



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

²Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

³Guidance can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf

Carbon Reduction Plan Template

Supplier name: **Kerv**

Publication date: **November 2022**

Commitment to achieving Net Zero

Kerv is committed to achieving NetZero emissions by 2030.

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.

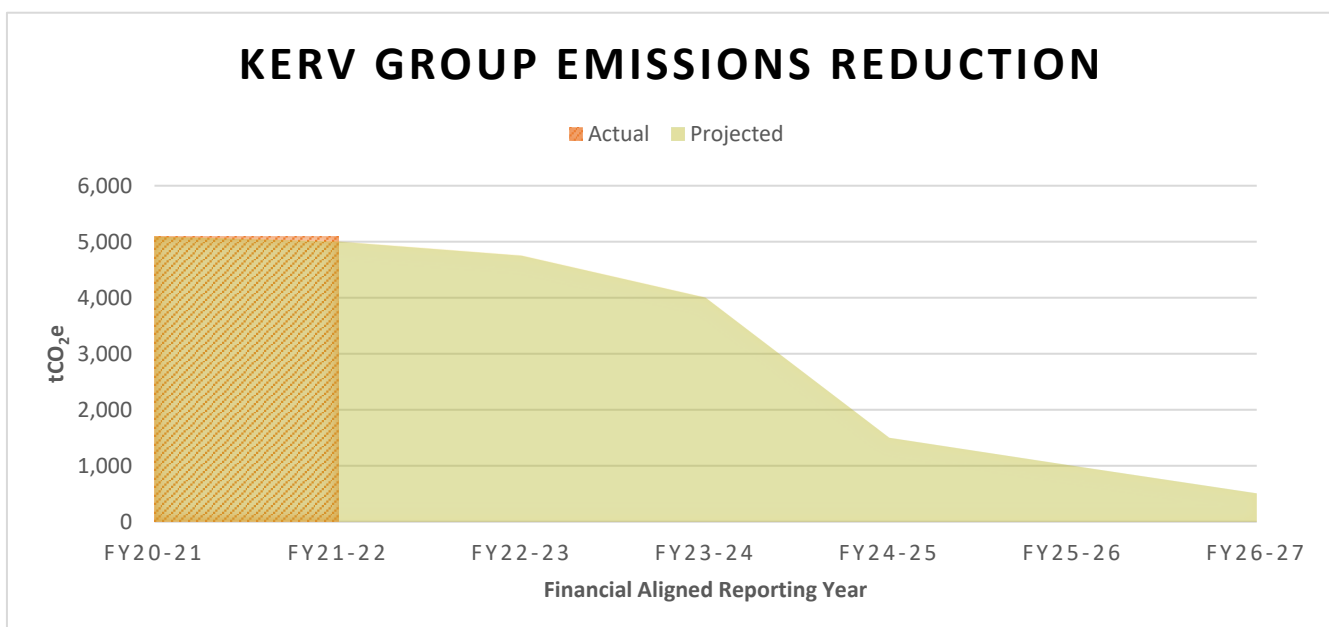
Baseline Year: <u>FY 2021-2022</u>	
Additional Details relating to the Baseline Emissions calculations.	
Our baseline and current reporting year is FY21-22, aligned with our financial year April 2021 – March 2022. Data includes all scopes across our global operations; however scope 3 emissions are currently calculated based upon revenue and a mix of supplier (where available) and other generically available/ standards-based factors. Data gathering and calculations were independently assured by Seismic Change Ltd using the AA1000 standard.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	25.5
Scope 2	68.5
Scope 3 (Included Sources)	4,996.8
Total Emissions	5,090.7

Current Emissions Reporting

Reporting Year: <u>FY 2021-2022</u>	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	25.5
Scope 2	68.5
Scope 3 (Included Sources)	4,996.8
Total Emissions	5,090.7

Emissions Reduction Targets

To continue our progress to achieving NetZero, we have adopted a target of reducing our emissions to 509 tCO₂e by the end of FY 26-27 (with a working target of end of 205), a reduction of 90% from our baseline year. Our planned progress against this target is illustrated below, with a modest reduction in next financial year as we make the necessary changes within our value chain management processes to support the reduction:



It's recognised that this absolute modelling approach (and associated reduction target) presents a significant challenge for our organisation, considering our highly acquisitive nature and resultant rapid growth.

