its.

INTEGRATED MANAGEMENT SYSTEM

Conforming to:

Quality Standard BS EN ISO 9001:2015
Environmental Standard BS EN ISO 14001:2015
Health and Safety Standard BS ISO 45001:2018
Business Continuity Standard BS ISO 22301:2019

Carbon Reduction Plan 2023

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1. Commitment to achieving Net Zero

ITS Technology Group Ltd is committed to achieving Net Zero emissions by 2050.

2. 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	2022

Additional Details relating to the Baseline Emissions calculations.

ITS Technology Group (ITS) has been growing at an extraordinary pace over the last few years; appreciating its rapid success and understanding its position in the market, the company has recently undertaken the responsibility of measuring and reducing its carbon footprint; in 2022, the company's tCo2e data was captured and a baseline established, using this figure a carbon footprint reduction strategy is being developed to meet our target.

As 2022 was our first year have calculating, we have used the data for the baseline year as well as the current years reporting, this is being calculated against on a monthly basis as we produce new data for 2023, this is allowing us to continually monitor our progress against that in the baseline year.

As an organisation, ITS understands that we are responsible for working in a way that considers our impact on the environment and that controlling and reducing any negative impact is key; Hence, why we are not only on board with the government's target of reaching carbon net zero by 2050, but we believe that this can be achieved earlier. To achieve this, ITS has implemented an efficient method of obtaining and tracking our carbon footprint, enabling the company to understand its current position and establish targets for reduction.

ITS has invested in the resources to manage and track its carbon footprint data; this is done using the government's guidance for conversion factors in order to quantify all of our output sources. For example, all energy consumption is recorded in kWh on our master document, which calculates our tCo2e. The company has also implemented an Environmental Management System (ISO14001), which reflects our objectives; this system is maintained by our SHEQ department and audited externally every year; the system's goal is to remain compliant and always seek continuous improvement.

In some areas of the business, obtaining an exact output figure is impossible due to a lack of premises control or vast differences in vehicle types. Where this is applicable, a proxy or an average will be used to work out the overall emission. For example, ITS has different offices around the country; some of these offices are located in shared buildings in which electricity, waste, and gas are all maintained and charged through the landlord; in this example, the main HQ office will be used as a proxy in order to calculate emission per m3. Another example is expensed vehicle miles, which ITS employees will submit when using their own vehicles to attend site visits or meetings; each vehicle's fuel type and engine size will emit a

different amount of Co2. To calculate this, the total expenses related to business miles are divided by the average mile rate, resulting in a total estimated figure for business miles.

Finally, the company is currently investigating methods of carbon offsetting in addition to tree planting; this is being done through consultancy, workshops, and third-party service providers.

Baseline Year Emissions (2022)	
Emissions	**Total(tCO$_2$e)**
Scope 1	70.8
Scope 2	138.6
Scope 3 (Included Sources)	1,686.61 • Business Miles/Commuting: 1,409.25 • Waste Disposal: 0.71 • Water Usage: 276.65
Total Emissions	1,896.01

3. Current Emissions Reporting

Reporting Year: 2022	
Emissions	**Total(tCO$_2$e)**
Scope 1	70.8
Scope 2	138.6
Scope 3 **(Included Sources)**	1,686.61 • Business Miles/Commuting: 1,409.25 • Waste Disposal: 0.71 • Water Usage: 276.65
Total Emissions	1,896.01

4. Emissions Reduction Targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.
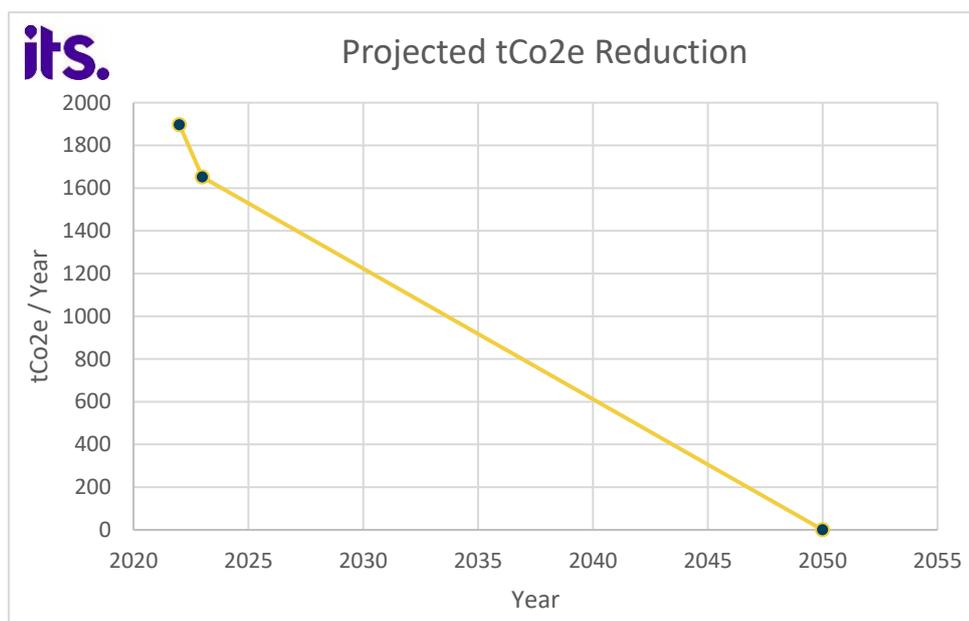
We project that carbon emissions will decrease over the next five years (2027) to 1516.8 tCO_2e. This reduction of 20% will demonstrate huge improvements within our business and will entail a lot of education about environmental matters and carbon reduction.

