

Efficio UK Limited
Carbon Reduction Plan (CRP) 2024

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Commitment to Achieving Net Zero

Efficio is committed to achieving Net Zero emissions no later than 2050, in line with climate science and the goals of the Paris Agreement. As part of this commitment, Efficio aims to set a science-based target and to explore the formal validation of this target through the Science Based Targets Initiative (SBTi) in 2025 for its global business.

Efficio's services identify, deliver and sustain opportunities in procurement for our clients. To that end, we are developing KPIs to track the sustainability impacts of our solutions for our clients. We understand that the work in service of our clients will also have an impact on the wider world and we take that responsibility seriously. We approach this responsibility by ensuring that what we do is sustainable, across our direct environmental impact, our communities, our clients and our people. As with any endeavour, we recognise that we are on a journey in this commitment, expanding our awareness and delivering improvements in an iterative way.

For our internal operations, Efficio will aim to follow and promote good sustainability practices, disclose environmental information, reduce the environmental impacts of all activities, and help employees, clients, and partners to do the same. The scope of our Net Zero commitment will cover all Efficio entities globally, and include material sources of Scope 1, 2 and 3 emissions as defined by the GHG Protocol.

Efficio is continuing to improve the measurement and monitoring of our Greenhouse Gas (GHG) emissions and seeking opportunities to reduce emissions across our activities, by taking the following actions:

1. Measuring all relevant Scope 1, 2 and 3 emissions globally;
2. Aligning our carbon reduction targets with a science-based trajectory;
3. Publishing auditable Scope 1-2 emissions as part of a measurable KPI for our Sustainability Linked Loan (SLL);
4. Engaging with our top 25 suppliers by emissions to collect hybrid emissions data and explore their emissions reduction targets;
5. Completing our CDP response for the second time in 2025; and
6. Completing the submission for our second EcoVadis rating in 2024.

Baseline and Current Emissions Footprint

Baseline emissions are a record of the GHGs that were released during a 12-month period in the recent past and happened prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which future emissions reduction can be measured. The reporting period is the financial year 2023/24 and the baseline year is the financial year 2022/23. The operational control approach has been applied to report all emissions that Efficio has direct control over and has full authority to introduce and implement operating policies.

Efficio has calculated Scope 1 and 2 emissions using activity data provided by landlords and facility managers of offices that Efficio occupied during the reporting year. Efficio does not own any company vehicles, so Scope 1 vehicle emissions are zero. Scope 3 emissions have been calculated for categories identified as material to Efficio's business during the screening and scoping exercise.

Efficio utilised its CarbonCube®, which is a platform developed in-house to quantify emissions from Scope 3 categories 1 and 2 using spend-based proxies. This method is in accordance with the GHG Protocol Scope 3 emission calculation guidance. Business travel, employee commuting and work from home emissions remain the other material Scope 3 categories. Efficio does not manufacture and distribute products so there are no emissions associated with downstream transportation, processing, use and disposal of products.

Efficio has calculated its UK energy consumption and carbon footprint since 2018 for SECR reporting. Efficio has calculated its global carbon footprint for the past two years which is reported separately in our Carbon Management Plan (CMP).

Scope 1, 2 and 3 Emissions for Efficio UK Ltd

Emissions Scope	Activity	2022/23 tCO ₂ e	2023/24 tCO ₂ e	Annual Variance
Scope 1				
Direct emissions from owned or controlled sources	Natural gas	7	7	0%
	Other fuel	-	-	-
	Fugitive emissions	-	-	-
	Owned vehicles	-	-	-
Scope 2				
Indirect emissions from the generation of purchased electricity, steam, heating and cooling	Generation of electricity consumed	79	58	-27%
Scope 3				
Other indirect emissions	1 Purchased goods and services	1,416	1,466	+4%
	2 Capital goods	-	-	-
	3 Fuel and energy-related activities	-	-	-
	4 Upstream transport and distribution	-	-	-
	5 Waste generated in operations	23	23	-
	6 Business travel total	1,867	1,582	-15%
	6 Business travel – Flights	1,453	1,268	-13%
	6 Business travel – Personal vehicle	143	37	-74%
	6 Business travel – Taxi and other public transport	116	187	+61%
	6 Business travel – Hire Car	52	2	-96%
	6 Business travel – Train	47	9	-81%
	6 Business travel – Hotel stays	56	79	+41%
	7 Employee commuting	47	54	+16%
	7 Working from home	111	141	+27%
	8 Upstream leased assets	-	-	-
9 Downstream transportation and distribution	-	-	-	
10 Processing of sold products	-	-	-	
11 Use of sold products	-	-	-	
12 End-of-life treatment of sold products	-	-	-	
13 Downstream leased assets	-	-	-	
14 Franchisees	-	-	-	
15 Investments	-	-	-	
Employee baseline				
	Number of UK employees (FTE)	434	560	+126
Total				
	Total emissions tCO ₂ e (Efficio UK)	3,533	3,307	-6.3%
	Emissions per FTE (tCO ₂ e)	8.14	5.9	-27%