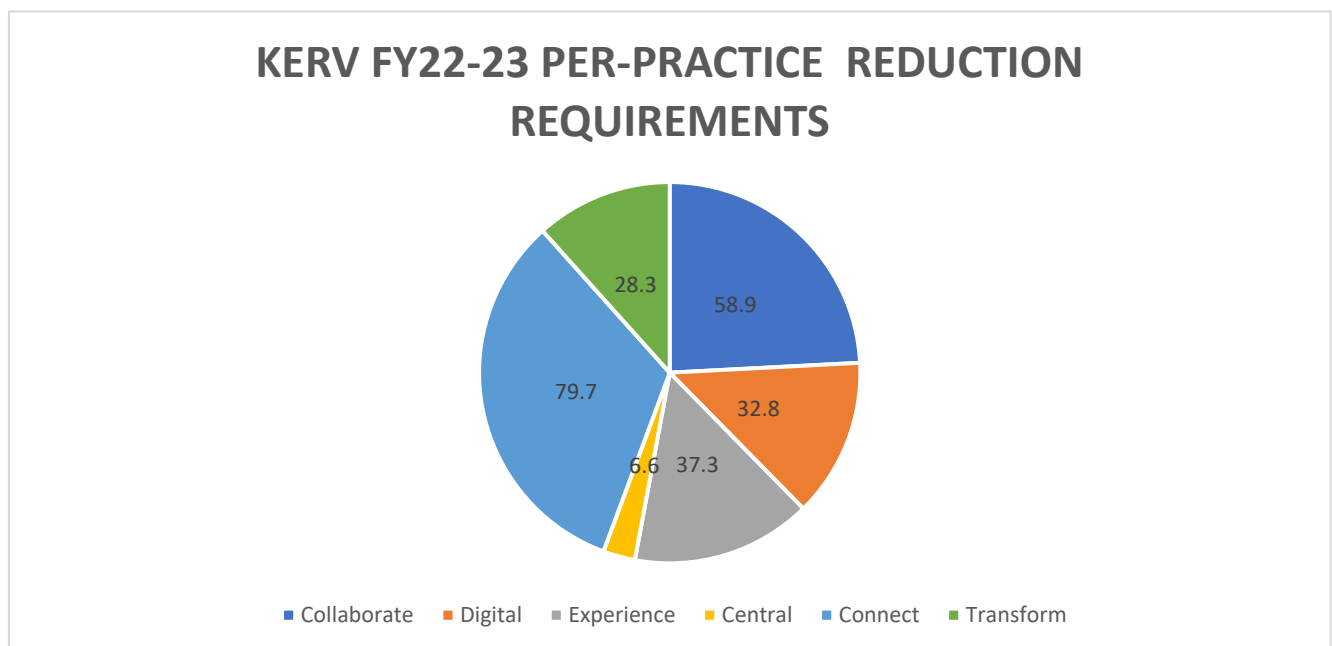
To remedy this, we will additionally develop and publish an intensity-based methodology which tracks our performance against a fixed unit of delivery (e.g. £Million of revenue). This will further improve transparency and avoid us having to reset expectations as the size of our enterprise (e.g. people, facilities and customers) grows, which may otherwise perceptibly diminish our environmental initiative successes. We will also in future aim to overlay acquisition joining dates (and therefore when we assumed responsibility for their emissions) on our reduction targets, providing a commentary on why the graph simply doesn't head directly to zero.

None of this however in any way diminishes our overriding ambition to remove our absolute impact upon the environment.

To ensure we deliver the best we can against these objectives, in the coming year we will also underwrite this model and targets by working with a specialist partner to produce an assured NetZero glide path, registered with the [Science Based Targets Initiative \(SBTi\)](#).

