



# FRP's Strategic Carbon Reduction Plan

*Our roadmap for achieving net zero in line with PPN 06/21*

## Contents

1. Commitment to becoming Carbon Neutral.....	2
2. Emission Categories.....	2
3. Baseline Emissions Footprint.....	3
4. Current Emissions Reporting.....	4
5. Emissions Breakdown and Initiatives for Achieving Net-Zero.....	5
Scope 1 Emissions.....	5
Scope 2 Emissions.....	5
Scope 3 Emissions.....	7
6. Summary.....	9
Declaration and Sign Off.....	10

Supplier name: FRP Advisory Group plc & its subsidiaries (FRP)

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## 1. Commitment to becoming Carbon Neutral

FRP Advisory Group plc and its subsidiaries are committed to becoming Carbon Neutral in regards with its Scope 1, Scope 2 emissions by 2030 and reduce our Scope 3 emissions 30% by 2030. We are also committed to become carbon neutral before 2050 in line with the government goal to reach Net Zero by 2050. To support our targets, we are completing a full Greenhouse Gas "GHG" inventory by the end of 2023 following the guidelines of GHG protocol. FRP is committed in improving the accuracy of its Scope 3 emissions inventory using the Corporate Value Chain Standard and report in all 15 categories of Scope 3 emissions when applicable to our company activities.

All emissions reductions at FRP will be primarily achieved through carbon reduction projects. Offsetting carbon emissions will only be considered in cases of unavoidable or residual emissions. FRP has also establish emission reduction targets for FY2025 besides 2030. The targets will be evaluated annually using emission reduction intensity KPIs to reflect the corresponding growth of the company. This KPIs will be integrated into our reporting system, and the required processes will be initiated to ensure annual targets are met.

## 2. Emission Categories

Currently, we measure all of our Scope 1 and Scope 2 emissions following the GHG protocol and we measure a subset of Scope 3 emissions following the Corporate Value Chain Scope 3 Standard

*Table 1: Definitions of Emissions Categories*

<b>GHG Scope</b>	<b>Sources</b>
Scope 1	Direct emissions from sources owned and controlled from FRP
Scope 2	Indirect emissions from purchased electricity at company's offices based on consumption
Scope 3	Indirect emissions including purchased goods and services

### 3. 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. Calculations on Scope 3 emissions for this year were calculated based on the Spend-based methodology. We use 2019 as baseline year as this was the first time, we measured our Scope 1,2,3 emissions.

*Table 2: Baseline year Emissions*

<b>Baseline Year: 2019</b>		
<b>Baseline year emissions:</b>		<b>Emissions Per Employee</b>
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>	<b>9</b>
<b>Scope 1</b>	<b>10</b>	<b>0.03</b>
<b>Scope 2</b>	<b>100</b>	<b>0.32</b>
<b>Scope 3 (Includes categories 1-14)</b>	<b>2,688</b>	<b>8.64</b>
<b>Total Emissions</b>	<b>2,798</b>	<b>9</b>

## 4. Current Emissions Reporting

Due to limitations on actual data, it should be noted that most of the commuting and working from home calculations rests on reasonable assumptions. We will refine these assumptions and improve the methodology moving forwards.

Table 3: GHG Emissions Inventory

Emissions Source	Total Emissions (tCO <sub>2</sub> e)
<b>Scope 1</b>	0.43
Fuel combustion	0.00
Vehicle Fleet (internal combustion engine)	0.43
<b>Scope 2</b>	14.04
Electricity (market - based)	5.14
District heating & Cooling	8.9
Vehicle fleet (electric)	0
<b>Scope 3</b>	4618.3
<b>Upstream</b>	4618.3
Cat 1: Purchased goods and services	3994.6
Cat 2: Capital goods	Reported in the PG&S
Cat 3: Fuel and energy related activities	Not Material to FRP
Cat 4: Upstream transport and distribution	Not Material to FRP
Cat 5: Waste generated in operations	To be reported from FY2024 onwards
Cat 6: Business travel	69.6
Cat 7: Employee Commuting and teleworking	554.1
Cat 8: Upstream leased assets	Not Material to FRP
<b>Downstream</b>	
Cat 9: Downstream transport and distribution	Not material to FRP
Cat 10: Processing of sold products	Not material to FRP
Cat 11: Use of sold products	Not Material to FRP
Cat 12: End of life treatment of sold products	Not Material to FRP
Cat 13: Downstream leased assets	Not Material to FRP
Cat 14: Franchises	Not Material to FRP
Cat 15: Investments	Not Material to FRP

