



SSCL Carbon Reduction Plan

Supplier name: Shared Services Connected Ltd ("SSCL")
Publication date: May 2023





Commitment to Achieving Net Zero

SSCL and its parent company Sopra Steria Group are proud to be considered as early adopters of climate change standards since 2017 where we aligned our science-based targets well below 2oC which were validated by the Science Based Targets initiative (SBTi). Later in 2019 these targets were updated to be 1.5oC aligned.

In 2020, we adopted the UN Climate Neutral Now definition of Net Zero as “the state where a balance between anthropogenic greenhouse gas (GHG) emissions and removals is achieved”, by taking the following actions:

1. Measure 100% of the organisation’s GHG emissions;
2. Reduce GHG emissions as far as possible; and
3. Offset remaining emissions through projects that remove carbon from the atmosphere in the long term.

A Net Zero target date of 2028 was set under the UN Climate Neutral NOW programme.

As the effects of offsetting continue to evolve, we have decided as an organisation to move towards a more ambitious Net Zero target with a greater focus on reduction and less on sequestration through offsetting and carbon credits.

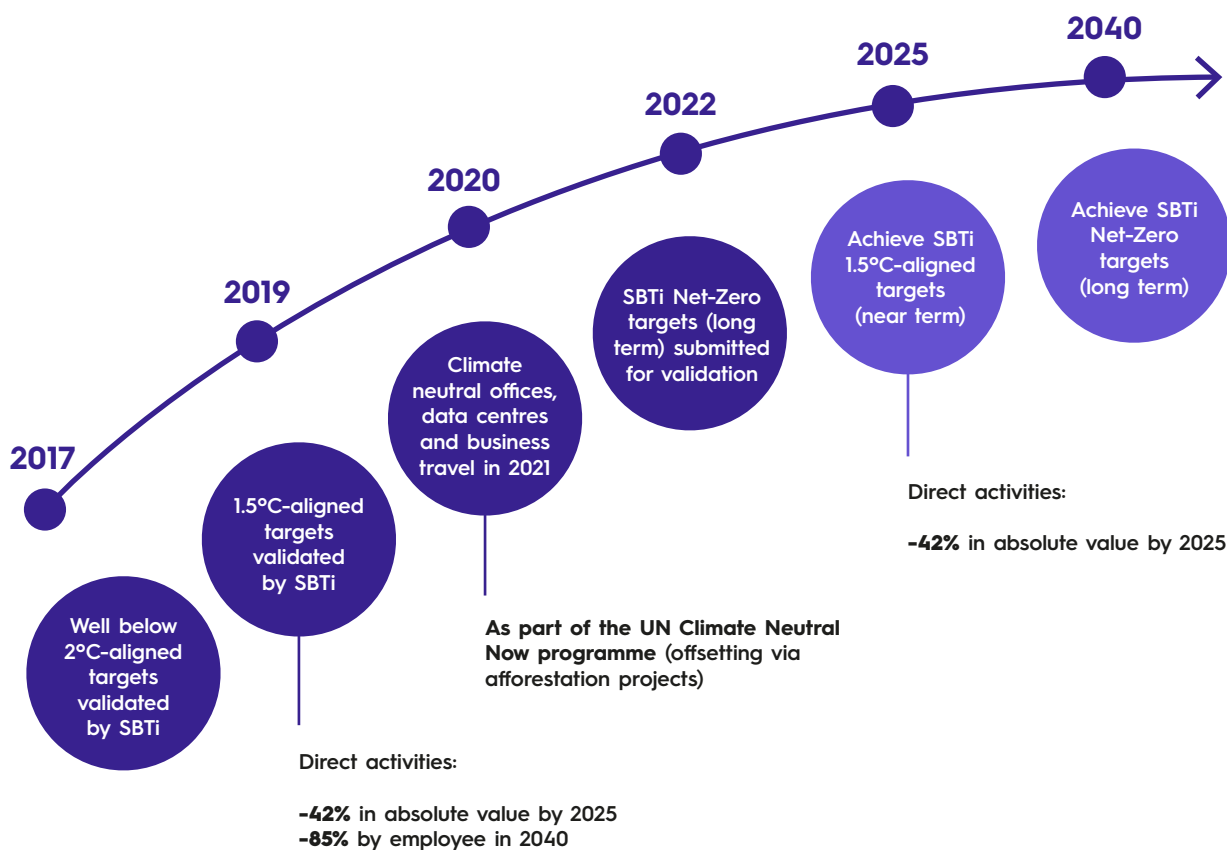
In 2022, Sopra Steria and SSCL committed to the SBTi Net-Zero Standard (hereafter refereed to as ‘The Standard’) which has become the globally-accepted best practice standard for organisations setting Net Zero targets. The definition of Net Zero under The Standard will require Sopra Steria and SSCL to strive towards achieving a 90% reduction in absolute emissions from a baseline measurement by no later than 2050.

