[*Clarasys*]

Carbon Reduction Plan 2024

[Foreword]

At Clarasys, we are purpose-driven in the way that we deliver our consultancy services. For us, this means ***making a lasting difference to the way people work, live and grow***.

We believe that the most impactful way that we can deliver on our purpose in the context of the climate crisis is to leverage our skills and experience to shape our clients' people, organisations, products and services and wider system to ensure the ongoing success of society, the planet and the economy.

We are also committed to ambitious action on climate within our own operations and supply chain. At the start of 2024, we had our net-zero target validated by the Science Based Targets initiative (SBTi), covering scope 1, 2 and 3.

This Carbon Reduction Plan provides an overview of our latest greenhouse gas (GHG) inventory, progress against our targets and our focus for next steps. GHG emissions are measured in tonnes of carbon dioxide equivalent (tCO2e)

We are *science-based*

Our near-term commitment

Clarasys commits to reduce scope 1 and scope 2 GHG emissions 42% by **2030** from a 2022 base year, and to measure and reduce its scope 3 emissions.

Our net-zero commitment

Clarasys commits to reach net-zero by 2040. As part of this, Clarasys commits to reduce scope 1+2+3 emissions 90% by **2040** from a 2022 base year.

[CLARASYS]

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Our 2024 emissions

An overview of our emissions for the 2024 reporting year (January - December) and breakdown across scope 1-3 and key activities.

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Summary of the governance of our carbon reporting and net zero strategy, as well as the focus areas for emissions reduction.

1.

Our 2024 emissions

An overview of our emissions for the 2024 reporting year (January - December) and breakdown across scope 1-3 and key activities.

[Key Takeaways]

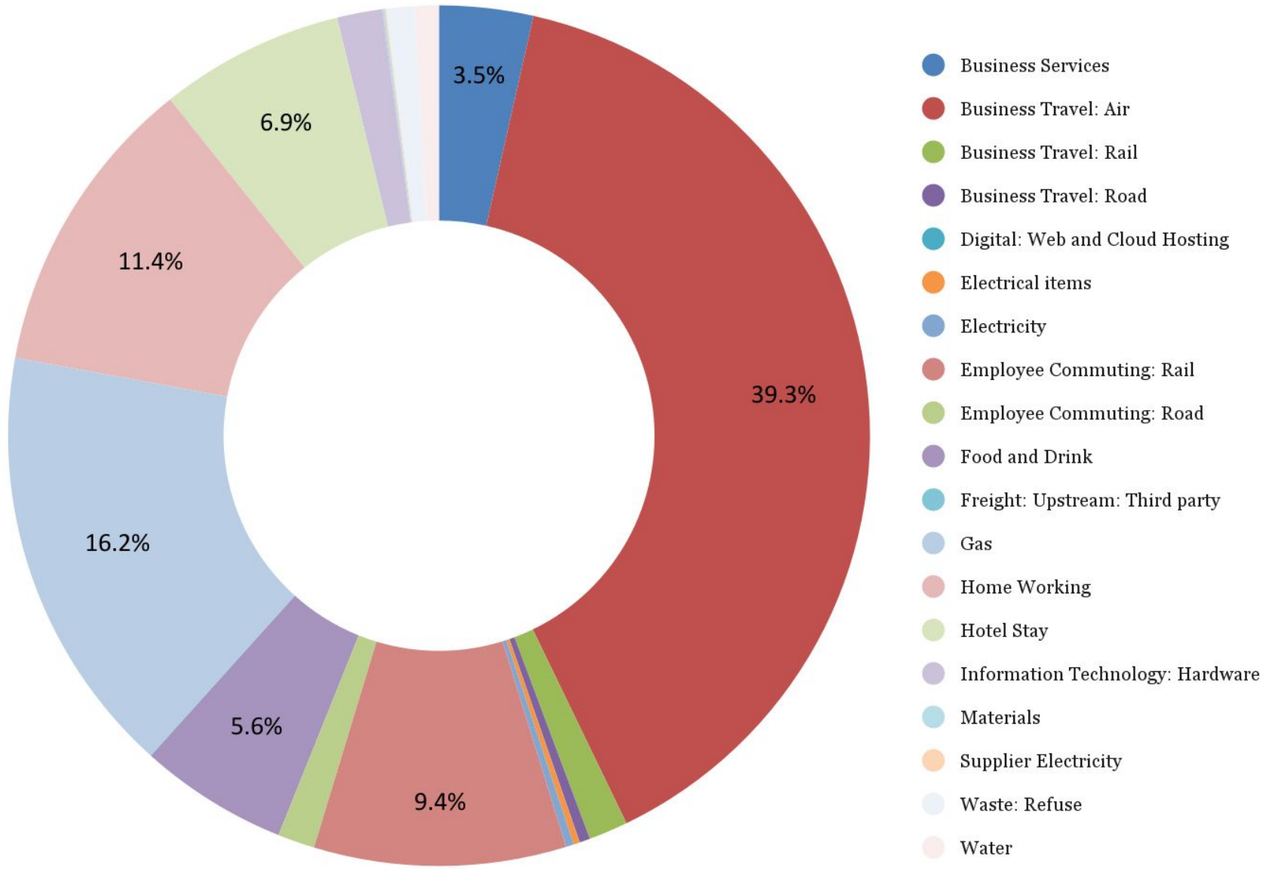
- **The majority of our emissions fall under scope 3 (90%)** - specifically, business air travel and purchased goods and services (furniture, food and drink, facilities management).
- **Scope 3 emissions** have **decreased by 23%** between 2023 and 2024, from **364 tCO_2e to 280 tCO_2e (market-based)**. A significant portion of the 2023 emissions was attributed to **one-off activities** related to our London office move, including the purchase of **furniture, and electrical equipment** which did not recur in 2024.
- **Scope 2 emissions** (electricity) **dropped to zero** on a market-based basis, indicating a full transition to **renewable electricity procurement**, though **location-based emissions remain at 10.62 tCO_2e**, reflecting the grid average in our region.
- **Business air travel emissions increased by approximately 141%** from 2023 to 2024 **due to project demand, predominantly flights between our London and Boston (US) offices.**
- **Our Scope 1 emissions** (gas consumption at our offices) have **decreased from 18.01% to 16% of our total emissions**, representing a **reduction of approximately 11%**. This is assumed to be the result of **improved energy efficiency** in our London office, particularly through **more efficient heating and hot water systems**.
- The most significant reduction is in our **scope 2 emissions (electricity consumption at our offices), which has decreased by 87%** owing to a switch to 100% REGO-backed renewable electricity supply at our London office.

