



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 Group Limited**

Publication date: **April 2024**

Commitment to achieving Net Zero

Kerv is committed to achieving NetZero emissions by 2029.

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: FY 2022-2023

Additional Details relating to the Baseline Emissions calculations.

Our baseline and current reporting year is FY22-3, aligned with our financial year April 2022 – March 2023. While we previously gathered data for FY21-2, aligned with our financial year April 2021-March 2022, we have since set a near-term target with the SBTi (while working on an ambitious long-term target of 2029) and selected the current reporting period as our baseline year, according to their guidance. Historical data has however been included within our environmental impact management strategy illustrations (below), to inform the efficacy of our initiative reduction initiatives.

Data includes all scopes across our global operations. Scope 3 emissions are currently primarily calculated based upon factored revenue due to the limited availability of primary data or actual emissions from our supply chain. Previous year's data is generally available in the August following the end of the financial year, and will be published publicly as part of our positive impact report. At the time of writing, we are actively compiling our FY23-4 emissions data and will update this plan again once this data is available.

Data gathering, analysis approach and resultant calculations were independently compiled and assured by Seismic Change Ltd, using the AA1000 standard.

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	12

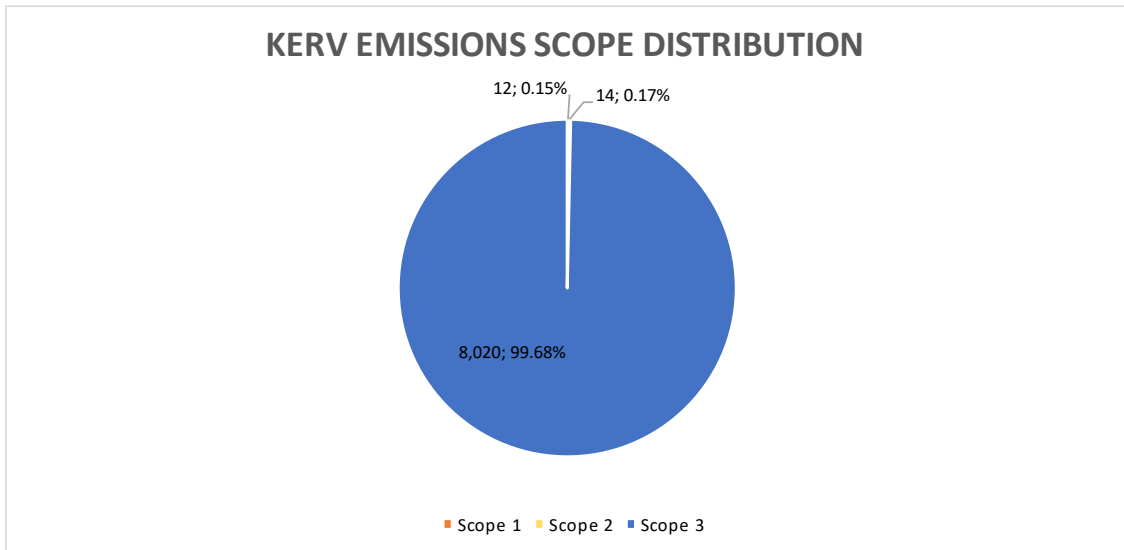
Scope 2	14
Scope 3 (Included Sources)	8,020
Total Emissions	8,046

Current Emissions Reporting

Reporting Year: <u>FY 2022-2023</u>	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	12
Scope 2	14
Scope 3 (Included Sources)	8,020
Total Emissions	8,046

Current Emissions Makeup

For our most recent reporting period our emissions are nearly all within the Scope 3 boundary, and within that boundary our primary expenditure is directed by our customer activity. As such, our primary focus is on shaping customer decision-making:



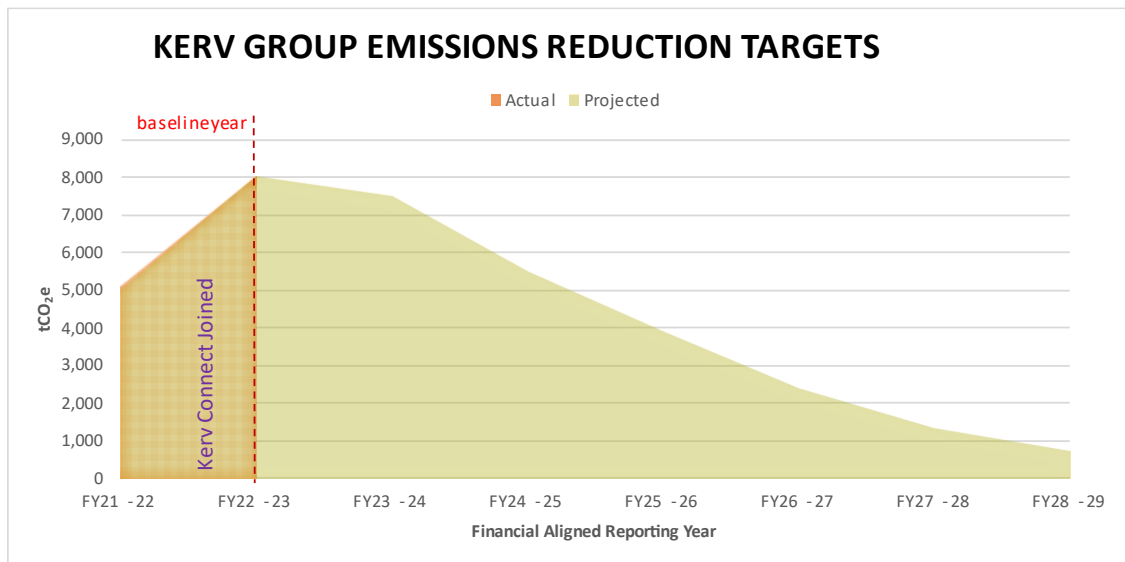
The GHG inventory associated with this makeup is also illustrated below:

Scope	Category	Activity
1	Company facilities	Natural gas
2	Purchased electricity, steam, heating & cooling	Electricity
3	Category 1: Upstream purchased goods and services	Water supply
3	Category 1: Upstream purchased goods and services	IT infrastructure
3	Category 1: Upstream purchased goods and services	IT support
3	Category 3: Upstream fuel and energy related activities	Electricity T&D
3	Category 5: Waste generated in Operations	Waste to landfill
3	Category 5: Waste generated in Operations	Waste to recovery/ recycle
3	Category 5: Waste generated in Operations	Waste to incineration
3	Category 5: Waste generated in Operations	Waste to composting
3	Category 5: Waste generated in Operations	Waste to energy
3	Category 5: Waste generated in Operations	Wastewater treatment
3	Category 5: Waste generated in Operations	Electrical items waste
3	Category 6: Upstream business travel	Air travel
3	Category 6: Upstream business travel	Land travel (road, rail)
3	Category 7: Upstream employee commuting	Car travel

Scope	Category	Activity
3	Category 7: Upstream employee commuting	Bus travel
3	Category 7: Upstream employee commuting	Rail travel
3	Category 7: Upstream employee commuting	Other modes
3	Category 7: Upstream employee commuting	WFH emissions

Emissions Reduction Targets

To continue our progress to achieving NetZero, we have adopted an aggressive ambition to reduce our emissions to 722 tCO₂e by the end of FY 28-9 (with a working target of end of 2029), a reduction of 91% from our baseline year. Our planned progress against this target is illustrated below:

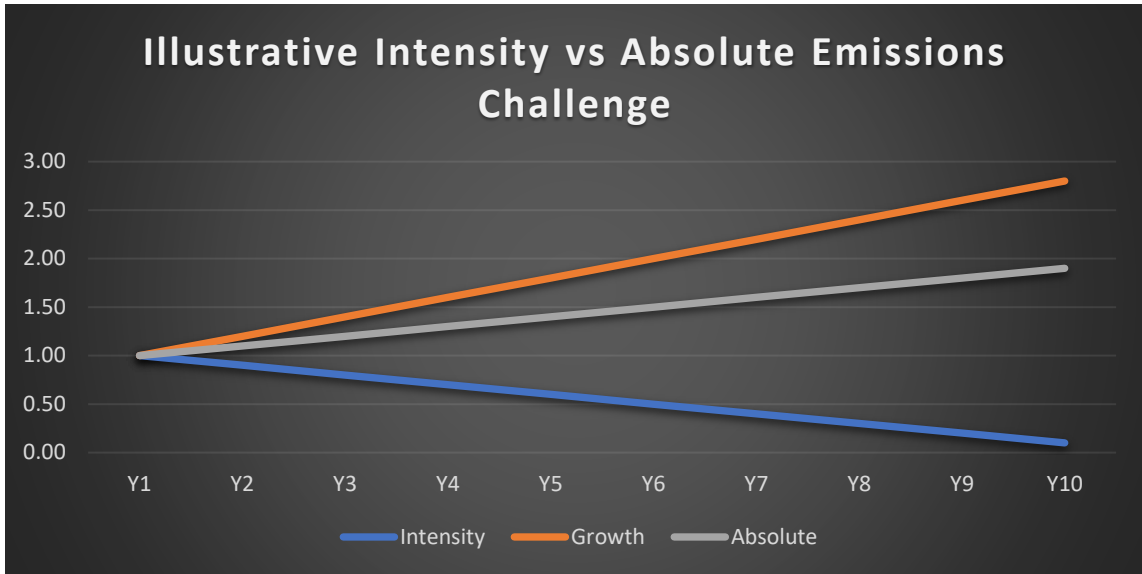


Our absolute emissions have increased in the FY22-3 year due to a return-to-work post-covid and a significant acquisition and organic growth period. However, we have made significant reductions in our revenue-based intensity (tCO₂e per £Million of revenue), down 22% against the previous measured period:

Year	Scope 1-3 Total	Revenue (£Million)	Intensity
FY21-22	5,090.7	45.249	112.50
FY22-23	6,660.0	75.890	87.76

We have now set a near-term [Science Based Target](#) (pending final approval) of reducing 43% of Scope 1 and 2 emissions and covering 75% of our supply chain (by revenue), with partners also holding SBTs by 2030. We also have an internal ambition to achieve this within the next 18 months, with good indications that this is achievable (supply chain SBT coverage currently stands at 57%).

However, 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 focus on rapid organic growth:

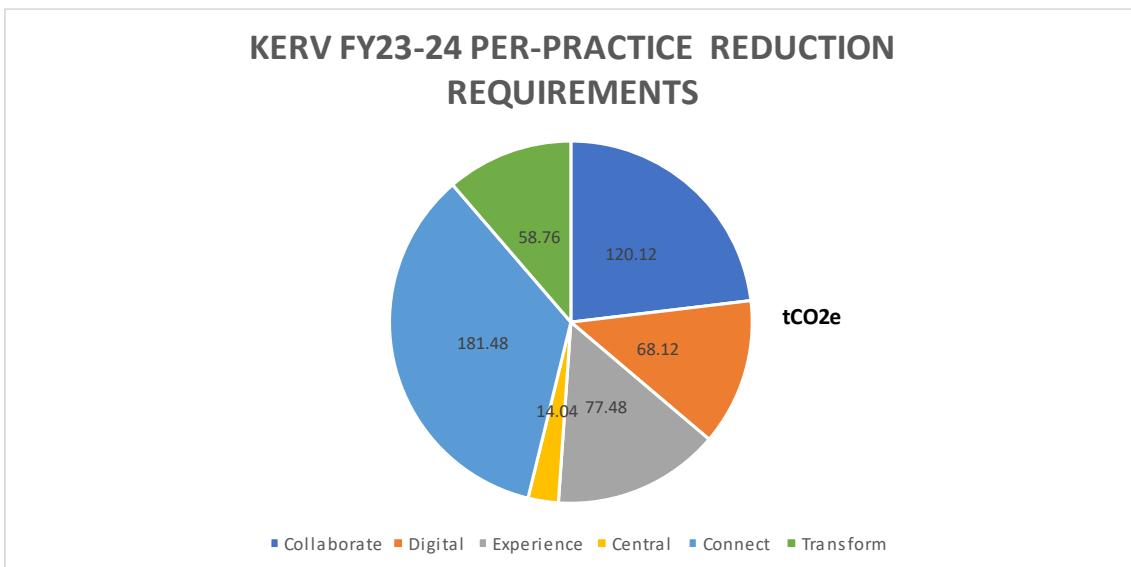


As such, with the SBTi now accepting intensity-based reduction methodologies, we are further working with our partner Seismic Change to evaluate this, modelling and setting a long-term SBT, with a working ambition of achieving NetZero by the end of 2029.

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

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 required to be made within the current financial year (FY23-4):



Note, emissions associated with new acquisitions entering part-way through a financial year will not be included within our reporting until their first full financial year with the group (joining dates are illustrated on the emissions reduction graph, above).

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.

- **NetZero Glidepath Planning** – continue our NetZero planning by setting a long-term SBT with the SBTi. As asking more of our own supply chain to work with this institute to commit to change, the same is also being frequently asked of ourselves.
- **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 SBT set.
- **Data Gathering Frequency** – move from an annual to a quarterly based assessment of environmental performance, through the introduction of improved processes and tooling.
- **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 & Infrastructure Engineering Training** – 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 in the coming years.
- **Facility Energy Suppliers** – continue to work with our energy providers and landlords to ensure that our entire facility estate uses >90% 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

We have successfully delivered multiple initiatives that have had a positive impact upon our environmental performance across the two-years we have been tracking our performance (as illustrated by the intensity reduction, above). This initiatives include:

- **Management System Introduction** – we have formalised our environmental investment by introducing ISO 14001 (Environmental Management System), committing to a near-term SBTi and achieving ISO 2600 (Social Responsibility).
- **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

While we have an ambition to offset our carbon emissions, we are currently directing that cost to increased investment in reducing our emissions, as per best practice.

Declaration and Sign Off

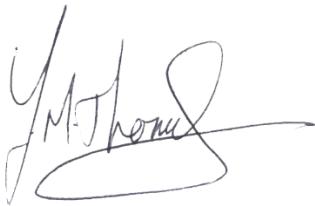
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

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:



Francis Thomas
Chief Sustainability Officer
Kerv Group Limited

Date: ...**3 April 2024**.

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>