Consequently, Sopra Steria and SSCL have proposed a revised Net Zero target achievement date of 2040. The SBTi have indicated that revised targets aligned with criteria set under The Standard, submitted by Sopra Steria Group in November 2022, will be validated around July 2023. As stipulated by SBTi, the baseline period can be no longer than 3 years prior to commitments. Therefore, we will change the baseline year from 2017 to 2019 upon validation by the SBTi in 2023.

Figure 1: Sopra Steria and SSCL roadmap to achieving Net Zero by 2040 in line with the SBTi Net Zero Standard

Trajectory toward net-zero emissions

Key milestones on the way to achieving SBTi's near-term 1.5°C-aligned targets and long-term net-zero emissions targets (baseline: 2015).



Baseline and Current Emissions Footprint

Baseline emissions are a record of the GHGs 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. The Reporting Year is the calendar year 2022 and the Baseline Year is the calendar year 2017.

Table 1: SSCL's Emissions by Scope and Category for the Reporting Year and its Baseline Year

Scope	Category/ Definition		Description of source	Emissions (tCO ₂ e)	
				Reporting year (2022)	Baseline year (2017)
1	Direct emissions from owned or controlled sources		Combustion of fuel, & measured leakages of refrigerant	598	426
2	Indirect emissions from the generation of purchased electricity, steam, heating and cooling		Generation of electricity consumed (on a market basis)	0	1,247
3	1	Purchased Goods & Services	Supply chain	20,006	10,946
	3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	The production and delivery of fuel and electricity	255	440
	4	Upstream transportation & Distribution	Emissions from upstream transportation and distribution are included in Scope 3 Category 1		
	5	Waste Generated in Operations	Treatment of waste including waste water	4.5	21
	6	Business Travel	Travel for business purposes, including hotel nights	191	416
	7	Employee Commuting	Travel by employees to and from their places of work and emissions due to remote working (homes and client sites)	1,163	1,362
	8	Upstream Leased Assets	Off-site data centres	0	0
	9	Downstream transportation & Distribution	Not applicable – see Table 2	0	0
	13	Downstream Leased Assets	Tenants	0	0
	All			22,218	14,858

Please note that Scope 2 (market based) emissions are zero as 100% of the electricity SSCL consumes in the UK comes from renewable sources which is backed by renewable guarantee of origin certificates (REGOs) certificates.

Table 2 below lists Categories of Scope 3 for which SSCL has declared no emissions and the reasons for their exclusion.

Table 2: Categories of Scope 3 for which SSCL has declared no emissions and the reasons for their exclusion

Category	Reason for exclusion
2 Capital Goods	Emissions due to capitalised purchases are included in Scope 3 Category 1
9 Downstream Transportation & Distribution	SSCL's business requires no material downstream transportation and distribution of goods
10 Processing of Sold Products	SSCL does not sell products subject to processing
11 Use of Sold Products	Emissions from the use of products that SSCL sells are not material
12 End-of-Life Treatment of Sold Products	Emissions from the end-of-life treatment of products that SSCL sells are not material
14 Franchises	SSCL neither sells franchising rights nor operates any franchises
15 Investments	SSCL has no material investments in other companies

Emissions reduction targets

Sopra Steria will transition from intentions to achieve net zero emissions by the end of 2028 to a revised target achievement date of 2040 and will implement a phased approach, through intermediate targets, to achieve this objective.

