



Carbon Reduction Plan

Concept Information Technology Limited

Figures for year ending December 2023

Version: 2

Author: Phil Tilt – Commercial Director

Document Created: February 2024

Created For: Public distribution

Contents

Introduction	3
Our commitments – to carbon neutrality, carbon negativity and net zero	4
Our approach	5
Emission reporting	6
Scope 1 Emissions	6
Scope 2 Emissions	7
Scope 3 Emissions	8
Progress since last report	10
Targets (rolling and ultimate)	11
Breakdown of totals -CO ₂ e (tonnes)	13
Environmental measures and carbon reduction initiatives	13
Completed Carbon Reduction Initiatives	14
Reporting period	14
Declaration	14

Introduction

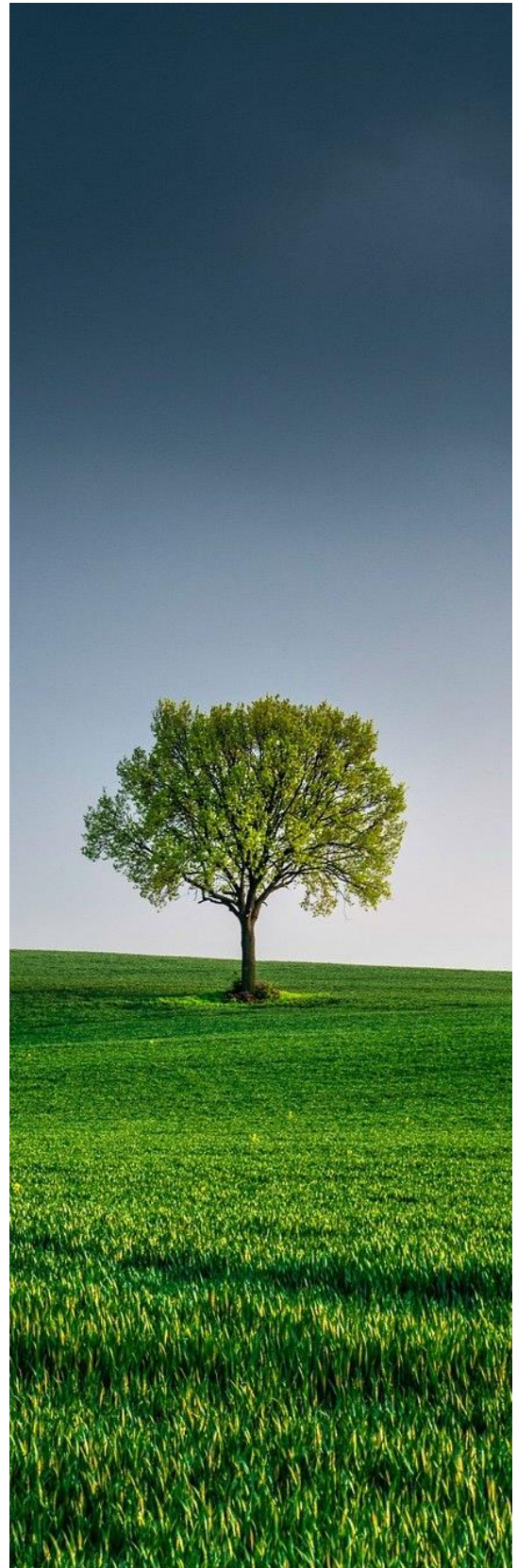
Concept has been publishing its carbon reduction report since 2022 and regular updates and iterations have driven a culture of awareness and improvement across the company. This version has been produced to include commuting to the office, which was initially not included in the 2023 version but has since been back dated to include an estimate for this period based on headcount in 2022.

Our Environmental and Social Governance (ESG) es are real, tangible and justifiable.

Our aims will be achieved by a simple philosophy - We will reduce our carbon emission where possible to get to a net zero target by 2030

Alongside this, runs our wider, ongoing commitment to social value which is measured under the UN Sustainable Development Goals framework. An 'ESG Squad' has been formed, comprising representatives from the wider private equity group, and which reports annually using the Cority Software platform 'Reporting21'. The squad meets quarterly to share best practice and to drive new ESG initiatives proportionately across the group.