[Methodology]

We have calculated our carbon footprint for 2024 in accordance with the Greenhouse Gas (GHG) Protocol Standard for scope 1 and 2 emissions, as well as the Corporate Value Chain (Scope 3) Standard and Scope 3 Calculation Guidance for Scope 3 emissions. We have accounted for emissions within our operational boundary using the Operational Control methodology, as this best reflects Clarasys' actual ability to influence carbon emission reductions.

To calculate our emissions, we have used the CompareYourFootprint (CYF) tool, which adheres to the GHG Protocol and uses the UK Government's latest carbon factors for our UK-based operations and the GHG Protocol average data method for our US-based operations. Emissions are measured in tonnes of carbon dioxide equivalent (tCO2e).

We are tracking progress against out SBTi target using market-based emissions, however we have provided our location and market-based emissions to the right for transparency.



2024 emissions	Market-Based	Location-Based
Scope 1	34.045	34.045
Scope 2	0.000	10.620
Scope 3	280.022	241.250
TOTAL	**314.067**	**285.914**

2.

Progress against targets

Where we are in relation to our science-based near-term and net-zero targets.

[Progress against targets]

[CLARASYS]

Clarasys set the following science-based targets in 2023 which is guiding our action:

- **short-term**: to reduce operational (scope 1+2) emissions 42% by 2030 from a 2022 base year.
- **long-term**: to achieve net-zero emissions covering Scope 1, 2 and 3 emissions by 2040 from a 2022 base year.

Summary:

Our total emissions have decreased by 2.65% (-8.67 tCO_2e) compared to our baseline reporting year of 2022.