Emissions Reduction

Efficio has implemented a phased approach to achieving Net Zero emissions no later than 2050, through intermediate targets:

- **Short term:** Target all operations under direct control
- **Medium term:** Target certain indirect operations (i.e. waste, water, business travel)
- **Long term:** Target indirect operations related to the supply chain (purchased goods and services)

Efficio has been awarded a Sustainability Linked Loan (SLL) by our lender which has a set of Key Performance Indicators (KPIs) attached to it that will be monitored annually by the lender and audited by a third party. Efficio has adopted the following interim carbon reduction and sustainability KPIs for our global operation, against a 2022/23 baseline:

- 42% reduction in GHG emissions (Scope 1+2) by 2030;
- engagement programme with our top 25 suppliers by emissions intensity to identify carbon reduction targets and encourage them to set Science-Based Targets (SBTs) to help us reduce our scope 3 emissions. This will be achieved through new sustainable procurement systems in line with the implementation of ISO 20400:2017 sustainable procurement; and
- achieve an EcoVadis Score of 75 by 2030, enabled by a 2 point increase annually from an initial target of 66 in 2025.

Science-Based Targets

Efficio recognises the importance of setting Science-Based Targets (SBTs) which the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

Science-based targets provide a clearly defined pathway to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth.

Our current targets for Scope 1 and 2 emissions are aligned with a science-based trajectory and capture our global operations. Efficio has calculated its global carbon emissions for the past two years and our ambition is to officially commit to the SBTi within 12-months and have our targets validated.

Efficio maintains and continually improves its quality and environmental management systems, which are externally certified to the ISO 9001:2015 and 14001:2015 standards and have been held since 2012.

Efficio has made significant investments into understanding and improving our environmental impact and sustainability credentials for our internal operations and continuing to develop and expand our sustainable procurement services for clients around the world.

Business Travel

Efficio is looking to introduce carbon cost of travel reporting to show employees and consultants the carbon cost related to their travel behaviour. The intention is that this will remove journeys or encourage lower emission travel options by choosing to teleconference rather than travel, or if they do travel, to choose the mode with the lowest carbon emissions; for example, taking the train between London and Paris rather than a flight.

Discussions are ongoing with our travel booking provider to improve business travel emissions data methodology in order to calculate an emissions number with the highest degree of accuracy. Once this is finalised, the business can set and publish its business travel target.

Renewable Electricity and Energy Efficiency

Where Efficio has direct control of contracts, by 2025 the procurement of electricity consumed will be from renewable sources, reducing Scope 2 emissions to zero on a market basis in these locations. This has already been achieved for our largest office and headquarters in London.

Efficio will reduce the energy consumption of office equipment by purchasing energy-efficient equipment and by promoting energy conscious behaviour change amongst staff.

Waste Management

Efficio prioritises consideration of the waste hierarchy, promoting where possible reuse or recycling ahead of disposal. Efficio also promotes good behaviour principles, promoting minimising the use of paper and other office consumables; reducing paper consumption by electronic documentation, e.g., DocuSign and where required encouraging the use of double-sided printing to reduce paper usage. Efficio will look for ways of identifying other opportunities to reduce office waste. Efficio will ensure it is operating in accordance with the new waste regulation (Simpler Recycling) that is being introduced in March 2025.

Efficio is carrying out a waste audit of all global offices to review waste management practices and implement best-practice measures. Efficio is phasing out single-use plastic bottles in all offices by installing filtered water dispensers.

Carbon Offset Initiatives

Efficio has previously offset its GHG emissions through CO2Balance and has also supported sustainability projects through partners such as Plastics Oceans and the World Resources Institute. These initiatives will be investigated in the future as part of our Net Zero ambition.