Figures are for UK operations. The meaning of Concept in this document is Concept Information Technology Limited trading as Concept Resourcing, based out of our office in Dudley, West Midlands and our satellite serviced office in Milton Keynes.



Our commitments – to carbon neutrality, carbon negativity and net zero

Carbon neutrality

At Concept we have a clear aim to achieve Carbon neutrality by 2030, earlier than the Government's target of 2050.

During the reporting year 2023 we determined our footprint to be 82.93 tonnes.

This breaks down as Scope 1 (Gas) – 3.51, Scope 2 (Electricity) – 5.58, Scope 3 (Business travel – 10.07, Commuting 47.42 and Home Working 16.35) – 73.84

ESG features highly in Concept's People Strategy, we have a green committee that meets monthly to discuss initiatives that can be introduced to reduce our Carbon footprint – these have included introducing a Carbon champion, a hybrid working model, paperless processes wherever possible and reducing face-to-face meetings where this is not required.

Net Zero

A key theme of our environmental strategy is that all activities are real, tangible and measurable. At the time of writing, we do not consider that there is sufficient practical guidance about the true, practical path to a validated, meaningful Net Zero status for a company of our type.

Our carbon reduction initiatives are, however, the precursor to achieving this status, and we continue to place great importance on understanding the route to NetZero and recognise that achieving this will be heavily dependent on our carbon reduction achievements.

We commit to NetZero by 2050, but expect that with greater understanding (within our organisation and across industry as a whole) that we will be able to set a more SMART target in the coming years, well in advance of this 2050 commitment.