## 5. Emissions Breakdown and Initiatives for Achieving Net-Zero

### Scope 1 Emissions

Our scope 1 Emissions are sources from a company owned car. We aim to have zero scope 1 emissions by 2030.

#### Initiatives- Policies in place:

- 1) We have updated our environmental policy to reflect that any additional cars owned by the company will be electric.
- 2) We have updated our environmental policy to reflect that ideally, any newly leased buildings should have heat pumps

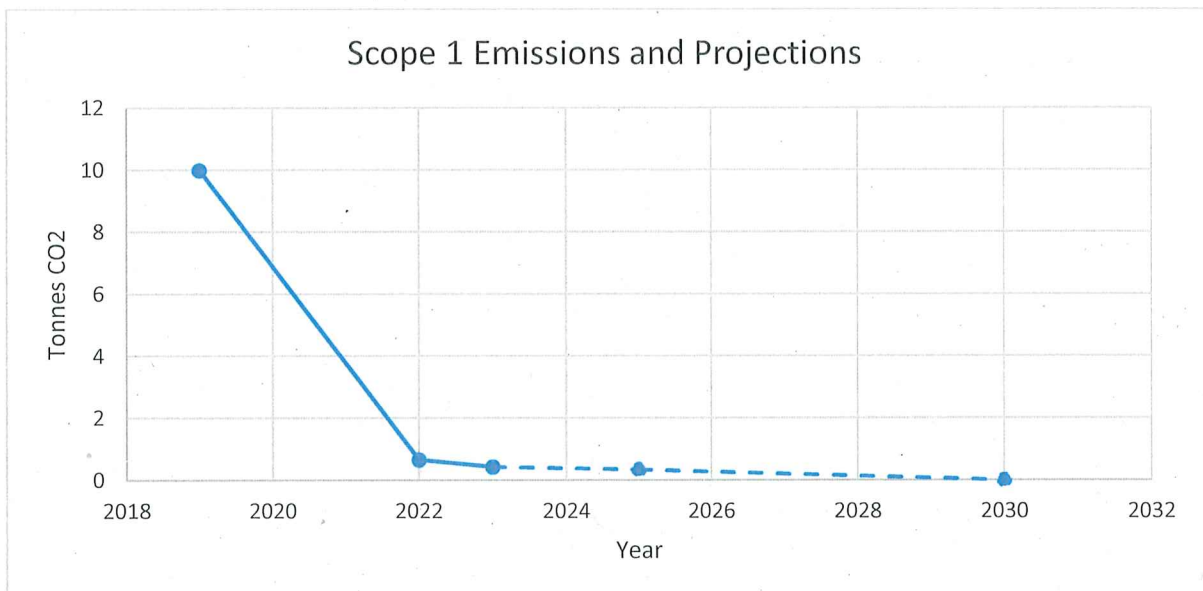


Figure 1: Scope 1 Emissions and projections for reaching Net-Zero before FY2030

### Scope 2 Emissions

Our Scope 2 emissions are sourced from purchased electricity at company's offices that are not under Renewable Energy contracts and a gas boiler where the contract is not under our control. At FRP we go beyond becoming carbon neutral and we prioritize reducing our energy consumption.

