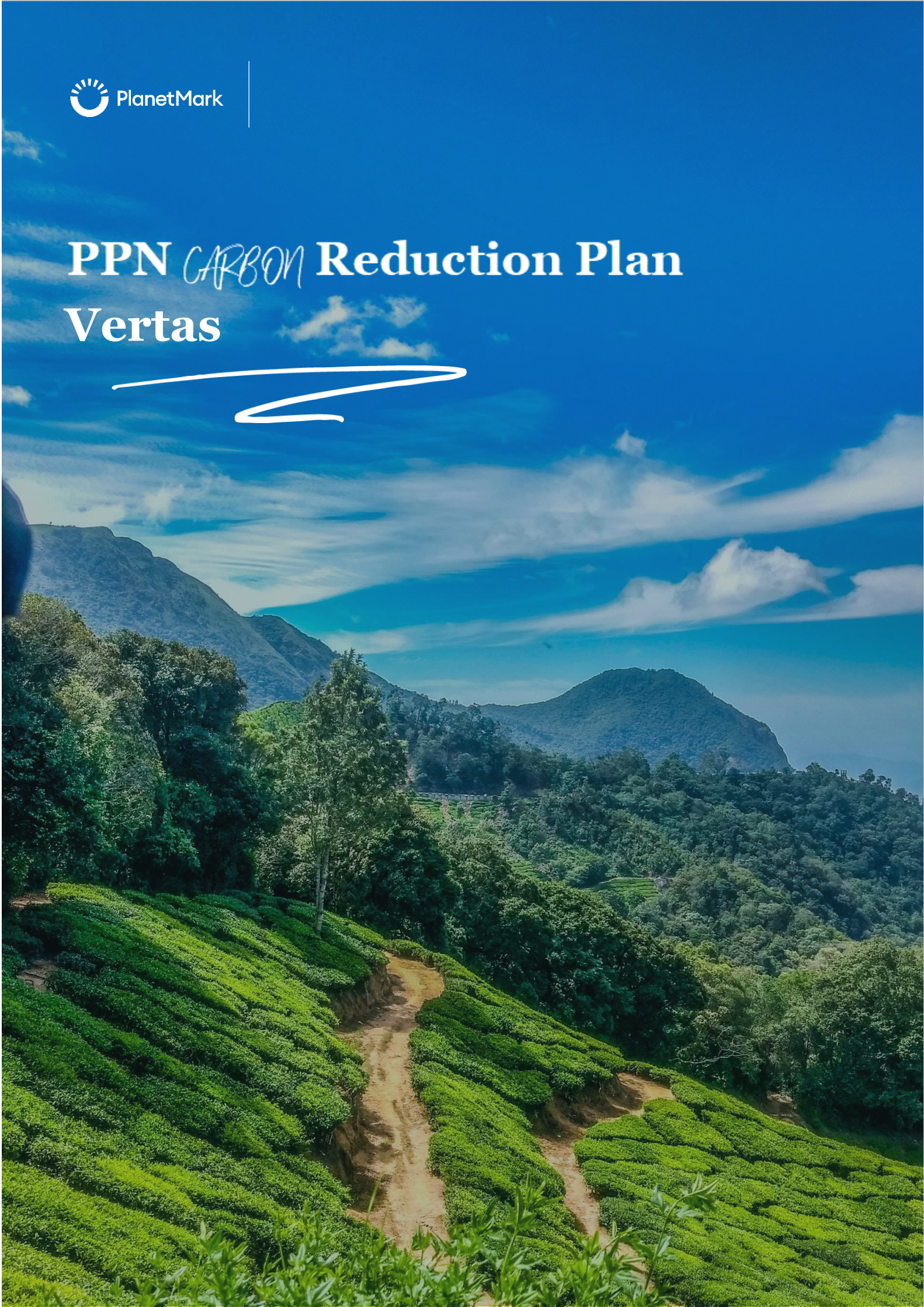


PPN *CARBON* Reduction Plan

Vertas



PPN Carbon Reduction Plan

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Vertas

01 November 2024

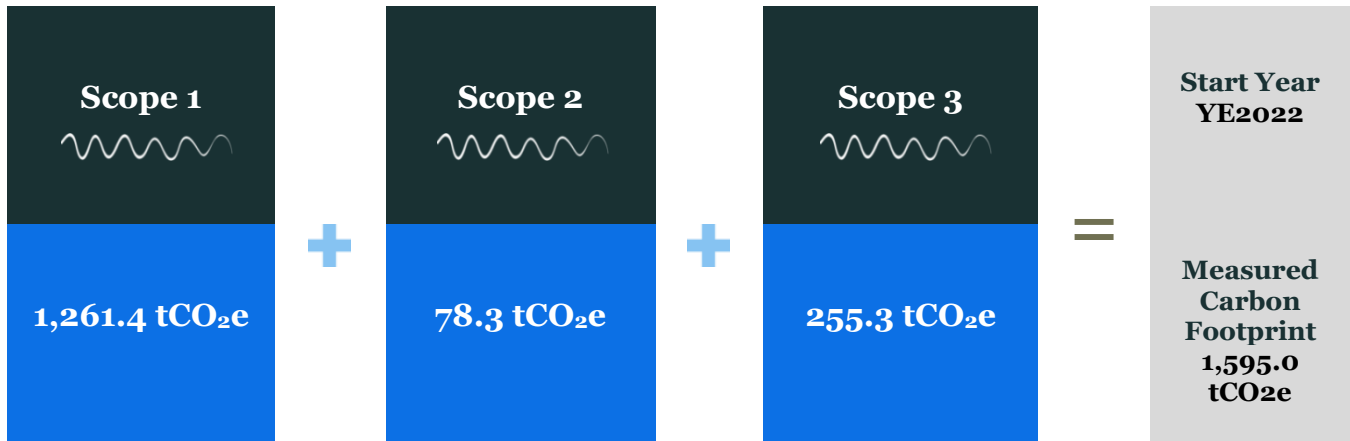
Commitment to achieving Net Zero

Vertas is committed to achieving Net Zero emissions by 2030. In order to meet this target, Vertas has been working with Planet Mark to develop its own carbon reduction action plan which details a series of activities it is planning to carry out to move towards Net Zero. Further details around this plan, including the annual reduction required to meet this target, are detailed within this document.



Baseline Emissions Footprint (01 Apr 2021 to 31 Mar 2022)

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.