Summary of targets

Carbon Neutrality: target of Calendar year 2030

Net Zero: 2050 – but aspirationally much sooner as the NetZero model matures

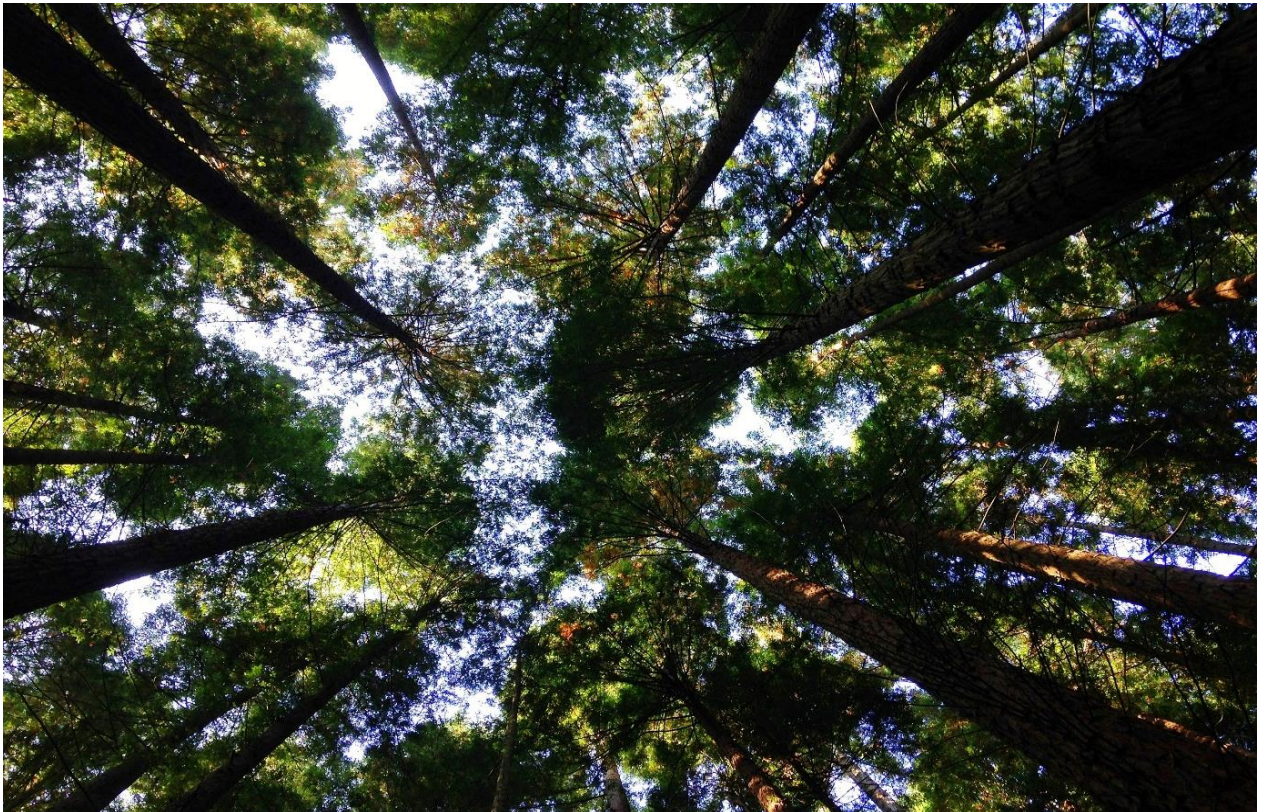
Our approach

Our over-arching approach is – as regularly referenced in this document – to reduce our **carbon footprint where possible**.

To do this, we need to understand our Scope 1, Scope 2 and elements of Scope 3 emissions, and how they have reduced since the baseline year of 2022.

Our strategy is to:

- Continue to monitor and report carbon emissions as part of our wider environmental initiatives (in line with DEFRA reporting guidelines and emission factors), and also our ongoing Social Value project
- Implement a wide range of practical, measurable processes to reduce emissions and proactively enhance the environment
- Engage all employees in the process (the wider group's 'ESG Squad' will provide updates to the various social value stakeholders within Concept for engagement with staff)
- Ensure that members of our supply chain are aware of their obligations, and require that suppliers and partners uphold the same commitment. Note that our supply chain is small and lacks complexity.
- Report regularly on targets, progress and compliance
- Aspire to a 10% year-on-year reduction in total emissions.



Emission reporting

Scope 1 Emissions

This scope is comprised of the following:

Stationary Combustion

This is the emissions from natural gas used in the heating system at Concept's premises.

Mobile Combustion

This is not included in this report as Concept does not run a fleet of vehicles. Business Travel is accounted for in Scope 3.

Refrigerants

While Concept has limited use of refrigerants, metrics surrounding its air conditioning systems are taken into account in these calculations. However, as these have not required recharging during the period of this report, these are currently reported as zero.

Scope 1 totals

Year	2022 (baseline)	2022	2023
Total (tCO _{2e})	4.35	4.35	3.51

Scope 2 Emissions

This scope is comprised of the Electricity usage at the Concept offices. Electricity usage has actually increased slightly in 2023, compared to 2022, this is down to the office being open longer and more people returning to the workplace post COVID.

Year	2022 (Baseline)	2022	2023
Total (tCO _{2e})	5.09	5.09	5.58

Scope 3 Emissions

These emissions cover a subset of the categories defined under Scope 3 emissions. Namely:

- Business Travel
- Employee Commuting
- Waste generated in operations
- Home Working
- Downstream T&D
- Upstream T&D

No other categories in this Scope are relevant to the services provided by Concept, or cannot be accurately reported upon. However, the ability to report on any small effects of this scope are under constant review, and will be added to this document when possible.

Transportation (Business Travel and Employee Commuting)

This includes all business mileage from:

- Road
- Air
- Rail
- Employee commuting by car/motorbike (not including public transport, except where included in business travel measurement)

Individual breakdowns of these are available if required, and will be used in the planning for decreasing emissions in this area on a more granular level.

In the following figure, employee commuting contributes a significant percentage of the following overall totals. Please note the 2022 employee commuting total is an estimate due to not calculated in the original 2022 baseline year

Year	2022 (Baseline)	2022	2023
Business travel (tCO ₂ e)	11.54	11.54	10.07
Employee commuting (tCO ₂ e)	55	55	47.42
Home Working	22.11	22.11	16.35

Note on business travel

As business travel and commuting naturally increases, post-Covid, it is worth noting that current levels are still significantly lower than pre-pandemic levels. It is accepted that travel will be the company's greatest challenge to achieving net zero.