We plan to review offsetting options available to us and will consider offsetting and sustainable aviation fuel for our residual business travel emissions in the next financial year, once our business travel emissions calculation methodology is in place. We recognise that off-setting emissions is only to be used as a last resort for residual emissions and not a substitute for emissions reduction which is our priority. This is the stance we take with our clients on emissions reduction projects.

Sustainability Reporting

Efficio responded to EcoVadis for the first time in 2023, scoring a Bronze Certificate. Efficio is submitting again in 2024 and is aiming to achieve a score of 66 or higher. Through our SLL, Efficio is committed to an annual increase of 2 points in its EcoVadis score as one of our KPIs that is audited annually. Efficio responded to CDP for the first time in 2024 and is committed to doing so every year going forward with demonstrable progress on each submission.

Future Initiatives

As part of the future ways of working strategy, Efficio is exploring opportunities to deliver a reduction in its UK and global carbon footprint. This will include internal opportunity identification and externally by working with direct and indirect supply chains. This includes implementing a new sustainable procurement system in accordance with ISO 20400:2017 sustainable procurement, in order to reduce emission within our supply chain.

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Delivering Sustainability Improvement

Through all of our consulting activities Efficio is in a unique position to deliver both cost reduction and sustainability improvements in the supply chain. We believe that sustainability and achieving Net Zero are fundamental to the world around us and look to support our clients in understanding this and the strategic opportunities to achieve this.

At Efficio, we are moving towards all our procurement activity being 'sustainable procurement', by which we mean that procurement and supplier management processes baseline, target, deliver and track improved ESG outcomes in addition to core metrics of cost, quality and service. We help our clients determine opportunities, build their team's capabilities, and adopt strategies that enable them to maximise Environmental, Social and Governance (ESG) improvements without compromising on cost management.

We help clients to address these challenges:

1. Business case and planning - Changing Procurement to be ESG as well as cost-led requires a strong business case, a plan for change, and a trusted roadmap that the business fully supports. An example of this is the support we provided to a leading consumer goods client to electrify their fleet of over 8,000 vehicles through strategic sourcing and fleet optimisation. We were able to support the client in achieving its milestone of 50% electric vehicle adoption by 2025 which resulted in an estimated 38% reduction in CO2 emissions. This was achieved through successful supplier negotiations with vehicle manufacturers and leasing companies and development of the EV transition roadmap to roll out the required infrastructure.
2. Data and supply chain resilience – Relevant and attainable metrics are critical to measuring and managing progress against ESG targets and building supply chain sustainability and resilience in an unpredictable global environment.
3. Reporting – The legislative and voluntary reporting burden grows in complexity daily – failing to deliver public ESG commitments can quickly damage the reputation of a business. We were able to support a client in calculating its scope 1-3 emissions baseline ahead of setting a validated SBT. We were also able to support this client in identifying data and reporting requirements necessary for its CSRD disclosures.
4. Measurable improvement - Targets are just the start. New tools, skills, and approaches are needed to improve Carbon, Diversity & Inclusion, Waste, Localised Supply, and many other parameters.

Sustainability must be embedded throughout procurement processes. At Efficio, we use tried-and-tested methodologies to create resilient, transparent, and green supply chains and to target improvements across all ESG metrics. We often start by carrying out a thorough Sustainable Procurement Opportunity Assessment to determine key risks and opportunities before creating a strategy to deliver improvements.

Drawing on over 20 years of experience, we believe that taking targeted action is vital for any business. Efficio has developed a tool called CarbonCube® for sustainability and procurement teams to quickly and effectively calculate supply chain emissions, identify carbon hotspots, set targets and monitor supplier performance. The CarbonCube® can be used to calculate scope 3 emissions from the key categories of Purchased Goods & Services, Capital Goods, Upstream Transport & Distribution and Business Travel. The CarbonCube® uses procurement data to categorise and calculate carbon emissions. It simplifies the carbon baselining process, and it can be enhanced over time with supplier specific data as it becomes available.

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 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 Streamlined Energy and Carbon Reporting (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, for the Financial Year ending on 30th June 2024, has been reviewed and signed off by the director of sustainable procurement.

Signed on behalf of Efficio:

Director's Name: Edward Cox

Date: 06/12/2024

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