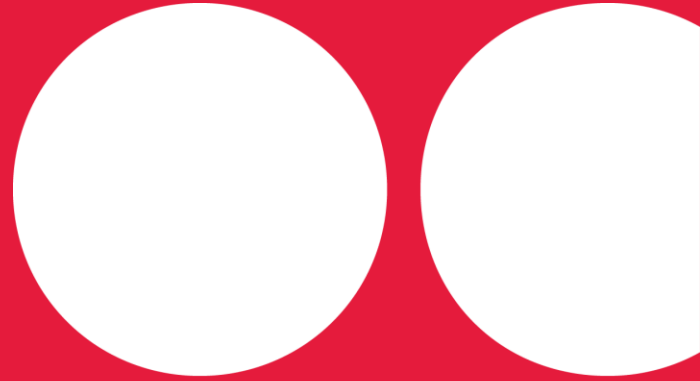


# GHG Accounting and Net Zero report



**Oury Clark**

We are experts in Accounting, Law, Financial Services, Sustainability and International Business Expansion, who have been helping businesses, families and individuals since 1935.

# Contents

Reporting period: 1<sup>st</sup> July 2023 to 31<sup>st</sup> March 2024

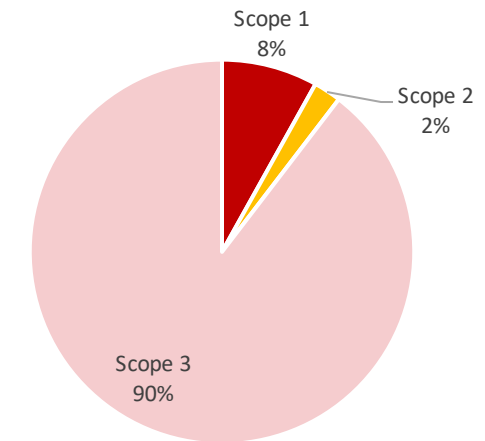
Number employees: 148



Section	Title	Description
1	<b>Introduction</b>	Overview of carbon reduction glidepath and requirements
2	<b>Emissions coverage</b>	Total emissions calculation and break-down of Oury Clark and potential decarbonisation levers agnostic of sector or company
3	<b>Identified emissions reductions and recommendations</b>	Detailed break-down of emission reductions, recommendations and business priority for Oury Clark across scopes 1, 2 and 3
4	<b>Glidepath and assumptions</b>	Glidepath of Oury Clark to achieve Net Zero by 2050 and associated assumptions.

## Oury Clark's Carbon Footprint 2023/4

Scope 1	182 $tCO_2e$
Scope 2 (location based) <sup>[1]</sup>	52 $tCO_2e$
Scope 2 (market based) <sup>[2]</sup>	21.2 $tCO_2e$
Scope 3	1934 $tCO_2e$



[1] Location based represents emissions from electricity consumption based on the grid average emissions

[2] Market-based represents emissions from electricity consumption based on specific energy contracts

# Executive summary



**Building a business case for Net Zero:** Oury Clark has calculated and offset its annual emissions for the last year and continues to explore potential carbon reduction initiatives. The first step is that we have buy-in from the Partners at the firm.

**Achieving Net Zero will require targeting reductions in value chain emissions:** The calculated carbon footprint for 2023/4 highlights that most emissions currently sit within Oury Clark’s value-chain or in this case ‘Scope 3’ (90.5%). The largest sources of emissions are from Category 2 (Capital Goods)~57%, Category 6 (Business Travel) ~14% and category 1 (Purchased Goods & Services) ~12%. We have considered these hot spots and the other emission sources to model a Net Zero by 2050 pathway for Oury Clark.

**There are several quick-wins Oury Clark can take at limited cost:** To achieve the modelled pathway, quick wins and longer-term actions have been identified. The quick-wins (~50% of all recommended actions) are outlined below. Note, most of these can be completed at a low cost to a significantly reduce emissions profile.

