

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 entity 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 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.

Carbon Reduction Plan Template

Supplier name:Pareto Facilities Management Ltd

Publication date:January 2025.....

Commitment to achieving Net Zero

Pareto Facilities Management Ltd is working with Planet Mark to achieve Net Zero, aligning with the UK Government's goal to cut emissions by 68% by 2030 and reach Net Zero by 2050. In November 2024, Pareto took its first major step by achieving the Planet Mark Business Certification, marking the beginning of a journey towards eliminating carbon emissions, improving energy efficiency, transitioning to sustainable operations, and supporting renewable energy solutions—all in line with national Net Zero targets.

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: 2020		
Additional Details relating to the Baseline Emissions calculations.		
Emissions based on Scope 1 (Building & Company Vehicles), Scope 2 (Utilities for Buildings), Scope 3 (Indirect commuting)		
Baseline year emissions: 192.23 tCO ₂ e		
EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	Buildings - Tonnes of CO2e Energy Type – 2.0 Company Vehicle Fuel - Tonnes of CO2e Fuel Details - 3.3	
	Total – 5.5	
Scope 2	Utilities - Tonnes of CO2e Energy Type – 2.4 Total – 2.4	
Scope 3 (Included Sources)	Upstream transportation and distribution - 0 Waste generated in operations - 0	

Total Emissions	Total – 184.33
	Business travel – 9.8 Employee commuting – 174.53 Downstream transportation and distribution - 0

Current Emissions Reporting

Reporting Year: January 2024	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	Buildings - Tonnes of CO2e Energy Type – 0.0
	Company Vehicle Fuel - Tonnes of CO2e Fuel Details – 48.5
	Total – 48.5
Scope 2	Utilities - Tonnes of CO2e Energy Type – 0
	Total – 0
Scope 3	Business travel – 0.51
(Included Sources)	Employee commuting – 385.2
	Total – 385.71
Total Emissions	433.7

*Pareto is a people services provider and does not create, transport or distribute goods. **Pareto is a people services provider and does not generate any direct waste. Any waste is directly with our clients, and they capture waste data. ***Pareto is a people services provider and does not create, transport or distribute goods

Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

- Move from head office premises to shared workspace locations thus reducing head • office emissions further
- Reduce commuter car usage by introducing cycle to work scheme. •
- Invest in a three-acre forest of 1600 trees in the UK to begin the long-term • investment in carbon storage

- Where applicable, transition client site based vehicles to electric.
- Partnering with Planet Mark to become certified in 2024 beginning the transition to Net Zero

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2020 baseline.

- Reduction in usage of Head Office to shared office space
- Reduction in international business travel
- Introduction of Electric/hybrid employee BIK travel scheme
- In 2023, Pareto took significant steps towards reducing its Scope 1 and 2 emissions, addressing residual emissions through investment in a UK regeneration project. The business partnered with The Future Forest Company, directing this investment towards Peatland Carbon Units (PCUs)—each representing the removal of one tonne of CO₂e through UK peatland restoration projects. As peatlands take years to fully rejuvenate, this initiative serves as a long-term investment in carbon storage and environmental regeneration.

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

- Move head office to a carbon neutral location.
- Continued investment in global & UK regeneration projects
- Encourage more employees to join the Sustainable Travel Scheme, supporting the shift towards electric and hybrid vehicles. By signing up, employees contribute to lower emissions, reduced travel costs, and a greener future, helping Pareto drive real change in sustainable commuting.

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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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

¹ <u>https://ghgprotocol.org/corporate-standard</u>

² https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

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:

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.....James Clarke.....

Pareto FM Chief Executive Officer.....

Date:31.01.2025.....

³ <u>https://ghgprotocol.org/standards/scope-3-standard</u>