

Civica UK Ltd.'s

Carbon Reduction Plan

February 2025





Civica UK's Commitment to achieving Net Zero Carbon

Civica UK Limited is committed to achieving net zero carbon emissions by 2040. This demonstrates our contribution to and support of the UK government's net zero target.

Our net zero commitment requires Civica to reduce our operational greenhouse gas (GHG) emissions to as close to zero as possible by 2040, and then to use carbon offsetting/ sequestration to mitigate our residual emissions from essential business operations. This year, we've expanded the scope of our net zero target to include emissions from our supply chain, and employee commuting. Although this document covers Civica UK's performance relating to our net zero commitments, Civica's net zero commitment is global, and, therefore, our future short/ mid-term decarbonisation targets will be set at a Civica Group level.

Current Reporting Year – FY 2023/24 GHG Emissions Footprint

Civica UK's greenhouse gas emissions for our 2023/24 year (1st October 2023 – 30th September 2024) are presented below. These are the emissions resulting solely from our UK operations. GHG emissions have been calculated following the best practice methodology set out by the GHG Protocol. Scope 1 and Scope 2 GHG emissions have been calculated in accordance with existing Streamlined Energy and Carbon Reporting requirements (SECR) which mandates reporting of Civica's GHG emissions on an annual basis.

Scope 1 emissions are defined as those from sources directly owned or controlled by Civica, whilst Scope 2 emissions are caused indirectly from purchased energy. Scope 3 are indirect emissions that occur as a result of Civica's operations, whilst not being owned or controlled by Civica. All results are presented in tonnes CO₂e (carbon dioxide equivalent).



2023/24
GHG
Emissions
split by
source and
reporting
scope

Reporting Scope	GHG Emissions Category (GHG Protocol)	GHG Emissions Source	2023/24 GHG Emissions (tonnes CO ₂ e)	% of GHG Emissions
Scope 1	Direct GHG Emissions	Natural Gas	119.18	0.6%
		Company Cars	79.51	0.4%
		Fugitive Emissions (F-Gas)	20.97	0.1%
Scope 2	Energy Indirect GHG Emissions	Electricity (Generation)	263.32	1.3%
		Company Cars – EVs	0.23	0.001%
Scope 3	Category 1: Purchased Goods and Services	Procurement	18,289.65	91.2%
	Category 6: Business Travel	Air Travel	778.47	3.9%
		Grey Fleet/Hire Car Use	227.04	1.1%
	Category 7: Employee Commuting	Employee Commuting	127.74	0.6%
	Category 6: Business Travel	Rail Travel	60.98	0.3%
		Hotel Stays	60.04	0.3%
	Category 3: Fuel and Energy Related	Grid Electricity (TandD)	23.27	0.1%
	Category 6: Business Travel	Taxi Travel	5.84	0.03%
	Category 5: Waste Generated in Operations	Water	2.09	0.01%
		Waste	1.54	0.02%
Category 6: Business Travel	Bus Travel	0.34	0.002%	
Total GHG Emissions (tonnes CO ₂ e)			20,060.21	--
GHG Emissions per £M turnover and per employee (tonnes CO ₂ e)			49.47	8.37

Civica UK Limited % split of GHG emissions by source (FY 2023/24 - tCO₂e)