**Next steps are to weigh up potential risks/opportunities by 2030.** The next steps for Oury Clark are to review with the Partners, considering the associated opportunities and costs for the business within the next 5 years, and determine the feasibility of implementing a plan to achieve Net Zero.

Quick-wins to cut emissions		Predicted reduction if implemented	Cost impact to Oury Clark
S1 - M	Enhance data collection associated with mobility travel by collecting miles and fuel (litres) usage	Increases accuracy, which leads to lower emissions	Low - requires small system change
S1 - R	Look at alternative refrigerants – such as R32, R452b, R545b and R454c with lower GWP (i.e. emissions)	Alternative refrigerants have lower emissions factors, could reduce emissions by over 60%	Higher safety classification could cost more – engineer to confirm
S1 – G	Look to replace natural gas usage with electricity consumption	Absolute reduction	Confirm with engineer
S2	All electricity consumption for both John Street and Slough to be procured as renewable energy guarantees of origins ‘REGOs’.   Use off-site carbon neutral cloud storage to reduce energy use.	Absolute reduction to Zero for market-based	Small, renewable contracts are increasing at a smaller rate than traditional YoY
S3C1	Include emissions consideration into preferred key supplier choices, targeting Marketing + Computer/IT, Internet, recruitment costs and training and library. First determine real emissions.	TAM is c. 130tCO2e, assume 50% is addressable over next 5 years	Low cost, as first step is to calculate emissions more accurately and go to lower IT providers
S3C2	One-off capital goods spike – ensure all works are carried out for a long-term design life and consider alternative material sources/suppliers to reduce emissions	~1,000 tCO2e	Low – however, forecast refurb / capex going forwards to include into reduction estimate
S3C5	Start collecting more accurate waste data for both offices and implement division of waste system	~2 tCO2e	Low – requires individual to engage with refuse collector
S3C6	Enhance data collection for both travel, hotels (name and place), taxi type and distance, and food & beverage (split out in P&L). Introduce policy related travel and what flights should be business/premium economy/economy	~30 tCO2e (n.b. difficult to determine but could be over 100 tCO2e)	Low – P&L system change to be able to tag origin/destination/travel/class. Hotel name, address, duration of stay.
S3C7	Implement new commuting survey on annual basis and include sourcing of electricity for WFH as part of this survey and what barriers exist for low-carbon alternative transport measures Encourage public transport use for employees driving to Slough / EV cars (salary sacrifice)	~10 tCO2e based on more accurate information	Low – data collection, requires commuting survey development with 5-minute survey completion across staff base (non-chargeable)

# Introduction - Net Zero Emissions and Oury Clark

## Background on Net Zero

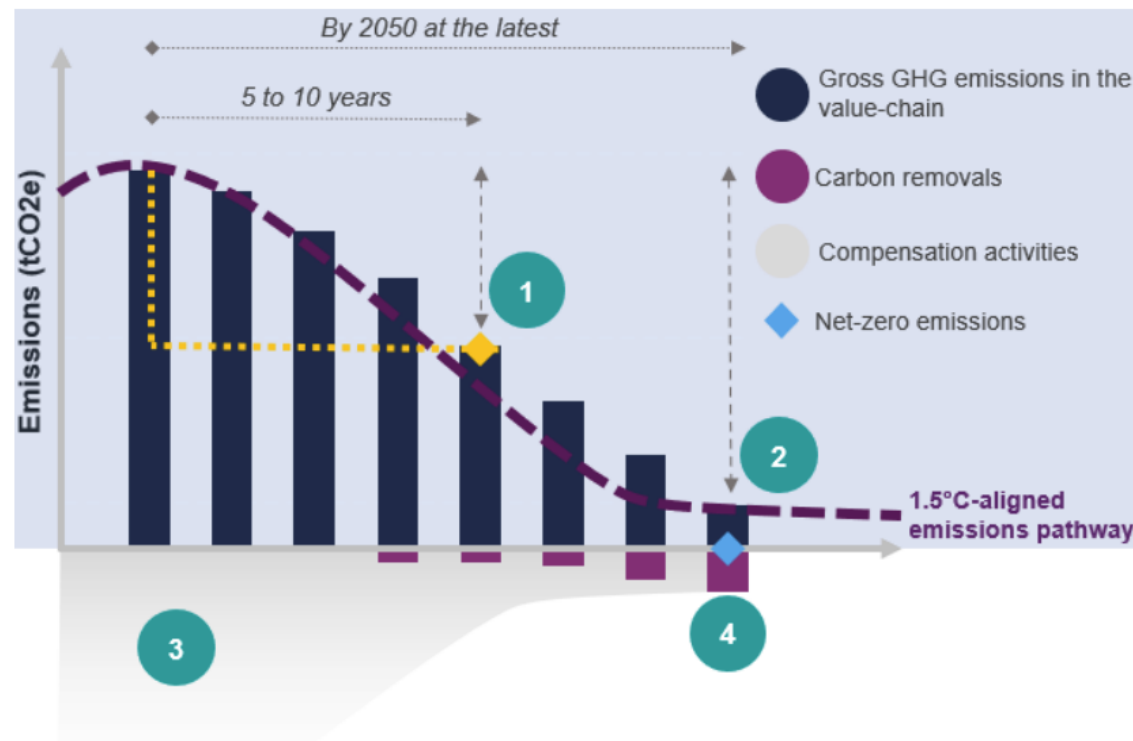
- Net Zero is an internationally-aligned goal to reduce greenhouse gas emissions and to ensure that any ongoing emissions are balanced out by removals. The main steps are;