Waste Generated in Operations

Concept has been recycling office waste where possible (dry, mixed recycling) since 2020.

Downstream transportation and distribution

Concept has historically considered this to be a nil return, in that its downstream delivery of services does not include any tangible movement of goods. Recent innovations in technology, however, have enabled the provision of certain data from the use of, for example, cloud-based hosting and application development environments (data centres), to give a carbon footprint measurement and TCO metrics.

It was hoped that this would allow reporting from year 2023 onwards of the impact of moving software and applications to cloud/SaaS platforms, and the inevitable savings this delivers over on-premise hosting. This has proved to be prohibitive, due to the way in which Microsoft disseminates data through its network of distributors, meaning that Concept's figures are not isolatable from other clients of our distributor.

During the Coronavirus pandemic, Concept's IT department instigated a 'cloud-first' programme of moving away from physically hosted infrastructure, and it is hoped that this can be quantified as reporting becomes available.

To that end, the reporting of this category remains a nil return, with the intention of enhancing these measures from 2023 onward (supplier permitting) to take into account the initiatives above. For the purposes of this scope, baseline of 2022 will be replaced with a more meaningful measure when and if available.

Year	2022 (baseline)	2022	2023
Downstream TD (tCO ₂ e)	0*	0*	0*

* see explanation in "Downstream transportation and distribution" above as to why these figures are reported as zero

Upstream transportation and distribution – (including purchased goods and services and capital goods)

Data is not available for this reporting period, however, this is an area where analysis and measurement has commenced. The absence of information available from our single supplier of physical goods along with a lack of a standard, reliable set of EEIO emission factors for the "spend-based method" as detailed in the GHG protocol has prevented data being included in this version of the report. Its viability will continue to be investigated. This explains why this is a nil return in this version of the plan, but it is hoped that this will be temporary as information becomes available as the distribution industry matures.

While this element is ultimately expected to contribute a negligible amount towards the total carbon footprint, new ways of working (including home and remote) and the need to transport physical items more than previously, have driven the inclusion of this measurement in the carbon reduction plan.

Initiatives will be undertaken to monitor the scope and delivery distance of items procured by the company – as well as any relevant environmental metrics from the production and/or recycling of these items.

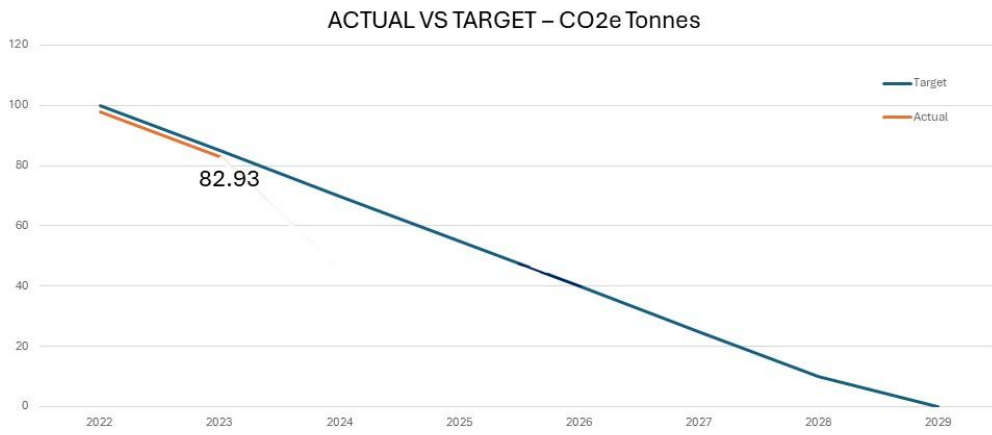
Progress since last report

Significant improvements have taken place since the last report, and are summarised below

- Acquisition by a Private Equity company has seen Concept absorbed into the group's ESG Squad, underpinned by the UN Sustainability Goals.
- A simpler reporting methodology has been adopted to enable more consistent reporting across the group. This has identified areas where greater accuracy can be achieved.