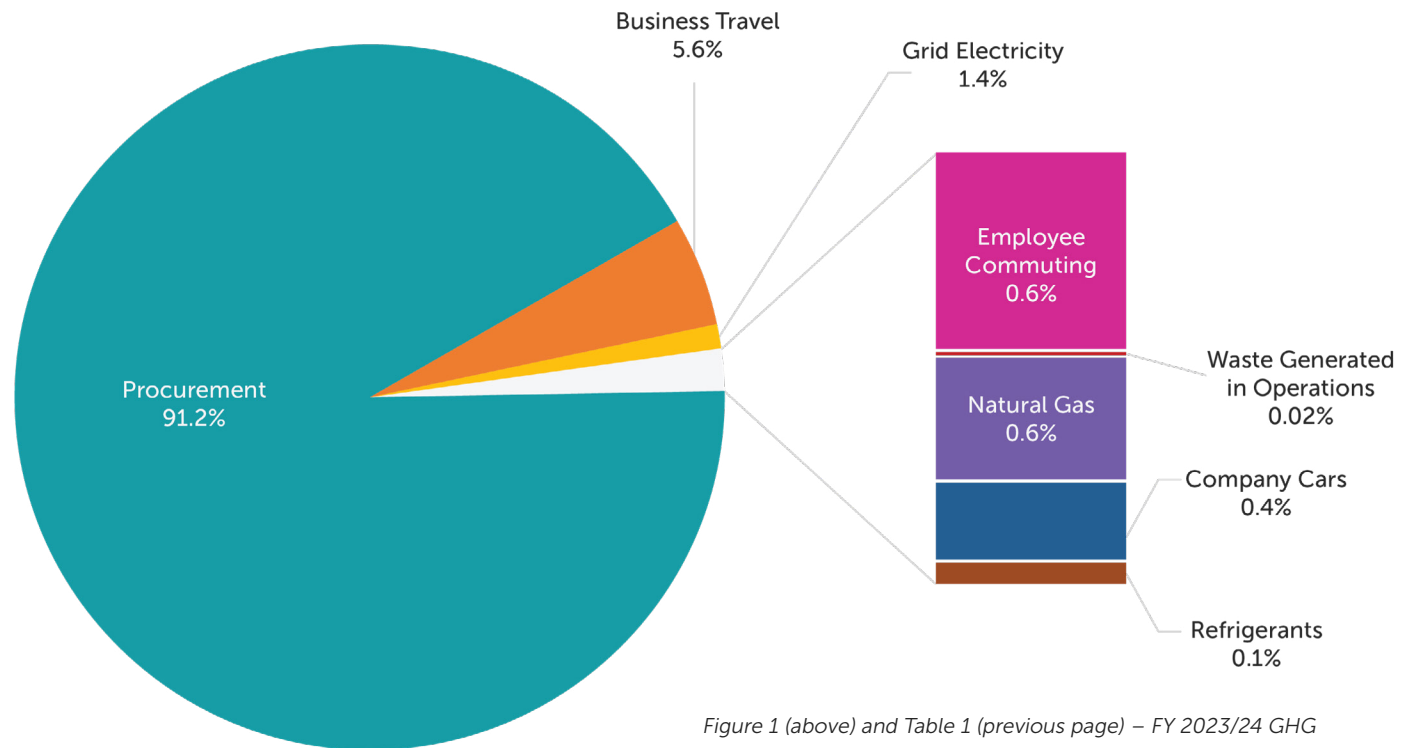


Figure 1 (above) and Table 1 (previous page) – FY 2023/24 GHG emissions

Key Commentary:

- GHG emissions for this reporting year include purchased goods and services (labelled as procurement) which includes upstream and downstream transportation activities.
- GHG emissions from our wider supply chain (Procurement) account for the majority of our total emissions (91.2%). We recognise this is a key reduction priority and has been included within the scope of our net zero target from FY23/24.
- Business travel (which includes grey fleet mileage, air/rail/taxi travel, public transport, and hotel stays) collectively accounts for 5.6% of our FY 2023-24 GHG emissions. Emissions from this source will fluctuate year-on-year but are likely to continue to represent a material proportion of our GHG emissions moving forward.
- Utilities consumption across our offices (electricity, natural gas, fugitive emissions (refrigerants/F-Gas), waste, and water) accounts for 2.1% of our 2023-24 UK emissions footprint.