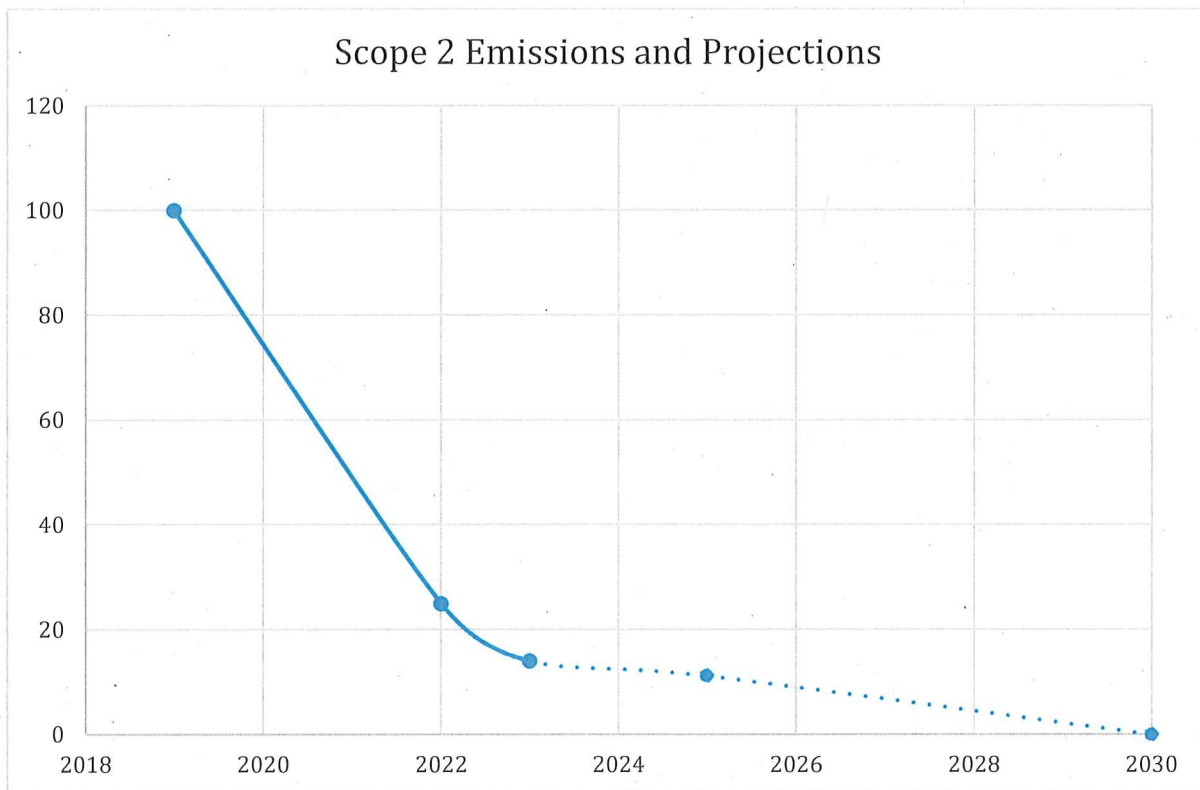


Figure 2: Scope 2 Emissions and projections for Reaching Net-Zero before 2050

Initiatives – Policies in place:

- 1) Sourced 100% renewable energy contracts for buildings we control.
- 2) Sourced 93% renewable energy contracts in total of buildings we operate.
- 3) Constantly enhancing the energy of buildings and equipment can significantly reduce the amount of electricity and heat required. This includes upgrading lighting systems to LEDs, improving insulation, and installing energy-efficient appliances and heating/cooling systems.
- 4) Developed systems to monitor our energy consumption per office and evaluate the indices per employees and per square meter.
- 5) We have been audited in connection with the Energy Savings Opportunity Scheme and will be looking to implement any relevant suggestions made by the lead assessor.

Initiatives – Policies under Implementation.

- 1) Educating employees about energy conservation practices and encouraging energy-saving behaviours in the workplace can contribute to reducing energy use.
- 2) Installation of solar panels where the option is applicable, and we can control the source of electricity.