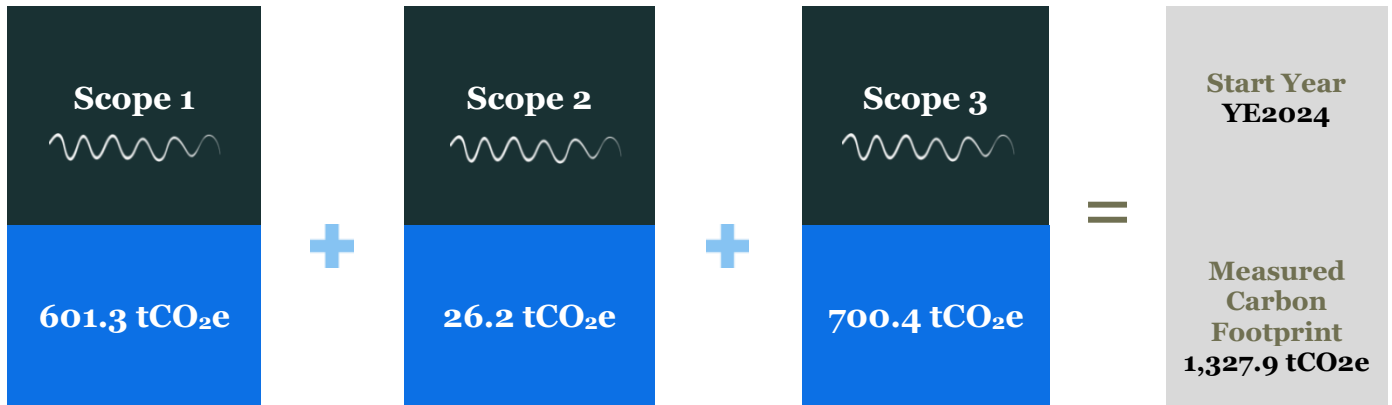


Additional details relating to the Baseline Emissions calculation

Vertas measured its carbon footprint with Planet Mark for the first time in YE2022. Current emissions calculations include the subset of scope 3 categories required for PPN 06/21. For Vertas, this includes waste, business travel, upstream transport and distribution, and commuting. Vertas and Planet Mark deemed the downstream transportation and distribution category not to be relevant to Vertas as its deliveries etc. are carried out by Vertas themselves in its fleet operations. Upstream transport and distribution emissions were calculated for Vertas Group as a whole, Vertas' share of these emissions has been apportioned based on employee headcount.

Current Year Emissions Footprint (01 Apr 2023 to 31 Mar 2024)

Current Year emissions are a record of the greenhouse gases that have been produced in the current year of reporting following the introduction of any strategies to reduce emissions. Current emissions are used to record the measurement of the reduction in the reporting period.



Additional details relating to the Current Emissions calculation

This is Vertas' 3rd year of business carbon footprint reporting and certification to The Planet Mark. This year's footprint includes emissions from electricity, t&d losses, natural gas, water, business travel, waste, paper, homeworking (not included in total footprint). Vertas has been certified with The Planet Mark for the year ending March 2024 based on its absolute reduction and per employee reduction and set a target to reduce emissions by 5% annually.

Current Year Emissions Breakdown

Current				
01 April 2023 to 31 March 2024				
Source	Scope	Unit	Amount	tCO ₂ e
Buildings				
Electricity (location-based)	2	kWh	256,399.4	53.1
Electricity (market-based)	2	kWh	256,399.4	6.5
Natural Gas	1	kWh	69,105.7	12.6
Transmission and Distribution Losses	3	kWh	256,399.4	4.6
Procurement				
Paper Primary Content	3	tonnes	1.5	1.4
Paper recycled Content	3	Tonnes	0.7	0.53
Fleet Travel				
Vehicle-fleet-diesel	1	km		
Vehicle-fleet-diesel	1	litres	212,880.1	61.0
Vehicle-fleet-petrol	1	litres	29,101.3	61.0
Vehicle-fleet-petrol	1	km	-	-
Vehicle-fleet-hybrid	1	km	-	-
Vehicle-fleet-coach	1	km	-	-
Vehicle-fleet-van	1	km	-	-
Vehicle-fleet-PHEV	1	km	-	-
Vehicle-fleet-electric	2	Km	-	-
Vehicle-fleet-electricity	2	kWh	1,109.4	0.2
Vehicle-fleet-T&D	3	Km	-	-
Vehicle-fleet-T&D	3	kWh	1,109.4	0.02
Business Travel				
Grey fleet – diesel	3	Km	615,136.0	102.3
Grey fleet – petrol	3	Km	765,815.7	135.3
Grey fleet – unknown	3	Km	-	-
Grey fleet – PHEV	3	Km	1,208.6	0.1
Grey fleet – hybrid	3	Km	119,997.5	13.1
Grey fleet – electric	3	Km	99,038.1	5.2
Rail Travel	3	Km	54,429.7	1.9



Taxi Travel	3	Km	1,497.9	0.3
Bus Travel	3	Km	177.1	0.02
Diesel Fuel	3	litres	1,924,623.9	488.9
Waste				
Energy from Waste	3	tonnes	19.7	0.42
Recycled	3	tonnes	12.5	0.27
Compost	3	tonnes	6.8	0.06
Anaerobic Digestion	3	tonnes	-	-
Water				
Water Supply	3	cubic metres	1,790.7	0.3
Water Treatment	3	cubic metres	1,728.5	0.3
Total (location-based)		tCO₂e	5,676,385.2	1,416,86
Total (market-based)		tCO₂e	5,676,385.2	1,370.3



Emissions Reduction Targets

In order to continue our progress toward achieving Net Zero Vertas has adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next six years by 90% of the baseline.