Comparison of Baseline and Current GHG Emissions

A comparison against our previous year's GHG emissions footprint is presented in the table below. During this period, Scope 1 emissions have increased across natural gas and refrigerants (natural gas influenced by data availability and resultant benchmarking), while company car emissions have decreased. Meanwhile, we have reduced our Scope 2 emissions related to energy use by optimising our property estate, and via installation of energy-efficient building upgrades e.g. solar PV, LED lighting. Although our baseline year is 2022/23 (chosen due to Group global emissions data availability), it should be noted that Civica UK has seen consistent year-on-year decreases in overall Scope 1 and 2 property emissions since 2020/21, amounting to a 24% reduction over the four-year period.

Civica's Scope 3 emissions have been reduced by approximately 9%, primarily due to a decrease in supply chain emissions stemming from reduced spending. We anticipate continuing this reduction in supply chain emissions for the coming years by focussing on collaborating with suppliers with a net zero commitment in place.

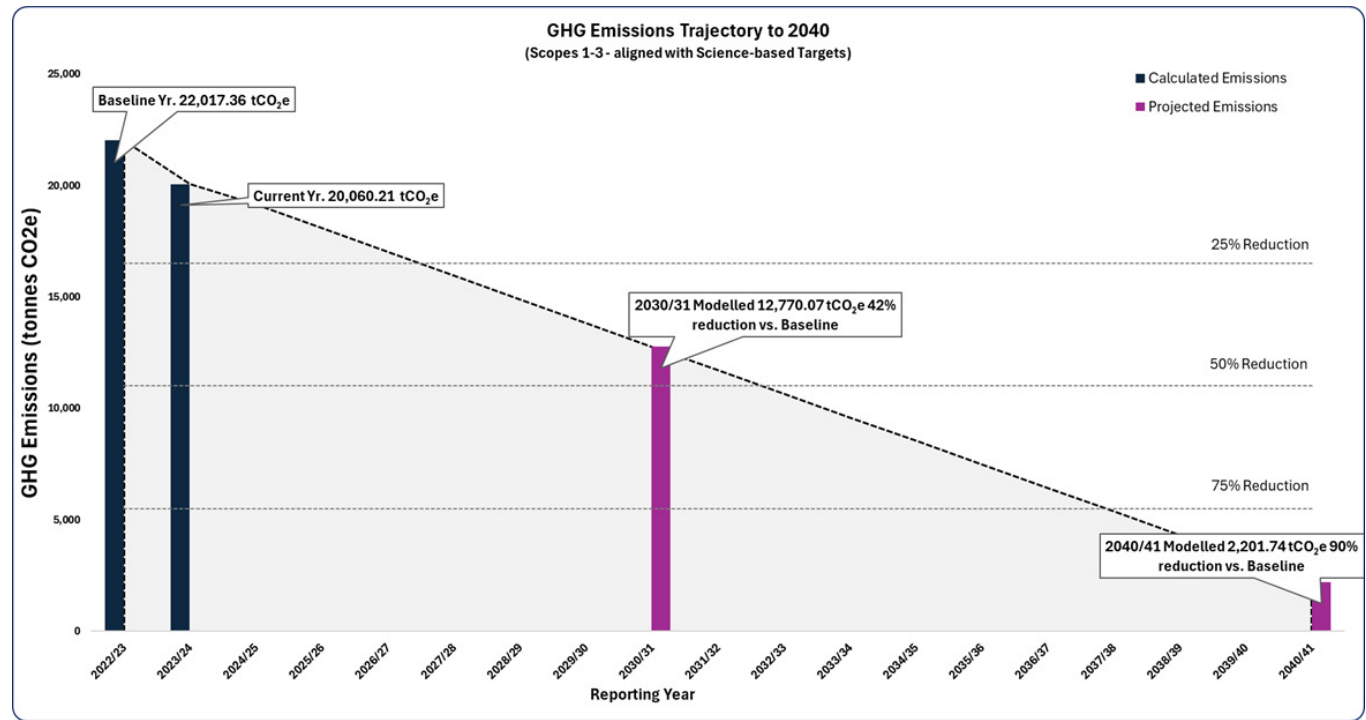


GHG Emissions Comparison				
Reporting Scope	Reporting Category (GHG Protocol)	Element of Footprint	FY 2022/23 GHG Emissions	FY 2023/24 GHG Emissions
Scope 1 (Direct GHG Emissions)	Stationary Combustion	Natural Gas	98.62	119.18
	Mobile Combustion	Company Cars*	92.30	79.51
	Fugitive GHG Emissions	Refrigerants (F-Gas)	10.85	20.97
Total Scope 1 GHG Emissions (tCO ₂ e)			201.77	219.66
Scope 2 (Energy Indirect GHG Emissions)	Energy Generation	Grid Electricity (Generation)	308.19	263.32
		Company Cars – EVs	0.27	0.23
Total Scope 2 GHG Emissions (tCO ₂ e)			308.46	263.55
Scope 3 (Other Indirect GHG Emissions)	Category 1: Purchased Goods and Services	Procurement	20,057.22	18,289.65
	Category 6: Business Travel	Air Travel	763.69	778.47
		Grey Fleet/Hire Car Use	346.10	227.04
	Category 7: Employee Commuting	Employee Commuting	167.24	127.74
	Category 6: Business Travel	Hotel Stays	72.59	60.04
		Rail Travel	29.89	60.98
	Category 3: Fuel and Energy Related	Grid Electricity (TandD)	26.66	23.27
	Category 6: Business Travel	Taxi Travel	27.96	5.84
	Category 5: Waste Generated in Operations	Water	3.00	2.09
Waste		12.62	1.54	
Category 6: Business Travel	Bus Travel	0.16	0.34	
Total Scope 3 GHG Emissions (tCO ₂ e)			21,507.13	19,577.00
Total GHG Emissions (tonnes CO ₂ e)			22,017.36	20,060.21
GHG Emissions per £M turnover (tonnes CO ₂ e)			67.33	49.47