## Scope 3 Emissions

We understand that 99.7% of our emissions are sourced from our Scope 3 and the total value of FY 2023 emissions (April 2022-April 2023) has increased compared to last year. This is attributed to the following reasons:

- 1) Our operations have significantly increased since FY 2022.
- 2) We have improved our Scope 3 emissions calculation to include more categories compared to previous years.
- 3) Our volume of operations has increased along with our number of employees.

For our scope 3 emissions/ employee trajectory see Figure 4. Also, a more detailed picture of the sources of our Scope 3 emissions at Figure 5.

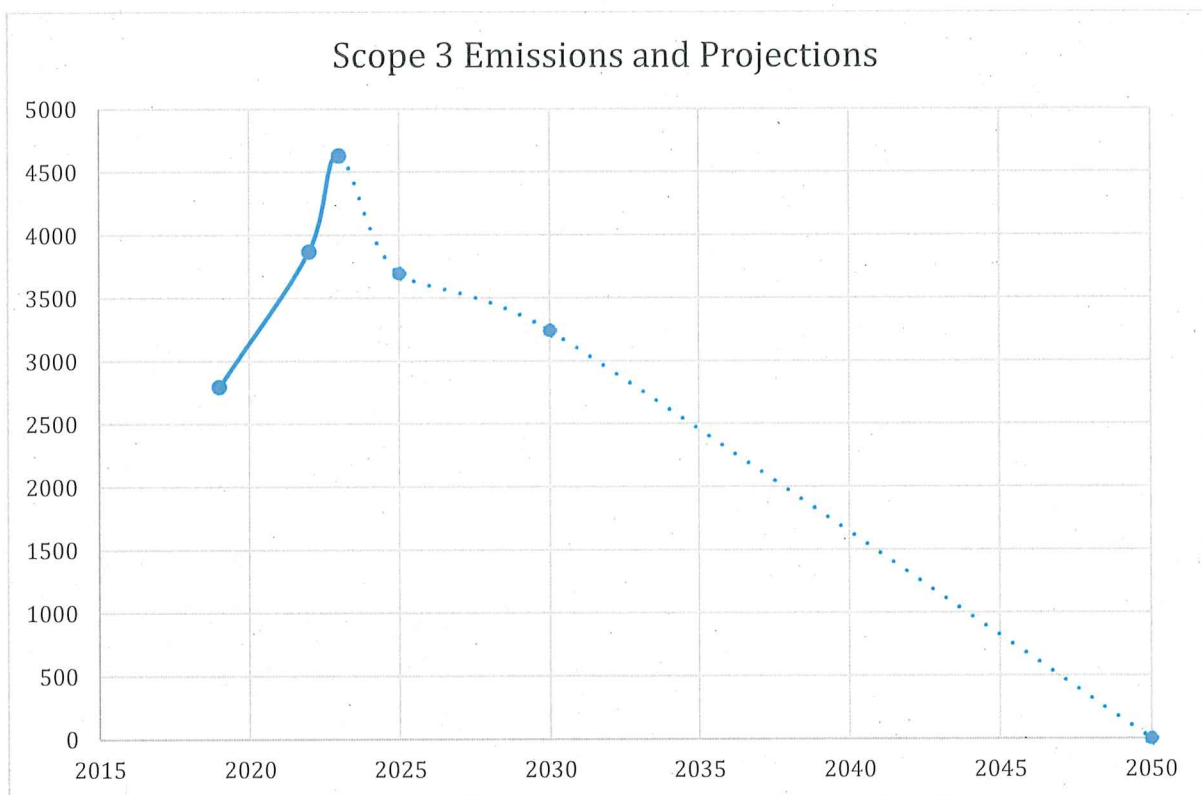


Figure 3: Scope 3 Emissions and Projections for reaching Net-Zero before 2050

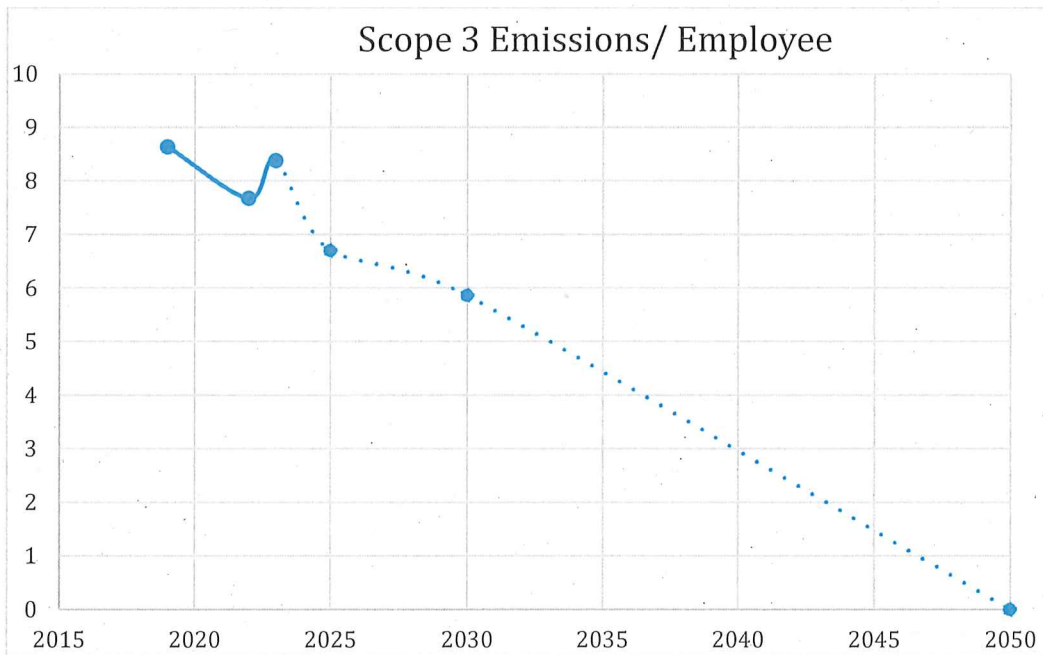


Figure 4: Scope 3 emissions/ number of employees and projections for reaching Net-Zero before 2050