Targets (rolling and ultimate)

As stated previously we are targeting to achieve net zero by 2030, well before the deadline to achieve set by Government of 2050. We have seen a reduction in 2023 of nearly 18% (when adding in the estimated commuting total for 2022) – this has been achieved in a number of ways with a reduction in head count being the major contributor due to less business travel, commuting and home working.



Breakdown of totals -CO2e (tonnes)

Scope	Activity Type	2022 (baseline)	2022	2023
Scope 1	Stationary combustion	4.35	4.35	3.51
	Mobile combustion	0.00	0.00	0.00
	Fugitive emissions from air-conditioning	0.00	0.00	0.00
Scope 2	Purchased electricity	5.09	5.09	5.58
Scope 3	Upstream transportation and distribution	0.00	0.00	0.00
	Home Working	22.11	22.11	16.35
	Business travel	11.54	11.54	10.07
	Employee commuting	55*	55*	47.42
	Downstream transportation and distribution	0.00	0.00	0.00
	Purchased goods and services			
	Capital goods			
	Fuel-and energy-related activities (not in scopes 1 or 2)			
	Processing of sold products			
	Use of sold products			
	End-of-life treatment of sold products			
Downstream leased assets				
Franchises & Investments				
	Scope 3 total for categories reported above	88.65	88.65	73.84
TOTAL	ALL SCOPES TOTAL	98.09	98.09	82.93

Note: estimate based on headcount for commuting in 2022 due to not being calculated in previous Carbon Reduction Plan.

Environmental measures and carbon reduction initiatives

Concpet has always recognised that it has a responsibility to the environment beyond legal and regulatory requirements and is committed to minimising the impact of our activities on the environment. We will meet or exceed all the environmental legislation that relates to the Company.

The introduction of this Carbon Reduction plan will allow us to measure and monitor the success of this ethos, and drive specific measurable initiatives to continue to enable us to meet Net Zero targets and carbon reduction objectives.

- Look at obtaining ISO14001 accreditation – being independently and regularly audited.
- Operating a hybrid home/office working model.
- Continue to embed ESG initiatives into the company's People Strategy (e.g. reforestation initiatives for staff to become involved).
- Reduce business travel, where possible, recognising that this is the largest contributor to emissions as part of this study.
- Continue the company's 'cloud first' programme of moving technology away from on-premise locations and into the cloud, where economies of scale and environmental benefits of large data centres can be realised.
- Look at changing to a renewable electricity provider upon contract renewal.
- Adopt a similar approach to gas as with electricity.
- Investigate potential of (for example) Microsoft Sustainability Calculator for Azure and TCO Calculator to understand power consumption of technical solutions.
- Minimise the use of paper in the office, buy recycled and recyclable paper products and reuse/recycle all paper where possible.
- Continue to utilise recycling alongside 'other' waste services on our premises – using a certified waste carrier - and encourage recycling among staff.
- Reduce the amount of energy used as much as possible; lights and electrical equipment will be switched off when not in use and the energy consumption and efficiency of new products will be taken into account when purchasing. Investigation of smart heating controls to be conducted as a priority.
- Purchase more environmentally friendly and efficient office equipment and supplies and reuse and recycle everything we are able to.
- Manage and reduce internal and client-facing travel.

Completed Carbon Reduction Initiatives

Notable examples of how the overall footprint is kept 'in check' include: home/hybrid working, office premises being closed on Fridays, switch to renewable energy providers, switch to recycling refuse provider and instigation of the carbon reporting methodology described in this document.

Reporting period

The baseline period has been agreed by the Senior Management Team at Concept to commence in 2022.

Declaration

Version 2.0 (Report updated February 2024)

This Carbon Reduction Plan is an ever evolving document, and will be updated annually. More regular updates will be added where additional scope of reporting becomes available, or where enhancements have been made. Concept has made every effort to ensure the data in this document is compliant with the GHG protocol and obligatory DEFRA emission factors and data sets applicable to the United Kingdom.

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

Phil Tilt

Commercial Director

Phil.tilt@concept-it.com