Table 3: Phases of SSCL's Approach to becoming Net Zero by 2040

Year	Scope of Net Zero
2022	All operations under direct control carbon neutral under the UN Carbon Neutral NOW
2025	Certain indirect operations (i.e. waste treatment, indirect fuel & energy, employee commuting, and downstream leased assets) added
2040	Indirect operations related to the supply chain (purchased goods and services) added

To continue our progress to achieving Net Zero, SSCL has adopted the following carbon reduction targets, against a 2017 baseline:

- 24% reduction in GHG emissions (Scope 1 +2) intensity per full-time employee by the end of 2022; and
- 20% reduction in business travel emissions intensity per full-time employee by the end of 2022.

Science-Based Targets

The Science-Based Targets (SBTs) that have been set by Sopra Steria Group apply to SSCL in the UK.

The following SBTs are aligned to the 1.5 degree pathway and approved by the Science Based Targets Initiative (SBTi):

- 42% reduction in Scope 1 + 2 (market-based emissions) by end of 2025. This is our 10-year science-based target for all of our Scopes 1 and 2 emissions. Sopra Steria expects to achieve this target by procuring more renewable energy and through emissions reduction activities;
- 85% reduction in Scope 1 + 2 (market-based emissions) by end of 2040. This is our 25-year science-based target for all of our Scopes 1 and 2 emissions. Sopra Steria expects to achieve this target by procuring more renewable energy and through emissions reduction activities;

- Ensure that the Group's suppliers, accounting for at least 70% of supply chain emissions, control their GHG emissions by 2025; and
- Ensure that 90% out of these Group's suppliers, accounting for at least 70% of supply chain emissions, have set GHG emissions reduction targets by 2025.

Science-based targets do not include carbon removal offsets.

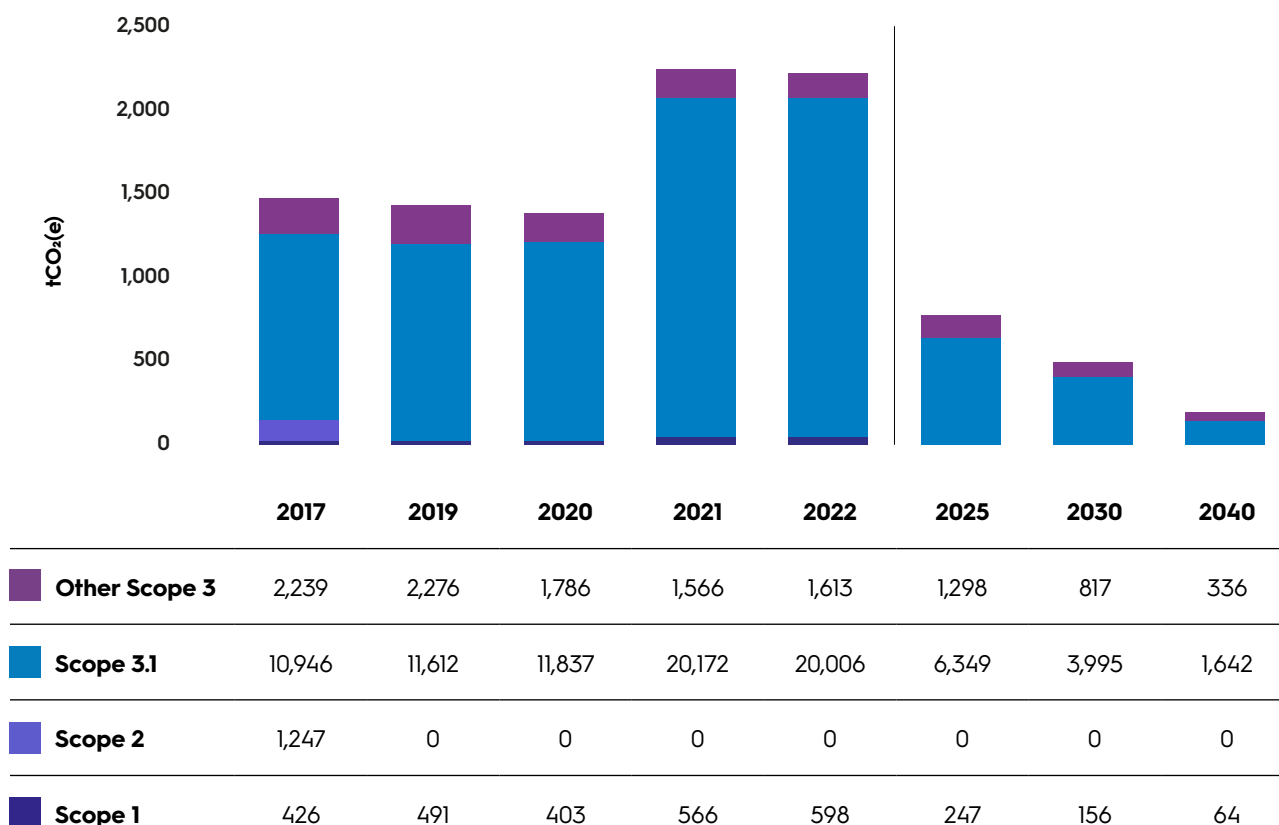
Sopra Steria Group was one of the companies that road-tested the SBTi Net Zero Standard prior to its publication in late 2021.