GHG Emissions per employee (tonnes CO ₂ e)			7.54	8.37

Please note that 2022/23 scope 1 company car emissions have been restated due to improved accuracy in the data collection methodology

Emission Reduction Trajectory

In FY24, Civica reviewed and updated our net zero commitment, and plan to define interim targets in FY25. We recognise that to achieve net zero we will have to mitigate our residual GHG emissions (i.e., those from unavoidable/essential operation of the company) through carbon offsetting and/or sequestration mechanisms. The below trajectory presents Civica UK's Scope 1, 2 and 3 emissions reduction pathways aligned with warming scenarios outlined by the Science Based Targets Initiative (SBTi) Absolute Contraction Approach. This trajectory aligns with the SBTi 1.5 Degree Warming Scenario. Civica is currently in the process of developing interim targets to monitor progress against our net zero target and will update our Carbon Reduction Plan and our trajectory chart accordingly once these have been agreed.



Shading denotes the gap between trajectory and zero GHG emissions and is used to provide an indication as to the magnitude of offsetting/sequestration required to achieve net zero.

This pathway recommends an approximate 42% reduction by 2030/31 aiming to achieve 90% reduction (net zero) by 2040. Anticipated residual emissions that will need to be offset to meet Civica's net zero commitment are shown in the remaining highlighted portion at the end of the trajectory (2040/41). This chart will be updated on an annual basis to show our progress against these reduction trajectories.

Carbon Reduction Projects

As a business, our greatest potential for impacting carbon emissions comes from the work we do with our customers, and the global reach of our products. Our software-based services are increasingly underpinned by energy efficient cloud-based technology, while our products routinely reduce property/power/travel/paper requirements, thus assisting our customers in improving their own carbon footprint. For example, our Civica Scheduling tool, which has been used to efficiently plan community nursing routes has supported one NHS District Nursing Team in delivering almost 5,000 more home visits over a six-month period, while simultaneously reducing overall mileage travelled, thus reducing carbon emissions.

Whilst our mission of delivering critical services to citizens around the world is a crucial one, we also acknowledge the importance of Civica's own carbon footprint.