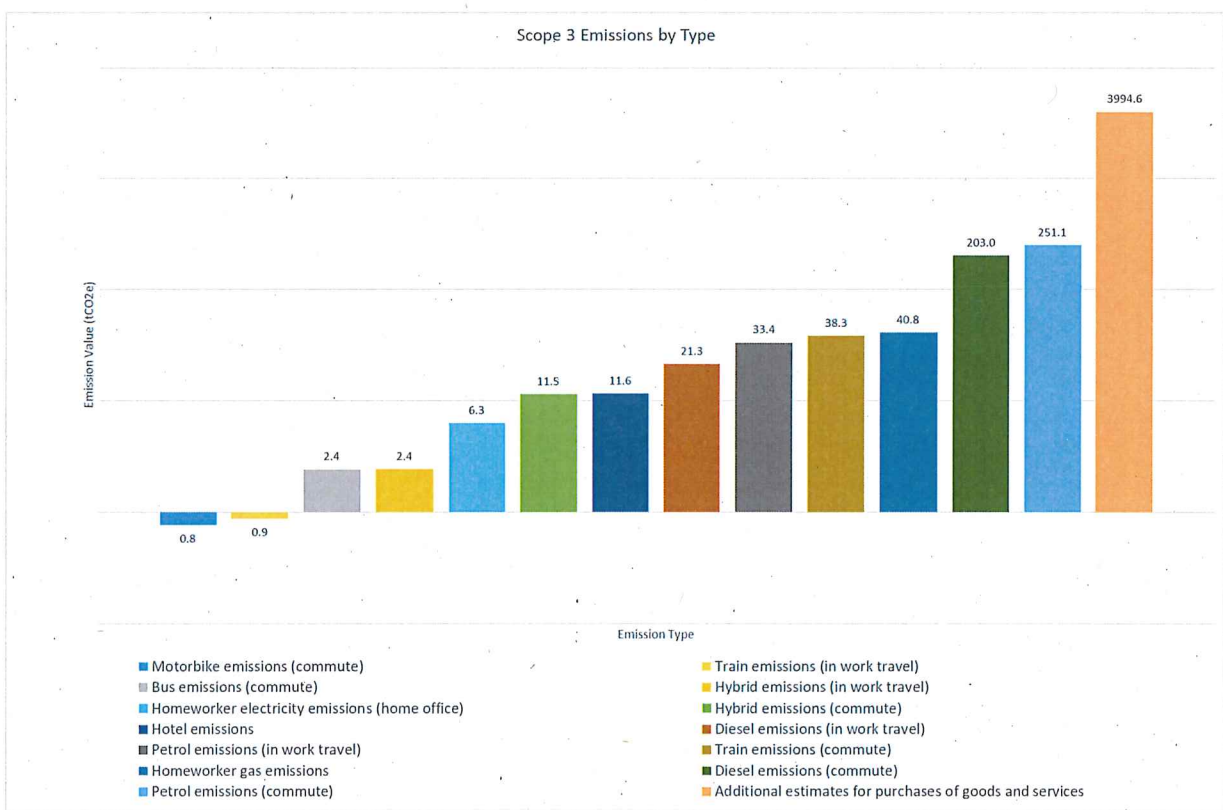


Figure 5: Scope 3 emissions per source



#### Initiative- Policies in Place:

- 1) Produced a full carbon emissions inventory according to GHG emissions protocol to incorporate all 15 Scope 3 categories.
- 2) Introduced a Cycle to work Scheme.
- 3) Introduced an Electric car Scheme for our employees.
- 4) We are initiating the 'Printing Reduction Champions' challenge to reduce our waste.

#### Initiatives- Policies under Implementation

- 1) Reviewing our Business Travel Policy to encourage staff to use more sustainable travel methods where travel is necessary.
- 2) Reviewing our Business Travel Policy to encourage our staff stay in hotels with established Net Zero Goals.
- 3) Our suppliers are being reviewed in regards with their carbon footprint. We are currently sourcing lower carbon alternatives, where available, from our suppliers.
- 4) Updating our Suppliers Code of Conduct to include ESG considerations and encourage our suppliers to adopt and publish net-zero goals.
- 5) Developing a set of requirements for all suppliers that reflects the organisation's net-zero and decarbonisation goals.
- 6) Providing support to suppliers, particularly smaller enterprises, in meeting the company's carbon emissions reduction requirements, whether in the form of guidelines or mentoring
- 7) We also plan to intensify our engagement with our suppliers to improve the carbon footprint of our supply chain. This involves working collaboratively with them to implement sustainable practices, and prioritizing suppliers who demonstrate strong environmental performance.
- 8) Educating employees about sustainable waste practices.

## 6. Summary

As a growing business, our revenue increased by 9% in the last 12 months and a lot of the measures we are putting into place to help reduce our carbon are yet to take effect. Whilst our total carbon footprint has increased since FY2022 we have managed to reduce our emissions per employee by 6.5% compared to the baseline year of 2019.

Table 1: Summary of Emissions Saved

<b>Emission KPIs</b>	<b>FY2023</b>	<b>Per Employee</b>	<b>Reduction Target 2025</b>	<b>Reduction Target 2030</b>	<b>Amount of CO2 Emissions Saved by 2025</b>
<b>Scope 1</b>	0.43	0.02	20%	100%	0.086
<b>Scope 2</b>	14.04	0.13	20%	100%	2.81
<b>Scope 3</b>	4618.3	8.38	20%	30%	923.67

## Declaration and Sign Off

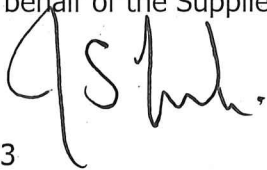
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with Streamlined Energy and Carbon Reporting 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<sup>3</sup>.

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

Signed on behalf of the Supplier:

A handwritten signature in black ink, appearing to be 'J. S. [unclear]', written over the text 'Signed on behalf of the Supplier:'.

20/11/2023

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<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

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