**Set boundaries** – organisational and operational boundaries for your GHG reporting, to determine which emissions are material to your business

**Measure** - establish a baseline emissions inventory and measure against this on an annual basis

**Reduce** – set targets to reduce these emissions and act where an impact can be made, considering commercial returns

**Offset** – use nature based or carbon removal offset to cancel out unavoidable emissions once maximum emissions reductions have been achieved.

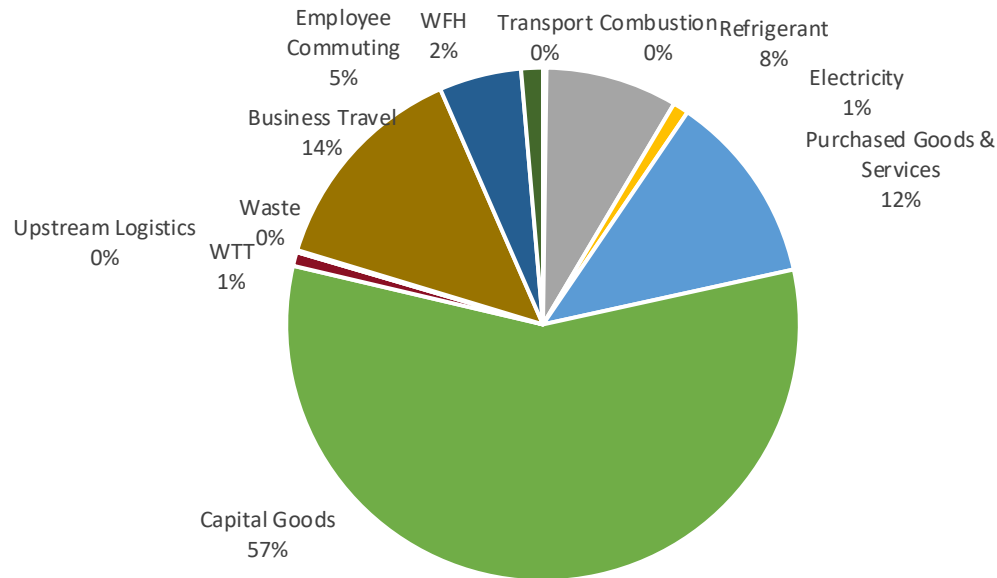


# 2 Emissions coverage

Oury Clark's emissions have been calculated in line with the GHG protocol.

The largest source of emissions is Scope 3 Category 2 as a result of the recent refurb of Oury Clark's office in Slough.