Target Setting – A decade of Action: Pathways to Net Zero through varying emissions reduction trajectories.

■ Planet Mark 5% annual reduction

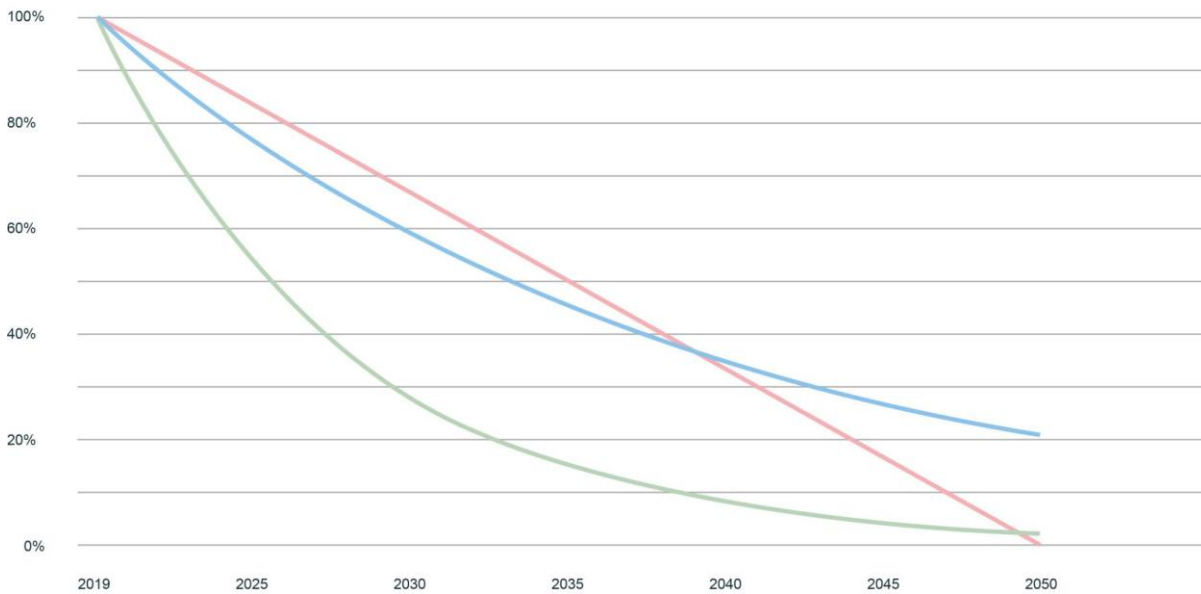
5% year on year reduction is the minimum annual reduction recommended by the Planet Mark.

■ Planet Mark 12% annual reduction

12% year on year reduction is based on the Planet Mark Member absolute carbon reduction average over the past 5 years (2018-2022).

A 12% year on year reduction from a 2019 baseline will set you on track to meet the UK target Net Zero by 2050.

■ Net Zero 2050



Carbon Reduction Projects

Vertas Group's location-based emissions have decreased by 22.0% compared to the year ending 2023. This has been achieved through multiple energy efficiency actions in the reporting period, across the organisation.

A series of environmental management measures and projects have been completed or implemented since the start of the 2022 baseline reporting period to date. With better insulation, LED lighting and new windows, as well as a better heating and cooling system, the team are using less energy. Unlike the previous Oakpark Security site, the new site also does not use natural gas. Furthermore, Vertas Group have actively been researching newer, more energy efficient locations for their four depots: Phoenix House depot, Eastern Way depot, Rougham depot, and Lowestoft depot, which are to be occupied from mid-2024. At the end of year end 2023, Vertas Group vacated their Beacon House site; as this site has a significant amount of natural gas consumption associated with it, we also see the impact from vacating this site reflected in the year end 2024 reporting. Lastly, Concertus moved its Matlock site partly through the 2024 reporting period into a more energy efficient building.

