CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier[1] and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard[2] and Guidance[3], and all of the following criteria are met:
- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.
The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

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[1] Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

[2] Technical Standard can be found at:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

[3] Guidance can be found at:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21___Selection_Criteria___3_.pdf.

Carbon Reduction Plan

Supplier name: Cloudscaler

Publication date: 02/24

Commitment to achieving Net Zero

Cloudscaler is committed to achieving Net Zero emissions by 2027

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.	
Cloudscaler's baseline emissions were calculated in 2022. As an asset-light specialist cloud consultancy firm Cloudscaler does not own any assets that directly generate any scope 1 emissions. Furthermore, Cloudscaler does not directly purchase energy in its operations subsequently we do not generate any scope 2 emissions either. As such all of Cloudscaler's baseline emissions in 2022 are scope 3. Due to the nature of our business, these are still limited with the majority of emissions being employee travel and the purchase of IT assets for employees.	
Baseline year emissions: 105.86 tCO2e	

EMISSIONS	TOTAL (tCO$_2$e)		
Scope 1	0		
Scope 2	0		
Scope 3 **(Included Sources)**	Cloudscaler's 2022 total Scope 3 emissions are 105.86 tCO2e. Here we present two ways of reporting on our scope 3 emissions. First the technical scope 3 categorisation. Secondly, how Cloudscaler internally categorises it's emissions. **Technical categorisation**		
		tCO2e	%

	tCO2e	%
Category 1 - Purchased goods and services	0.68	0.06%
Category 2 - Capital goods	34.80115	33.12%
Category 6 - Business travel	40.24764	38.30%
Category 7 - Employee Commuting	15.16935	14.44%
Category 8 - Upstream leased assets	14.8	14.08%

Cloudscaler categorisation

	tCO2e	%
AWS / Cloud	0.049	0.05%
Business Travel	40.24764466	38.30%
Commuting	1.668567908	1.59%
Homeworking	13.50078216	12.85%
Office Equip-ment	34.80114687	33.12%
Premises	14.8	14.08%
SaaS	0.019	0.02%

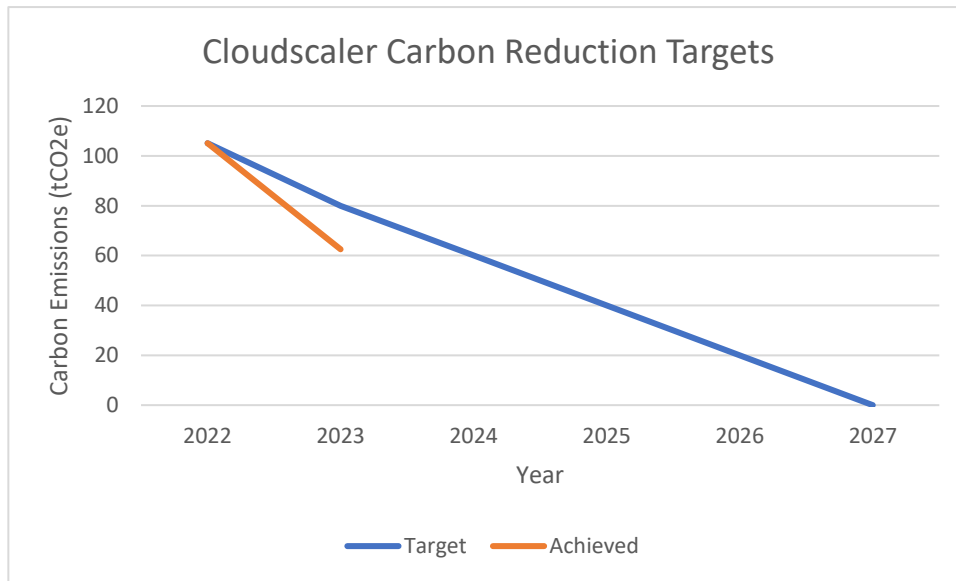|	
Total Emissions	105.86 tCO2e

Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	**TOTAL (tCO$_2$e)**
Scope 1	0
Scope 2	0
Scope 3 **(Included Sources)**	Cloudscaler's 2022 total Scope 3 emissions are 62.53 tCO2e. Here we present two ways of reporting on our scope 3 emissions. First the technical scope 3 categorisation. Secondly, how Cloudscaler internally categorises it's emissions**.**

Technical categorisation

	tCO2e	%
Category 1 - Purchased goods and services	0.68	0.11%
Category 2 - Capital goods	13.172.31	21.07%
Category 6 - Business travel	20.34721	32.54%
Category 7 - Employee Commuting	14.13874	22.61%
Category 8 - Upstream leased assets	14.8	23.67%

Cloudscaler categorisation

	tCO2e	%
AWS / Cloud	0.049	0.08%
Business Travel	20.34721	32.54%
Commuting	1.85493	2.97%
Homeworking	12.28382	19.65%
Office Equip-ment	13.17231	21.07%
Premises	14.8	23.67%
SaaS	0.019	0.03%

Total Emissions	62.53 tCO2e

Emissions reduction targets

Cloudscaler has committed to achieving Net Zero emissions by 2027. We project that our emissions will decrease by 20% every year until 2027 until we reach Net Zero.

Our targeted progress against these targets can be seen in the graph below:

Cloudscaler Carbon Reduction Targets

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2022 baseline. These measures will be in effect when performing the contract.

-Implemented a cycle-to-work scheme to cut emissions of employee commuting
-Implemented AWS carbon reduction techniques across our entire cloud estate
-Switched merchandise suppliers to those with better green credentials.

We have furthermore adopted a Net Zero Strategy based on the following 5 pillars:

1. **Renewable Energy Adoption:** As we continue to grow, we will ensure our future energy consumption is 100% renewably sourced. By utilising solar, wind, and other sustainable energy sources, we aim to reduce the carbon footprint associated with power consumption.

2. **Energy Efficiency & Innovation:** We will continue to innovate and utilise new best practices to optimise the energy efficiency of cloud environments for Cloudscaler and our customers.

3. **Carbon Offsetting**: We understand that not all emissions can be eliminated immediately. To address this, we will actively engage in carbon offsetting initiatives. By supporting projects that capture or prevent greenhouse gas emissions, we aim to balance our carbon equation.

4. **Collaboration & Advocacy**: Our journey towards carbon neutrality extends beyond our own operations. We will collaborate with clients, partners, and industry stakeholders to promote sustainable practices within the cloud computing realm. Our goal is to inspire collective action and set a new standard for environmental responsibility.

5. **Employee Engagement:** We firmly believe that achieving carbon neutrality requires a collective effort. We will empower our team to actively engage in sustainable practices, both at work and in their personal lives. By fostering a culture of awareness and responsibility, we can amplify our impact.

In the future, we hope to implement further measures such as:

-Adoption of environmental certification schemes like ISO14001 or PAS 2060
-Adoption of science-based targets
-Improving the quality of our reporting
-Investing in carbon offsets

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.
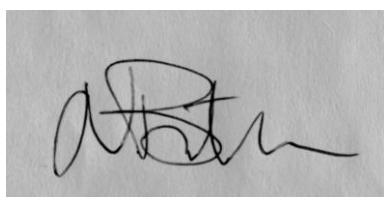
Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[4] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[5].

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[6].

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:

Neil Butler,

CEO, Cloudscaler

Date: 02/02/2024

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[4]https://ghgprotocol.org/corporate-standard
[5]https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
[6]https://ghgprotocol.org/standards/scope-3-standard