Intensity ratios	Gross Emissions – location based	Gross emissions – market based
<i>tCO<sub>2</sub>e</i> per employee	14.65	14.44



Scope	Item	<i>tCO<sub>2</sub>e</i>
<b>Scope 1</b>		
Stationary combustion	Natural Gas consumed	0.1
Fugitive emissions	HVACs	177.6
Mobility	Owned Vehicles	4.6
<b>Scope 2</b>		
Electricity (location based)	Purchased electricity, for own use (grid average)	52.1
Electricity (market based)	Purchased electricity, for own use (specific contract)	21.2
<b>Scope 3</b>		
Category 1: Purchased Goods & Services	Goods and services	257.5
Category 2: Capital Goods	Capital expenditure	1220.8
Category 3: Fuel and energy related activities	WTT & T&D losses from electricity, stationary combustion of fuels and transport	18.7
Category 4: Upstream Transport	Transport between tier 1 supplier or paid transport for goods (upstream & downstream) WTW	<i>Included in S3C1</i>
Category 5: Waste	Waste	2.8
Category 6: Business Travel	Land and air travel and hotel stays for business purposes WTW	294.5
Category 7: Employee Commuting	Employees commuting to and back from work	110.7
Category 7: Employee Commuting	Employees working from home	29.3
<b>TOTAL Gross Emissions (Location based)</b>		<b>2168.7</b>
Less emissions avoided by procurement of renewable electricity		30.9
<b>Total Gross Emissions (Market Based)</b>		<b>2137.8</b>
Less Carbon offsets		2137.8
<b>Net Emissions</b>		<b>0</b>

# 3 Scope 1 emission reductions

Emissions in this area all occur from the use of; S1-M: vehicles (mobility) that Oury Clark owns / compensates for. S1-R the heating and cooling of two offices Slough (HQ) and John Street. S1-G: natural gas combustion for the Slough storage unit. Given Oury Clark owns both offices, it is within its control to reduce these emissions, and a commercial feasibility assessment is done below.

Scope	Emission	Boundary Constraint / Challenge	Calculation Methodology	Current Data Quality	Business Priority	Possible Initiative	Savings	Ease / Cost	Future Options
S1 - M	4.6 tCO2e	Compensation agreement	From P&L spend. The associated spend-based data was used to determine litres of fuel usage, with an estimate split of petrol: diesel of 80:20  Emissions factor: DEFRA 2023	Low	Short-term, Medium	Enhance data collection associated with mobility travel by collecting miles and fuel (litres) usage to ascertain more accurate information.	Low - Increases accuracy, which typically leads to lower emissions	Low - requires small system change	Internal finance to request data. Equity partners to provide data.
S1 - R	177.6 tCO2e	HVAC systems are relatively new, and it takes time to deplete and replace all refrigerants (also depends on equipment)	R410A refrigerant charge collected was collected for Slough. Based off this data, it was estimated on an employee pro-rated amount for John Street.  Emissions factor: DEFRA 2023	Medium / Low	High	Collect better data for John Street through engineer's report. For both offices, assess alternative refrigerants – such as R32, R452b, R545b and R454c with lower GWP (i.e. emissions) working with the engineers.  Longer-term at end-of-life, assess potential to install alternative HVAC systems which use very low to none refrigerant GWP.	HIGH - Suggested alternatives have lower emissions factors (Global Warming Potential), which could reduce emissions by over 60%	Higher safety classification could cost more – engineer to confirm	FM team to engage with engineers on this potential to confirm or not whether this is possible.
S1 – G	0.1 tCO2e	Slough storage unit has natural gas usage	Through direct meter reading, 421 kwh was measured over reporting period  Emissions factor: DEFRA 2023			Look to replace natural gas usage with electricity consumption	Absolute reduction		Assess what natural gas is used for and whether equipment can be feasibly replaced

# 3 Scope 2 emission reductions

Emissions in this area all occur from the use of fuels required to generate the electricity that Oury Clark consumes at its sites, i.e. two offices and the one server. For this period, the consumption data has been taken from meter readings directly for the two offices.