At the Bailey Close site, the lighting used has been switched over to LED lighting as per Vertas Group's roadmap actions. And furthermore, for this site, Vertas Group has switched to a 100% renewable energy tariff as of 01 April 2024, which can be reflected in the year end 2025 market-based emissions.




Vertas Group have worked hard this year to transform their fleet and are extremely proud to announce that as of 31 March 2024, are 100% pure electric in their pool car fleet. This consists of 47 fully electric vehicles and includes the EVs their Board of Directors have. Further progress with fleet includes the fleet per team which is also improving, with having introduced 2 hybrid vehicles in the security team fleet. The first electric van has been introduced to the fleet for the facilities maintenance team, and another electric van has also been trialled in the reporting year. Vertas Group also sold their tractor in this reporting year, and so a reduction in Scope 1 emissions has resulted from this. Overall, Vertas Group have developed a smarter approach to their fleet, whereby vehicles are shared across teams to avoid the requirement to take out less new leases. Also, Vertas Group is reporting on "green driving" results, and actively providing support and training to those who's tracking suggests that they not "green drivers".

Vertas Group have also made efforts in encouraging its employees to make greener choices in regard to commuting methods. This includes introducing a Flexible Working Policy which is shared with all staff, and encourages car sharing, remote meetings, walking, cycling and taking public transport. Vertas Group have a cycle to work scheme for all staff, which could save staff up to 42% on bicycles and equipment; they also

have an on-site cycle store, where staff can leave their bicycles secure. Vertas Group are part of the First Bus Employers Discount Scheme, the Commuters Club and have shared details on how to apply for this and find timetables. All staff can show their ID Cards when boarding Ipswich buses to travel for free and details of timetables have been shared with staff, along with other buses which are free outside of work hours and weekends.

Vertas Group are also making efforts in a direction to becoming paperless, something which has been completed in 30% of their teams, and has been reflected in a reduction in paper emissions in this reporting year. Vertas Group used national recycling day to launch a large campaign with updated signage and educating colleagues about reduce, reuse and recycle.

Net Zero Action Plan

		Projects	Accountability	Timeline	Carbon Saving	Priority
	Employee Engagement	Employee engagement is embedded within Vertas carbon reduction plan. Various employee engagement can be seen within the waste, business travel and commuting measures.	With support from Vertas Group.	By 2030 and beyond.	Not quantified – embedded in the business-as-usual procurement policy and staff engagement.	1
	Energy Efficiency (Scopes 1 & 2)	Introduce heating and cooling optimisation by introducing set points and out-of-hours.	With support from Vertas Group.	By 2030 and beyond.	The culmination of all the energy efficiency measures along with the decarbonising energy supply measures is expected to reduce Vertas natural gas and electricity emissions to 0 tCO ₂ e by 2030.	1
	Decarbonise energy supply. Embedded Generation & Storage (Scope 2)	Procure 100% renewable energy at all sites.	With support from Vertas Group.	By 2030 and beyond.	The culmination of all the energy efficiency measures along with the decarbonising energy supply measures is expected to reduce Vertas natural gas and electricity emissions to 0 tCO ₂ e by 2030.	1
		Continue the use of air source heat pumps at Friars Bridge Road and Vertas Derbyshire site.				
		Introduce on-site solar PV to the Friars Bridge Road.				
		Vertas plans for a variety of mode changes in their commuting. Travel under 5km switches	With support from Vertas Group.	By 2030 and beyond.	A combination of all these measures is expected to	1



**Employee
Commuting
(Scope 3 Cat 7)**

100% to walking/biking, travel 5-15km switches 50/50 to bus and EV travel, travel 100+km switches to homeworkers, any travellers by Hybrid and over 5km switch to EV's, travellers who commute 15-100km less than 3 times a week switch to 50/50 train and EV and workers who travel 15-100km more than 3 times a week switch to 50/50 EV and train with some additional homeworking.