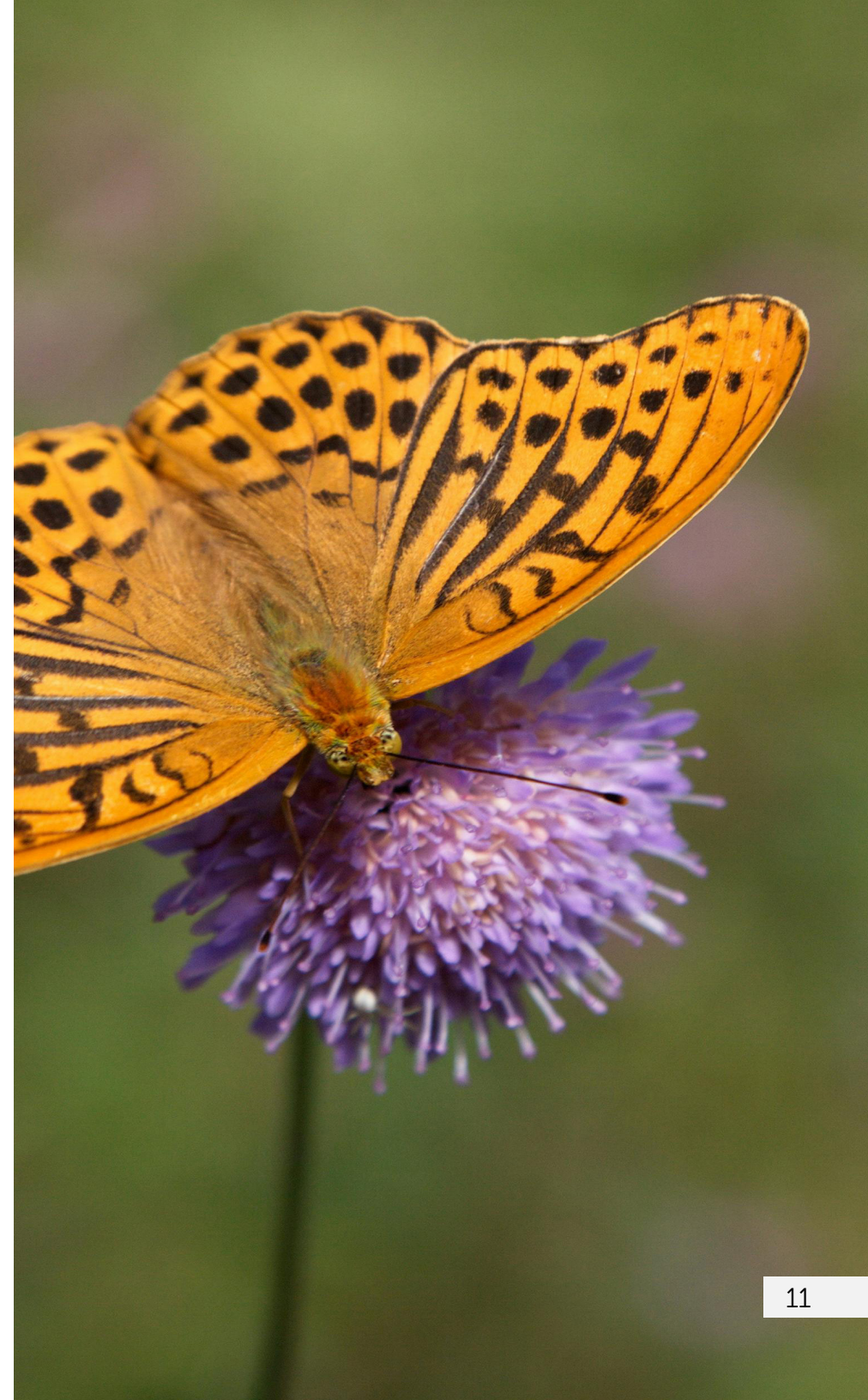


Completed Carbon Reduction Initiatives

Within Civica, the following environmental management measures and carbon reduction initiatives have been completed or implemented since the start of our baseline year:

- Installation of solar panels on the roof of our Dudley office. This provides Civica with on-site generation of renewable electricity for use in our building, while also allowing us to export fully renewable electricity back to the energy grid, contributing to grid decarbonisation.
- Installation of circa £1.25m of new, efficient production machinery at our most energy intensive site, reducing energy consumption, carbon emissions, and waste generation.
- Installation of energy efficient LED lighting throughout our Leeds office.
- We continue to align with all environmental legislation that relates to Civica UK, this is confirmed through audits of our compliance with ISO 14001. At our most recent audits, no environmental non-conformances were raised by our external auditors.
- Civica UK now only offers company cars that are petrol hybrid, or plug-in vehicles.
- Our colleagues are offered a Cycle to Work scheme to encourage low-carbon travel into our offices.

- To limit utility consumption, we have implemented more efficient scheduling of maintenance and cleaning regimes, thus reducing power usage out of hours.
- We continue to provide recycling facilities, reduce the use of single use plastics (including a shift from plastic to glass milk containers), provide timer switches for office devices, use cistern water saving devices in toilets and washrooms, discourage printing, and encourage mobile phone, battery, and printer cartridge recycling, and the use of FSC certified paper.
- We have reviewed our recycling facilities to confirm that they are optimal and split waste streams are available to ensure recycling.
- Our "Days of Difference" program allows our employees to contribute 3 days of their work time to charity or community causes which could be environmental or conservation based. Activities that Civica colleagues have engaged in during our 2024 financial year include litter picking, weeding and planting, assistance with allotments and sharing of locally grown produce.
- We continue a hybrid approach to working for all our staff, which reduces travel emissions through reduced commuting.
- During refurbishments, our teams ensured environmental considerations were a priority, identifying environmentally friendly solutions both in terms of the fit-out of the office and the disposal of waste generated during works. These measures included the recycling of carpet, the selection of environmentally friendly building materials, and the installation of LED lighting with PIR sensors as standard.





- In 2024, we expanded our supplier questionnaire to include more questions on environmental topics, allowing us to more effectively ascertain and evaluate the environmental credentials of our potential suppliers. The environmental impact of our supply chain is important to us, and as a result we prefer to work with suppliers who can demonstrate they are taking active steps to address their impacts. For example, we work with a number of suppliers who provide carbon offsets as part of our paper purchasing.
- In 2022, we launched a 'Civica Forest', in which we planted trees in partnership with Rewards.Earth in their locations around the UK. Rewards.Earth employed the Green Task Force to conduct this planting. The Green Task Force uses Nature Based Therapy to help veterans overcome PTSD, and so in planting our trees we were not only supporting the environment, but also supporting UK veterans in gaining long term employment and nationally recognised qualifications.
- We continued to support our customers in their adoption of cloud technology and are actively expanding our cloud-based solutions offering. Customers who have transitioned to our Azure-hosted cloud solutions benefit from Microsoft's carbon-neutral status and commitment to becoming carbon negative by 2030. This shift has helped our customers reduce their dependence on less efficient technologies. Some of our products are hosted in Amazon Web Services Cloud (AWS) which uses data centres with low power usage effectiveness and 100% renewable electricity.

Potential Carbon Reduction Initiatives

Over the next 12 months we will be considering the following initiatives:

- Solar panel installations at our Clarendon Road site.
- LED light installations at our Clarendon Road and Crayford sites.
- Use of renewable electricity tariffs at properties where electricity contracts are controlled by Civica.
- Review and implementation of water reduction programs at UK owned premises.
- Evaluating options for HVAC efficiency improvements at owned facilities.



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, using the appropriate Government emission Conversion Factors for GHG 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 from 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 ON BEHALF OF CIVICA UK LTD:



Martin Franks
Chief Financial Officer
Civica UK Ltd.

Date: 8th Jan 2025