Per-Practice Responsibility

In addition to collectively working together to reduce our overall environmental impact, actual responsibility for reduction is delegated to each child entity based upon their percentage share of emissions of the group. For the current reporting period, the graph below illustrates the real-term reduction requirements of each practice:



While it's anticipated that each practice may not achieve their required reduction in a given reporting period, working as a group and with the over-performance of other practices this will ultimately balance out to ensure we stay on-track against our NetZero ambition.

Active Emissions Reduction Initiatives

Based upon our performance to-date we know that the most significant opportunity for us to minimise our environmental impact is to work our value-chain partnerships, and this is where most of our active projects will focus. Opportunity for more immediate reductions also exists within our direct control that we can and will act upon:

- **Management System Introduction** – continue to formalise our environmental investment by introducing ISO 14001, committing to SBTi and achieving B Corp Status.
- **Value Chain Performance** – continue to better understand more of our value chain, including gathering service-consumption-based emissions so we can use this data to drive improvements or ultimately replace poor performing suppliers and proactively selecting to work with suppliers which also have an SBTi set.
- **Green Cloud Migrations** – with several of our contracts still using relatively poor environmentally performing co-location agreements, and/ or always-on infrastructure, we will work with our customers and product teams to reengineer and novate workloads to true renewable data centres and on-demand architectures.
- **Green Software Engineering** – as we have a significant opportunity to impact our customers and product teams’ environmental decision making (within our trusted consultant role), we will collaborate to build, deploy and educate teams on how programme and technical decision making can positively impact the environment, with a view to requiring all new programmes to demonstrate 100% renewable
- **Facility Energy Suppliers** – continue to work with our energy providers and landlords to ensure that our entire facility estate uses 100% renewable electricity.
- **Business Travel** – further promote a reduction in impact by providing central travel booking systems which can actively shape travel mode selection (promoting environmentally friendly choices), while also (linked with our expense system) provide more high quality, near realtime, data.
- **Event Management** – as we frequently run many events, we will work with partners to assess, report and improve upon their environmental impact, including providing attendees insight on the events performance as part of our post-event communications.
- **Generate Propositions** – utilise our emerging experience building green technology solutions to drive new engagements that enable us to help others rapidly progress to NetZero, including providing emissions statements by default to all our customers.

Past Emissions Reduction Initiatives

While we have successfully delivered multiple initiatives that have had a positive impact upon our environmental performance, as we are still early in delivery of our formalised emissions reduction strategy (having only one reporting year), we are as yet unable to quantify the positive impact these projects have had:

- **Facility Selection** – recent, and all future, office moves and infrastructure purchasing agreements have and will continue to aggressively consider environmental performance as a key element of our selection criteria.
- **Business Travel Policy** – which encourages our employees to organise and attend virtual meetings and events where possible, and then the least impactful mode of transport if they do need to travel.
- **Recycling Increase** – through the deployment of recycling bins and/ or post-disposal sorting we are sending less waste to landfill.
- **Flexible Working** – providing the ability to ‘work from wherever makes sense’ as a default option to all staff, which has significantly reduced commuting emissions.

In addition to tracking our progress using an annual reporting cycle, we will in future also aim to directly attribute emissions reductions with delivered initiatives, allows us to publish information that other organisations can use to direct their own NetZero journeys.

Offsetting

With an ambition to become Carbon Positive ahead of becoming NetZero, we will partner with high quality, 3rd party verified, carbon offset providers such as UK Woodland (vera/gold standard).

Declaration and Sign Off

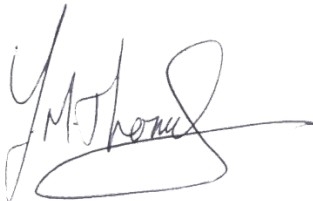
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

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) Standard⁶.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body), including confirmation that the environmental measures stated within this plan are applicable to all Kerv Group companies and thereby any child bidding entity for the purposes of PPN 06/21.

Signed on behalf of the Supplier:

A handwritten signature in blue ink, appearing to read 'F. Thomas', with a long horizontal flourish extending to the right.

Francis Thomas (Chief Sustainability Officer), Kerv Group

Date: ...**2 November 2022.**

⁴<https://ghgprotocol.org/corporate-standard>

⁵<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶<https://ghgprotocol.org/standards/scope-3-standard>