Scope	Emission	Boundary Constraint / Challenge	Calculation Methodology	Current Data Quality	Business Priority	Possible Initiative	Savings	Ease / Cost	Future Options
S2	Location-based: 52 tCO2e Market-based: 21.2 tCO2e	Electricity contracts (could be tied-in for certain period) Ability to generate electricity onsite is limited given buildings	From meter reading of both offices, with a switch from standard contract to renewable contract part-way through the year. Hence values: brown electricity = 82,845 kwh   Green electricity = 121,013kwh.  Emissions factor: DEFRA UK 2023	High – best possible	Low across all time horizons	All electricity consumption for both John Street and Slough to be procured as renewable energy guarantees of origins 'REGOs'.   Use off-site carbon neutral cloud storage to reduce energy use. N.b. this is already in place, assume now BAU going forwards	Absolute reduction to Zero for market-based	Small, renewable contracts are increasing at a smaller rate than traditional YoY	N/A

# 3 Scope 3 emission reductions

Emissions in this area are from upstream activities produced by supplier's activities for them to be able to provide the services and goods purchased by Oury Clark. In this calculation, emissions have been calculated from a spend-based method (S3C1 and S3C2), where extended environmental input output (EEIO) tables have been used to estimate emissions from spend, based on industry average emissions.

Scope	Emission	Boundary Constraint / Challenge	Calculation Methodology	Current Data Quality	Business Priority	Possible Initiative	Savings	Ease / Cost	Future Options
S3C1	257.5 tCO <sub>2</sub> e	Categorising P&L and capturing more accurate emissions factor both timely (expensive) and likely data is not available	<p>P&amp;L – spend-based method</p> <p>Top 8 P&amp;L categories account for 50% of emissions, these are – Marketing, Computer software/licencing, internet, refurb, training, recruitment, library and PI insurance.</p> <p>Emissions factor: EPA EEIO 2022, accounting for inflation and FX USD to GBP</p>	Low – spend data	Low	<p>Include emissions consideration into preferred key supplier choices, targeting Marketing + Computer/IT, Internet, recruitment costs and training and library. First determine real emissions.</p> <p>Other levers available are; start to have Net Zero commitments in all new contracts. Break-down P&amp;L to individual suppliers and activity, request their intensity metric tCO<sub>2</sub>e/£m revenue, to enable supplier emission factor</p>	TAM is c. 130tCO <sub>2</sub> e, assume 50% is addressable over next 5 years	Low cost, as first step is to calculate emissions more accurately and then look avenues of going to lower emitting providers	Using PowerBI average emissions factor per user is 231gCO <sub>2</sub> e per month. Use this to calculate emissions for IT servers going forwards. (max was 265gCO <sub>2</sub> e)
S3C2	1220.8 tCO <sub>2</sub> e	Capex is predominantly on refurbishment of offices which is a necessity. Collecting more detailed emissions data is both complex and timely.	<p>P&amp;L – spend-based method</p> <p>Emissions factor: EPA EEIO</p>	Low – spend data	High	One-off capital goods spike – ensure all works are carried out for a long-term design life and consider alternative material sources/suppliers to reduce emissions	~1,000 tCO <sub>2</sub> e	Low – however, forecast refurb / capex going forwards to include into reduction estimate	Develop forecast for capex and bake this into the glidepath

# 3 Scope 3 emission reductions

Emissions in this area are from upstream activities produced by supplier's activities for them to be able to provide the services and goods purchased by Oury Clark. In this calculation, emissions have been calculated from estimations and P&L data.

