation we are in the process of addressing our work place policies to encourage the early adoption of electric vehicles, such as providing a bonus payment to employees who have an electric vehicle and wish to install a faster charging electric point at home.

We intend to obtain electric pool bikes for travel to and from client premises close to our offices. We are also reviewing a policy of providing electric and cycle to work commute bikes for those who are interested as a means of reducing our commute travel impact. Some of our offices are undergoing a re-design to ensure that bike storage for both electric and pedal is enlarged and easily accessible for all.

Our projected carbon reductions see smaller falls in the earlier years until 2030 and 2035. These dates are the dates in which new petrol and hybrid cars are no longer on sale. It is anticipated that powering of electric vehicles from a sustainable resource will have the largest impact on our current carbon figures. From 2035 we would anticipate that few employees would have petrol based cars in which business or commuting miles are travelled.

We will continue to consult our employees on travel to find additional ways in which we can facilitate this switch from petrol and diesel transport to more sustainable electric vehicles.

Invested projects



Cleaner, Safer Water in Cambodia

The project creates rural employment opportunities in filter manufacturing and distribution. Women make up 47% of Hydrologic's staff, including 60% of top-level managers and 60% of the rural sales force. Hydrologic also works with a microfinance institution to sell filters on credit, making them affordable for more Cambodians.



Sidrap Wind Farm Project, Indonesia

Located in South Sulawesi, the Sidrap Wind Farm project consists of 30 wind turbines with a total installed capacity of 75 MW. The project produces 253,000 MWh of renewable energy per year to the South Sulawesi national grid - enough to power over 70,000 local homes.

The project is Indonesia's first utility scale wind farm and has been developed by PT UPC Sidrap Bayu Energi. The project has been in commercial operation since 01 March 2018.

Our Consultancy Offerings

Helping our clients reduce their carbon emissions.

We understand that our responsibilities towards achieving net-zero does not stop at our business operation, we also have a responsibility to support our clients and projects to achieve their targets. We have invested and developed our project management and consultancy services to support our clients in achieving their net-zero commitments. Examples of how we are supporting our clients include:

Data Visualisation

Utilising the latest data visualisation software to allow our clients to conceptually understand their carbon reduction programme of works across their estate and project portfolio.

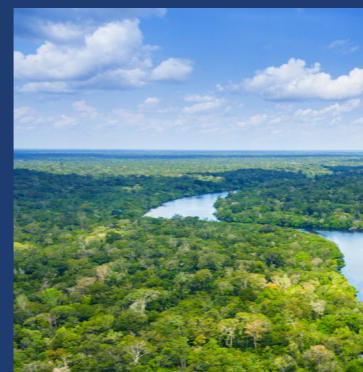
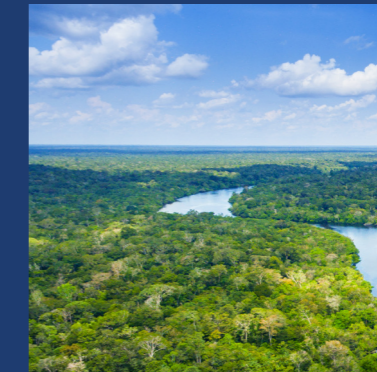
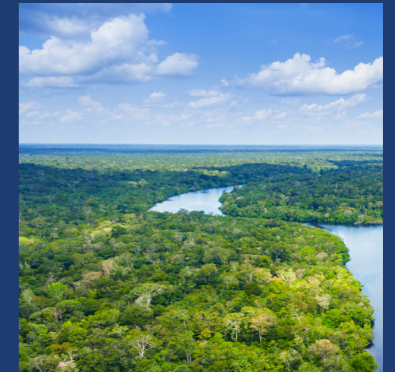
We collate, analyse and model various primary data sources to create a visual tool that allows our clients to make informed decisions in relation to the delivery of carbon reduction projects.

Project Management

We have extensive experience of delivering carbon reduction capital works over the last 10 years. This experience has allowed us to deliver internal tools, checklists and methodologies to enhance our project management offering. We have supported clients on many projects from integrating their carbon reduction initiatives with wider and planned maintenance programmes to supporting the construction of £30M energy centres.

Management Consultancy

Supporting our clients with aligning carbon reduction targets with the wider organisation. Providing strategic advice, guidance and system implementation to enable carbon reduction plans and targets to be implemented and realised.





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