'A Greener Future For All'

Our Carbon Reduction Plan 2025

ARCC-HR Ltd

Company registration: 09859800

Published date: 01 December 2024



Our commitment to achieving Net Zero

ARCC-HR is committed to achieving Net Zero emissions by 2034.

Baseline Emissions Footprint

As this is our first Carbon Reduction Plan, the baseline emissions recorded below are a record of the greenhouse gases that have been produced in the preceding 12 months (baseline year); and therefore, prior to the introduction of this plan. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline emission for 2024 (the period December 2023 – November 2024) utilise all scope 1 and 2 emissions, plus the following Scope 3 Emissions:

- Business Travel
- Purchase goods and services

Baseline Emissions:		TOTAL (tCO₂e)
Scope 1 [Direct]	Company facilities	Reported in scope 2
	Company vehicles	0.00
Scope 2 [Indirect]	Purchased electricity and heating	0.34
Scope 3 [Included Sources]	Leased assets	N/A
	Employee commuting	0.00
	Business travel	2.23
	Waste generated in operations	N/A
	Upstream transportation and distribution	Reported in PG&S
	Fuel and energy related activities	N/A
	Capital goods	Reported in PG&S
	Purchase goods and services (PG&S)	4.34
	Downstream transportation and distribution	N/A
Total Emissions		7.01

Emission Reduction Targets and Reporting

As this is a newly formed carbon reduction plan, 2024 represents our baseline year.

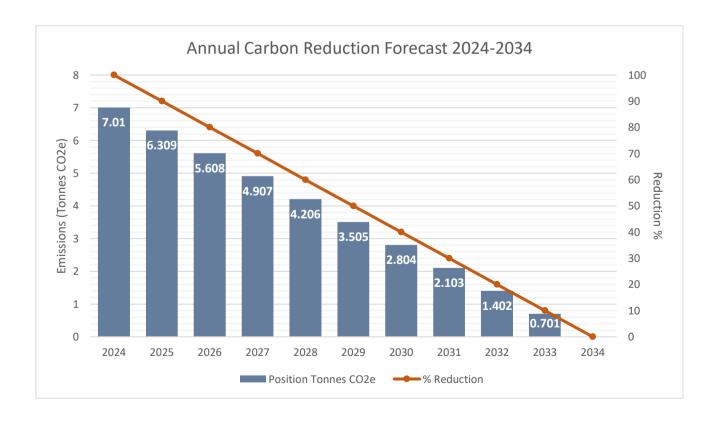
Our ambition is that carbon emissions will decrease over the next ten years to 0.7 tCO2e by 2034. This is a reduction of 90%. To keep ourselves on track to achieve Net Zero we have set the following short and long-term targets for currently measured emissions. We are aware that to achieve true Net Zero through absolute reduction in emissions, as defined by the Science Based Targets initiative (SBTi), we must achieve 90% reductions across our whole operational baseline once measured. In the future we may set employee intensity based reduction targets, however, we will await further guidance on this as SBTi is due to review target setting for SMEs in 2024.

Short to medium term (by 2030):

- Maintain Scope 1 emissions at 0 up to and beyond 2030.
- Procure 100% renewable electricity across all office spaces by 2030.
- Reduce measured scope 3 emissions by 10% a year, this will equate to a 60% reduction against our baseline year by 2030 and keeps us on track to achieve 90% reduction by 2034 (see below).

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2034.
- Neutralise any residual emissions using verified carbon offsets from 2034 onwards.



Annually, we will report on our emissions and progress in delivering the above ambition. Progress reports will be published on our website <u>here</u>.

Carbon Reduction Projects

The following environmental management measures and projects are in place to support a 10% reduction against the 2024 baseline by the next reporting period of December 2025. The following initiatives have been identified by the Board of Directors.



Energy Management

In 2023 we made a decision to consolidate our office space, reflecting the operating model required more onsite time with our clients. We will continue to support staff to work from home where possible, ensuring we are not consuming resources to furnish offices which are under-utilised and undertaking avoidable community. We recognise that staff being dispersed presents a challenge to enhancing operational efficiency; therefore, we will support staff with energy efficient loans to support modifications and energy-saving improvements to the home working space.



Reuse and Recycle

In 2024 we have seen significant progress in delivering a paperless workplace. Moving forwards we will focus our attention on the lifecycle of materials utilised in our business, with particular attention to the lifecycle of equipment such as computers and mobile phones. As a small business we are not significant consumers of equipment; however, we feel more can be done to consciously recycle or repurpose equipment which is coming to the end of its functional life-cycle. This includes donating to organisations and individuals in need to support our corporate social responsibility ambitions. We will actively consider the energy efficiency of new equipment.



Supply Chain

To address the impact of emissions beyond our direct operations, we will establish more robust assessment and monitoring of our supply chain, ensuring that Climate Pledge Friendly certification and credentials form an integral consideration (beyond price). We will also be more considerate in reducing the number of transactions of goods, buying in bulk (where appropriate) and from local suppliers to limit delivery mileage.



Employee Engagement

Linked to the above, as part of our net zero ambition, we recognise the importance of engaging with our people in reducing carbon emissions and are committed to building their awareness of the company's sustainability journey; embracing suggestions as to how we can reduce our environmental footprint. One such example is communicating the benefits of switching to a renewable home energy supplier. We will also promote flexible working, allowing staff to take the time to sustainably undertake school drop off and pick up where necessary.



Business Travel

Building and maintain strong relationships with our clients is key to delivering successful services. As a result, a significant proportion of our time will be required travelling to clients. In order to minimise the impact of this operating model our we will be considerate of the following:

- i. If the travel is essential and whether the meeting can be undertaken using virtual platforms, we will continue to invest in remote technology to support virtual meetings and intelligent conference planning.
- Our travel policy mandates that alternatives to flights should be sought wherever possible, with a preference for public transport and rail travel wherever practicable.
- iii. We recognise that business mileage will be a necessary part of day-to-day operations; therefore, we will accelerate change by transitioning to renewable energy, such as the use of electric vehicles in place of internal combustion engines (ICE).

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 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.

Signed on behalf of ARCC-HR Ltd:

Managing Director

Peter Clarke

13 December 2024

¹https://ghgprotocol.org/corporate-standard

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

³https://ghgprotocol.org/standards/scope-3-standard



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