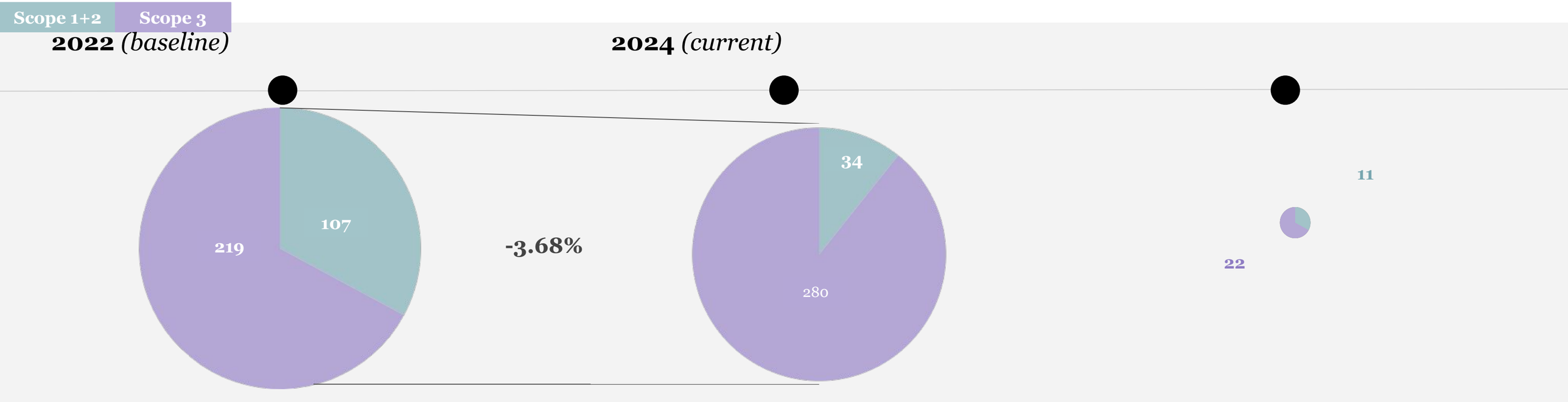
Scope 1 & 2 emissions decreased by 68.27% (-73.26 tCO_2e)

Scope 3 emissions increased by 29.46% (+64.6 tCO_2e)

As shown on the timeline below, our overall emissions in 2024 have **decreased by 2.65%** compared to our 2022 baseline, equating to a reduction of **8.67 tCO_2e**. This modest decrease masks more significant shifts within individual scopes: our **scope 1 and 2 emissions have fallen by 68.27%** (a reduction of **73.26 tCO_2e**), reflecting continued efforts to decarbonise our operations. Meanwhile, **scope 3 emissions have increased by 29.46%** (**+64.6 tCO_2e**) since 2022, highlighting the growing impact of our value chain.

It's worth noting that emissions peaked in 2023, with overall emissions rising to **469 tCO_2e—a 44% increase on the 2022 baseline**. This spike was largely driven by a temporary surge in **scope 3 emissions**, particularly from **purchases related to our London office relocation**, estimated to account for **around 82 tCO_2e** of the increase.

In 2024, we have seen a **significant recovery**, with emissions falling by **151 tCO_2e** (or **32.21%**) from 2023. This reduction suggests that the 2023 peak was partially due to one-off factors. However, categories such as **business air travel** (up **28.09%** from 2023) and **food and drink** continue to contribute to our footprint and will be prioritised as emissions reduction hotspots over the coming year to keep us on track toward our net-zero target.



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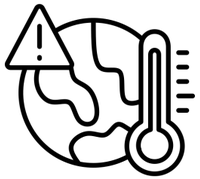
Emissions reduction and governance

Summary of the governance of our carbon reporting and net zero strategy, as well as the focus areas for emissions reduction.



[Emissions reduction priorities]

We believe that reducing the impact of our own activities to mitigate the effects of the climate crisis is central to being a truly purpose-driven company. To this end, we will continue reviewing and developing our net-zero actions based on increasingly accurate data and insights. As it stands, the priority measures we will be implementing in the future include:

- **Sustainable travel policy**
  We will design and implement a sustainable travel policy that empowers our people with the knowledge, guidance, and tools needed to make lower-impact choices when undertaking business travel.
- **Food and drink**
  We will assess the potential carbon savings of offering vegetarian and/or vegan-only catering options at office events. As part of this, we will identify key “hot spot” events where these options can be piloted.
- **Improving data quality and automation**
  We will continue to align our carbon reporting needs with internal systems to improve data accuracy and reliability. Where possible, we will automate data collection to enhance efficiency and reduce manual intervention.

[Governance]

This Carbon Reduction Plan has been created in accordance with Procurement Policy Note (PPN) 06/21 Technical standard for Completion of Carbon Reduction Plans. As per PPN 06/21, it will be provided when responding to in-scope Central Government procurement (subject to the Public Contracts Regulations 2015 and contracts in excess of £5 million per annum).

Greenhouse gas emissions, reductions of greenhouse gas emissions and removals of greenhouse gas from the atmosphere have been measured in tonnes of carbon dioxide equivalent (CO_2e) using the appropriate conversion factors published by the Department for Business Environment and Industrial Strategy (BEIS). A “tonne of carbon dioxide equivalent” means one metric tonne of carbon dioxide or an amount of any other greenhouse gas with an equivalent global warming potential.

The CRP will be reviewed and updated annually, and uploaded to a prominent location on the Clarasys website for public scrutiny. This will be owned by a new operations function in Clarasys with formal accountability to deliver on our targets. The CRP has also been approved by Clarasys’ CEO, Matt Cheung, to demonstrate a clear commitment to emissions reduction at the highest level.