General objectives are detailed below;

- Develop a route map for achieving net zero to include:

    o Achievable GHG reduction targets that support our members in achieving their targets.
    o Measure and report progress.
    o Identification of cost-effective emission reduction opportunities and commitment to required changes in operations to deliver them.
    o Identification and management of climate-related risks to our business.
    o Identification and utilisation of carbon removal schemes (such as tree planting) after applying full reduction strategies.
- Set carbon emissions reduction targets and recommend that these are embedded into performance management goals for action owners.
- Provide support for the sector in understanding the carbon impact of services.
- Provide Carbon literacy training to key staff (including CSR Champions, CSR Working Group members and product owners)
- Continue to maintain membership of tree planting schemes and explore how carbon offsetting can be used alongside our carbon reduction initiatives.
- Continuing internal communications about the importance of the Net Zero project and engaging ways to encourage colleagues to commit to making changes (a pledge wall on the intranet is being explored)
- Developing an external communications plan that includes developing website content that highlights how ITS's products and services support the delivery of its net zero ambitions

5. Progress

6. Carbon Reduction Projects

6.1. Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2022 baseline. The carbon emission reduction in 2023 is estimated to achieve a drop of 244 tCO_2e, a 13.8% reduction. The same projects and measures will remain in effect when performing the contract, with additional carbon offsetting schemes likely to be introduced.

The following projects or measures have been completed:

- Environmental Policy outlining our commitment to minimise the negative environmental impact of our activities.
- Introduction of a carbon emissions calculator within our ISO14001 management system.
- Continue to monitor and analyse the company's tCo2e emissions.
- Issue bulletins around energy conservation.
- Continue to ensure resources to maintain the ISO 14001 certification and to achieve it's intended outcome of continuous improvement.
  - Set and achieve environmental objectives.
- Light controls within the office are on timers and work from motion sensors.
- Moved office premises, which a reduction in energy and gas consumption was a contributing factor for the decision making.
- Electric charging stations are available at the new office location.

6.2. Carbon reduction initiatives

The following environmental management measures and projects will be completed during 2023-2027, including:

- We will share our commitments through our wider Corporate Social Responsibility statement on our website.
- Continue to improve the tCo2e data capture and identify opportunities to reduce emissions through data analyses.
- Launch a hybrid approach to working for 60% of our staff, which supports homeworking and brings a reduction in the amount of carbon generated through employee commuting.
- Facilitate the recycling and reuse of waste.
- Advocate for the use of green energy suppliers in buildings in which we are a tenant.
- Support colleagues through a cycle to work scheme, with salary sacrifice available to support the purchase of a bicycle and provide office facilities for bike storage and showers.
- Support colleagues through an electrical vehicle scheme, with salary sacrifice available to support the purchase of an electric vehicle and provided facilities at offices for free vehicle charging.
- Continue to plant trees to offset carbon emissions.
- Provide environmental training for all staff members, particularly concerning carbon reduction.
- Introduce a carbon reduction procedure and implement it within the business.
- Introduction of an expense policy to facilitate the usage of trains or other means of public transport, intending to reimburse employees upfront.
- Continue to identify alternative schemes and methods of carbon offsetting.
- Introduction of electric vehicles in the company fleet.

6.3. 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[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

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[1]https://ghgprotocol.org/corporate-standard
[2]https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

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).

Signed on behalf of ITS

Name: Michael C Jones
Position: Head of SHEQ
Date: 05/04/2023

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[3] https://ghgprotocol.org/standards/scope-3-standard

Revision Sheet

DATE	PAGE	REVISION NUMBER	*REVISION DETAILS*	APPROVED BY
02/01/2023	All	1	First Issue 2023	Michael C Jones
05/04/2023	All	1.1	Updated plan and figures	Michael C Jones