Scope	Emission	Boundary Constraint / Challenge	Calculation Methodology	Current Data Quality	Business Priority	Possible Initiative	Savings	Ease / Cost	Future Options
S3C4	<i>Accounted for in Scope 3 category 1 due to our P&amp;L system</i>								
S3C5	2.8 tCO <sub>2</sub> e	Dependent on waste collection authority in London Camden (n.b. it will be looking to implement waste divisions in 2025).	Estimation of waste data based on average employee waste from internet figure.  Conservative estimates of % ending landfill 50%; 25% to energy; 25% recycled for Slough   London: 74% energy, 26% recycled  Emissions factor: UK waste gov	Low	Low	Start collecting more accurate waste data for both offices and implement division of waste system	~2 tCO <sub>2</sub> e	Low – requires refuse collector to be able to provide necessary data	Start to collect more accurate data of waste produced
S3C6 – business travel	294.5 tCO <sub>2</sub> e	P&L data more detail needed  Business travel is essential to win work for Oury Clark's growth, expect this to increase	From P&L – origin-to-origin of flights using excel coordinates of city determined distance, with class of flight determined  Hotel, taxis and food were under one line item.	Medium	High	Enhance data collection for both travel, hotels (name and place), taxi type and distance, and food & beverage (split out in P&L). Introduce policy related travel and what flights should be business/premium economy/economy	~30 tCO <sub>2</sub> e (n.b. difficult to determine but could be over 100 tCO <sub>2</sub> e)	Low – P&L system change to be able to tag origin/destination/travel/class. Hotel name, address, duration of stay	In Finance and Zoho system, request more detailed information