Vertas plan to create a green team to own and drive plans and targets. They will also create a low-carbon toolkit to promote best practice among colleagues. They will also champion more sustainable travel across the company, green champions.

They will establish regular sustainability updates to share new progress, stories and events. They will also run an internal campaign to raise awareness of the benefits of cycling. Finally, they will provide a green travel plan for all employees with sustainable options.

Vertas will refresh HR and travel policies to include lift-sharing/public transport options as well as introducing flexible working. Departmental travel budgets will also be introduced along with EV charging point help and financial rewards for having an active commute.

Vertas are introducing a low-carbon travel toolkit including a carbon calculator, public transport links, car sharing app and potential cost savings.

Vertas will introduce a cycle-to-work scheme along with the supporting infrastructure. This will include the salary sacrifice scheme as well as appropriate bike storage.

Vertas will introduce an electric vehicle support scheme which will help employees purchase electric vehicles at a reduced cost. They will also implement EV charging infrastructure at their sites.

Vertas will reduce the number of parking spaces at their sites to encourage the use of public transport.

Vertas will encourage the use of the companies EV pool car for site visits.

reduce Vertas commuting from 525.3 tCO2e to 52.5 tCO2e, a reduction of 90%.

**Waste
(Scope 3 Cat 5)**

Vertas plan to increase activity-based data collection to improve its footprint accuracy. This will include mandating waste data from their waste management company and measuring their waste footprint at all locations.




Setting SMART waste reduction targets. Vertas will set a goal of being zero to landfill by 2028.

With support from Vertas Group.

By 2028 and beyond.

These measures are designed to reduce Vertas waste emissions by 90% from their baseline of 7.5 tCo2e to 0.75 tCO2e.

2

		<p>Increase employee education, engagement and knowledge around waste. Vertas will leverage their green team to drive waste reduction plans, promote waste toolkits and share challenges.</p> <p>Vertas will develop a zero waste-to-landfill policy and create supporting infrastructure. This policy will be embedded in site operating procedure, suppliers will be selected based on their disposal streams, composting bins will be introduced, and personal waste bins will be removed.</p>				
	<p>Upstream Transportation & Distribution (Scope 3 Cat 4)</p>	<p>Improving tracking of supplier transport by collaborating with suppliers and updating terms and conditions in contracts.</p> <p>Encouraging optimisation of transport routes and schedules. Vertas will use route optimisation software, optimise product density in vehicles and dedicate a secure space at delivery sites for drop-offs.</p> <p>Vertas will encourage the use of lower carbon delivery vehicles. This will include encouraging decarbonised fleet for last-mile deliveries, engaging with suppliers and switching to rail freight for longer-distance deliveries.</p> <p>Incorporating carbon efficient delivery into procurement policy. Vertas will prioritise large orders from one supplier rather than small orders from multiple suppliers and ensure low-carbon delivery solutions are built into procurement contracts.</p>	<p>With support from Vertas Group.</p>	<p>By 2030 and beyond.</p>	<p>A combination of all these reduction measures are expected to reduce Vertas upstream transport emissions by 90% from 2022 to 2030. This would reduce Vertas emissions from 961.5 tCO₂e to 96.2 tCO₂e.</p>	<p>2</p>
	<p>Business Travel (Scope 3 Cat 6)</p>	<p>Prioritise usage of the electric vehicles in the pool when available.</p>	<p>With support from Vertas Group.</p>	<p>By 2030 and beyond.</p>	<p>This measure will help contribute to Vertas planned 90% reduction in business travel, taking their business travel emissions from 10.1 tCO₂e in 2022 to 1.01 tCO₂e in 2030.</p>	<p>3</p>

Declaration

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 use 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).

Signed



Ian Surtees MBA, FIoD

Group Chief Executive Officer (CEO)

18th November 2024