We project that our GHG emissions will decrease to zero by 2040, a reduction of 100% with carbon removal offsets accounting only for a maximum 10% of total GHG emissions.

The graph in Figure 2 shows projected progress against these targets:

Figure 2: Emissions Reductions Past and Projected

Emissions reductions against net-zero target



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

SSCL maintains and continually improves its environmental management system, which is externally certified to the ISO 14001:2015 standard.

SSCL has completed or implemented the following environmental management measures and projects since the 2017 baseline year. These measures will be in effect over the course of the contract (when performing the contract).



Energy Efficiency

In 2021, SSCL undertook energy efficiency initiatives and investment in measures to reduce our carbon emissions, including the following:

- Sopra Steria signed an agreement to upgrade its company car scheme, which will focus entirely on environmentally friendly and tax-efficient Battery Electric Vehicles (BEVs) and Plug-in Hybrid Electric Vehicles (PHEVs). The scheme applies to NHS SBS employees and will be launched in 2022 and also offer support to employees with arranging discounted home charging points.
- Upgrades of lighting to energy efficient alternatives and LEDs was completed in late 2021 at our offices in Newcastle, Newport and York. These initiatives are expected to contribute to a combined annual reduction of 604,643 kWh and 128 tonnes of CO₂.

In 2022, Sopra Steria formed an Energy Efficiency Working Group (representing key internal functions whose internal operations influence energy usage including Property & Facilities and I.T.) undertook energy efficiency initiatives and investment in measures to reduce our carbon emissions, including the following:

- Upgrades of lighting to energy efficient LEDs was completed in 2022 as part of the office refurbishment at the Blackpool office. This is expected to contribute to an annual reduction of 11,160 kWh in electricity consumption and 2.1 tonnes of CO₂(e).
- Replaced 10 x gas boilers (approximately 30 years old) with 6 new energy efficient boilers. Conservative estimates project annual energy savings of 202,619 kWh and 37 tonnes of CO₂(e).

Since the baseline year of 2017, SSCL's absolute energy footprint decreased by 22% in 2022 and the energy intensity (per full time employee) decreased by 56%.



Renewable Electricity

None of the electricity that SSCL consumed in the baseline year came from renewable sources; emissions from its consumption amounted to 1,247 tCO₂e on a market basis.

By 2019 SSCL had raised the proportion of electricity consumed from renewable sources to 100%, reducing Scope 2 emissions to zero on a market basis.