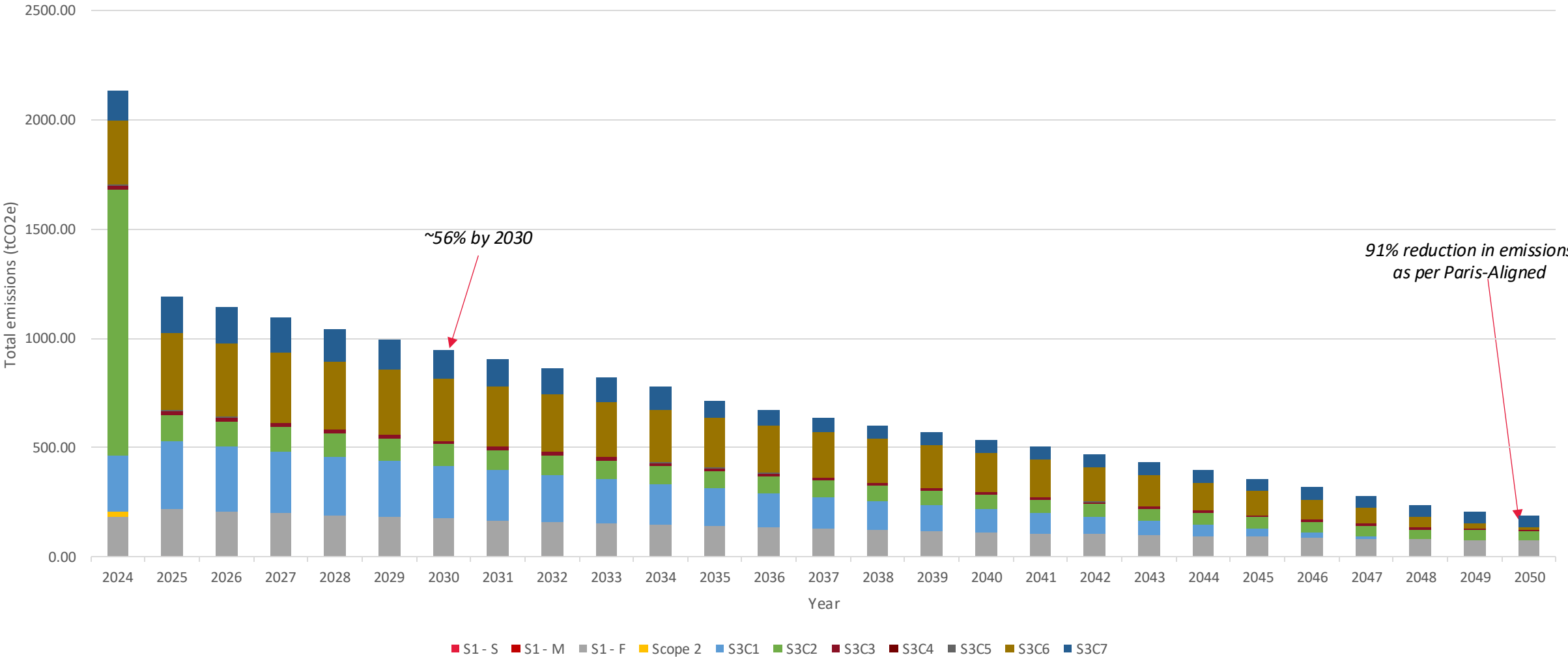
# 3 Scope 3 emission reductions

Emissions in this area are from upstream activities produced by employees across Oury Clark. In this calculation, emissions have been calculated from estimations based on average employee numbers.

Scope	Emission	Boundary Constraint / Challenge	Calculation Methodology	Current Data Quality	Business Priority	Possible Initiative	Savings	Ease / Cost	Future Options
S3C7 – employee commuting	110.7 tCO <sub>2</sub> e	Slough office is quite remote and encourages driving to it  London office majority public transport	Using employee number, with 46 working weeks a year. Informal survey to ascertain out of the 109 employees modal type to office, with 39 in London. Split 3days in office, 2 days WFH. Using DEFRA emissions to calculate	Medium	Medium	Implement new commuting survey on annual basis and include sourcing of electricity for WFH as part of this survey and what barriers exist for low-carbon alternative transport measures Encourage public transport use for employees driving to Slough / EV cars (salary sacrifice)	~10 tCO <sub>2</sub> e based on more accurate information	Low cost – data collection, requires commuting survey development with 5-minute survey completion across staff base (non-chargeable) Low cost -	Develop a commuter survey to be undertaken by employees
S3C7 – work from home	29.3 tCO <sub>2</sub> e	Outside of Oury Clark’s influence, only lever is around green elec subs.	WFH includes; water, waste water, waste recycled, landfilled based on national averages.	Low	Low	Gather more accurate data on current electricity contracts for employees as part of employee survey	~0 to 2 tCO <sub>2</sub> e Based on more accurate information		

# Glidepath

This glidepath accounts for all years 2025 onwards for a full 12 months, given the year 2024 was only 9 months, because of a change in Oury Clark's Financial year dates



# Glidepath assumptions

Scope	Item	tCO <sub>2e</sub>	Assumption
<b>Scope 1</b>			
Stationary combustion	Natural Gas consumed	0.1	4.2% linear gas removal originally applied to reach 1.5 degrees C by 2050
Fugitive emissions	HVACs	177.6	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050.
Mobility	Owned Vehicles	4.6	Reduction of 10% linear from 2024 to 2030 for both Petrol and Diesel. By 2035 this is assumed to go to zero, given changing of cars to EV only with UK elec. 100% renewable.
<b>Scope 2</b>			
Electricity (market based)	Purchased electricity, for own use (specific contract)	21.2	All electricity to go to green contract by next year 2025, hence 0.0 tCO <sub>2e</sub> .
<b>Scope 3</b>			
Category 1: Purchased Goods & Services	Goods and services	257.5	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050.
Category 2: Capital Goods	Capital expenditure	1220.8	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050. Except for office refurb goes to zero.
Category 3: Fuel and energy related activities	WTT & T&D losses from electricity, stationary combustion of fuels and transport	18.7	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050.
Category 4: Upstream Transport	Transport between tier 1 supplier or paid transport for goods (upstream & downstream) WTW	<i>Included in S3C1</i>	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050.
Category 5: Waste	Waste	2.8	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050.
Category 6: Business Travel	Land and air travel and hotel stays for business purposes WTW	294.5	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050 for hotel and food. For airfare – 4.2% linear annual reduction with assumed uptake of SAF by 2040 incrementally increasing such that by 2050 it is 100% non-polluting airliners.
Category 7: Employee Commuting	Employees commuting to and back from work	110.7	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050.
Category 7: Employee Commuting	Employees working from home	29.3	4.2% linear annual reduction originally applied to reach 1.5 degree C by 2050.
<b>Total Gross Emissions (Market Based)</b>		<b><u>2137.8</u></b>	