All of the electricity that SSCL consumes is backed by Renewable Energy Guarantees of Origin (REGOs).



Business Travel and Internal Carbon Price

SSCL applies an internal shadow carbon price, in the UK, for business travel. Each quarter, emissions from business travel are calculated alongside the associated shadow carbon costs for each business division. The Carbon Footprint Report is incorporated into the existing Sector Travel Power BI Report, which is available to senior management, Sector Directors and Financial Controllers.

By making employees aware of the carbon cost of travel, the internal shadow carbon price has changed their behaviour. They might choose to teleconference rather than travel at all, and if they do travel, to choose the mode with the lowest carbon emissions; for example, taking the train between London and Glasgow rather than a plane.

In this way, the internal shadow carbon price has contributed towards the reduction of 74% in business travel emissions per employee in the reporting year 2022 since the baseline year of 2017.



Waste Management

100% of waste, from collections managed directly by SSCL, is diverted away from landfill.

Since 2019, SSCL has collaborated with its catering contractor in replacing plastic packaging of food and drinks sold at on-site canteens with packaging made from plant-based material. This has helped to eliminate over 137,068 items of single-use plastics from SSCL's waste.

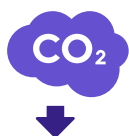


Sustainable Purchasing

By collaborating with its office stationery supplier and its partner, SSCL has been able to reduce the environmental impact of the paper that it uses by purchasing closed-loop paper. Using closed-loop papers means that SSCL's used paper is recycled and remanufactured back into a paper product. Therefore, we adopt the principles of the circular economy. No deforestation takes place to provide the fibre in the paper that SSCL subsequently purchases, which requires:

- 83% less water
- 72% less energy
- 53% less CO₂ emissions

...to manufacture than fresh-fibre paper.



Carbon Offset Initiatives

SSCL purchases carbon removal offsets for GHG emissions from its offices and business travel that it can't avoid making these emissions net zero as of 2021. Although, SSCL's offices and business travel have been certified carbon neutral, through carbon avoidance offsets, since 2017. Offsetting the GHG emissions from these sources means that they have no net effect on the amount of GHGs in the atmosphere.

In the past, SSCL has offset its GHG emissions by investing in projects that avoided future GHG emissions, particularly renewable energy projects in India.

In 2020, as part of its strategy for becoming net zero by 2028, SSCL migrated its offsets for carbon neutral certification to a new partner accredited by the United Nations Climate Neutral Now programme. This partner invests in projects that remove the primary GHG carbon dioxide from the atmosphere, particularly afforestation projects in Uruguay that create new land for trees that absorb carbon dioxide from the atmosphere, and that do not simply replace trees in deforested areas.

Future Initiatives

SSCL expects that future ways of working patterns will lead to increased hybrid working. As a result, in 2023 the Company will implement, through our UK property strategy, smart technology that provides management information and enables control of energy usage in line with dynamic changes in demand for office utilisation.

In addition, we will collaborate with our maintenance contractor on implement an energy monitoring and management programme.

In 2022, supply chain emissions accounted for 90% of SSCL's full value chain GHG emissions. The current methodology for calculating our purchased goods and services emissions is a function of supply chain spend which has increased year-on-year. Therefore,

SSCL will seek to collaborate with its supply chain and other organisation's to develop a refined methodology for measuring purchased goods and services related emissions (that isn't based on supplier spend) as well as effective engagement strategies for reducing those emissions.

The Carbon Reduction Plan, as part of our Net Zero UN Climate Neutral Now initiative, is a key component of our wider Environmental Sustainability programme. This programme integrates our ISO14001-certified Environmental Management System, efficient resource consumption, renewable energy, circular economy, sustainable supply chain and support for our clients with solutions and services in their transition to a Net Zero economy.



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 and uses the appropriate Government emission conversion factors for greenhouse gas 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 for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan, for the Financial Year ending on 31st December 2022, has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Director's signature:



Director's name:

David Morris

Date:

15/05/2023

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