

## 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<sup>1</sup> 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 CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance, and all of the following criteria are met:

- the bidding entity is wholly owned by the parent
- the commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity
- the environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract
- the CRP is published on the bidding entity's website

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure to satisfy this particular condition of participation.

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

**Supplier name:** Sterling Computers Corporation (UK) Ltd ("Sterling")

**Publication date:** May 20, 2025

## Commitment to achieving Net Zero

Sterling is committed to achieving Net Zero emissions by 2050.

### 1. 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.

This report establishes Sterling's baseline emission framework. This framework outlines the measures taken to quantify and mitigate our environmental impact. As this is our first year of carbon footprint reporting, we are creating an emission baseline aligned with UK government sustainability guidelines.

### 2. Baseline Emissions Commentary

Prior to this reporting period, our organization had no formal emissions reduction commitments and did not track Scope 3 emissions (business travel, supply chain, and waste management). Due to organizational restructuring and business needs, we are establishing a baseline that enables accurate benchmarking for future reduction targets.

### 3. Scope of Emissions Assessed

#### Scope 1 – Direct Emissions (Not Applicable)

- Sterling's office for the baseline period is a shared workspace, we therefore do not directly manage heating, cooling, or fuel consumption.

#### Scope 2 – Indirect Energy Emissions

- **Electricity Consumption:** We rely on the landlord's power infrastructure, using their supplied utilities.
- **Renewable Energy Usage:** Any green energy initiatives implemented by the landlord may contribute to reduction efforts.

#### Scope 3 – Indirect Business Activities

- **Business Travel (Flights, Trains, Bicycle, Walking, Cars):** Employee business travel emissions.
- **Office Commuting:** Employee commute and means of transportation.
- **Office Waste Management:** Shared waste disposal processes, including recycling initiatives.

### 4. Data Collection & Calculation Methodology

- **Employee surveys:** Employee reporting on daily commuting
- **Employee Survey's:** Employee reporting of business travel with manager's validation of travel
- **Utility Data from shared office space Location:** Requested energy reports from the landlord to assess electricity use.
- **DEFRA Emission Factors:** Standardized carbon measurement for business travel and procurement.
- **Carbon Accounting Tools:** copilot, myclimate Flight CO<sub>2</sub> Calculator, UK Government Carbon Calculator tools.

## 5. Baseline Emissions Findings

Based on our initial assessment, our estimated **Scope 2 and Scope 3 emissions** are:

- **Electrical Usage** Category 1, Scope 2
- **Office commuting** Category 7, Scope 3
- **Business Travel** Category 6, Scope 3
- **Shared Office Waste Management** Category 5, Scope 3

## 6. Emission Reduction Strategies

Since we operated in a shared workspace, our reduction efforts were focused on:

- **Encouraging Sustainable Travel:** Promoting rail use and promoting virtual meetings rather than traveling for in-person meetings.
- **Reducing Office Waste:** Implementing a no print policy to encourage paperless workflows and improving recycling habits.
- **Obtaining our own premises:** Begin green energy initiatives to optimize energy, smart office features, and eco-friendly resources.

## 7. Next Steps & Future Reporting

- **Set Annual Reduction Targets:** Define goals for Scope 3 emission reductions.
- **Enhance Employee Awareness:** Promote sustainable practices among staff.
- **Review & Update the CRP:** Annual assessments for improved tracking.

**Baseline Year: 2025**

### Additional Details relating to the Baseline Emissions calculations.

Sterling is committed to reduction of carbon emissions and has begun the process with reporting this year. This Carbon Reduction Plan (CRP) outlines the baseline emissions, establishing a foundation for future carbon reduction initiatives. Sterling's office, which operates within a shared office space is located Manchester, UK. Given the nature of co-working environments, this plan focuses on indirect emissions, business travel, and sustainable workplace practices. As we initiate reporting, we aim to measure and mitigate our environmental impact across various operational areas, including business travel, employee commuting, energy consumption, and waste management.

For our inauguration of emissions reporting, we are establishing a baseline aligned with UK sustainability guidelines. Scope 1 emissions (such as direct fuel combustion and HVAC systems) are not applicable since energy consumption are managed by a shared workspace environment. However, we are on track to report for Scope 2 (indirect energy use) and Scope 3 (business activities) emissions, including business travel, employee commuting, waste disposal, and procurement. This plan serves as an initial benchmark for future reduction efforts.

**Baseline year emissions: 2025**

**EMISSIONS**

**TOTAL (tCO<sub>2</sub>e)**

**Scope 1**

**0**

<b>Scope 2</b>	<b>1.278</b>
<b>Scope 3</b> (Included Sources)	<b>30.228</b>  <b>1. Employee Commuting (Category 7):</b> Conducted an Employee Survey form on daily commute, means, type of transportation and number of days in office. Input data in excel and calculated with Copilot carbon footprint calculator, and ORR.gov <b>Total emissions: 7.26</b> metric tons CO <sub>2</sub> e <b>Covers:</b> Train, car, and walking for daily travel to work  <b>2. Business Travel (Category 6):</b> Conducted an Employee Survey form on trips and destinations to include itinerary. Data was calculated with Copilot carbon footprint calculator <b>Total emissions: 19.52</b> metric tons CO <sub>2</sub> e <b>Covers:</b> Flights for work-related purposes  <b>3. Waste Generation (Category 5)</b> Information received from Landlord from bill information. Verified data with UK government regulation usage amounts. <b>Total emissions: 3.448</b> metric tons CO <sub>2</sub> e <b>Covers:</b> Disposal, treatment, and recycling impact
<b>Total Emissions</b>	<b>31.506</b>

### Current Emissions Reporting

Reporting Year: 2025	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
<b>Scope 1</b>	<b>0</b>
<b>Scope 2</b>	<b>1.278</b>
<b>Scope 3</b> (Included Sources)	<b>30.228</b>  <b>1. Employee Commuting (Category 7):</b> Conducted an Employee Survey form on daily commute, means, type of transportation and number of days in office. Input data in excel and calculated with Copilot carbon footprint calculator, and ORR.gov <b>Total emissions: 7.26</b> metric tons CO <sub>2</sub> e <b>Covers:</b> Train, car, and walking for daily travel to work  <b>2. Business Travel (Category 6):</b> Conducted an Employee Survey form on trips and destinations to include itinerary. Data was calculated with Copilot carbon footprint calculator <b>Total emissions: 19.52</b> metric tons CO <sub>2</sub> e

	<p><b>Covers:</b> Flights for work-related purposes</p> <p><b>3. Waste Generation (Category 5)</b> Information received from Landlord from bill information. Verified data with UK government regulation usage amounts.</p> <p><b>Total emissions: 3.448</b> metric tons CO<sub>2</sub>e</p> <p><b>Covers:</b> Disposal, treatment, and recycling impact</p>
<b>Total Emissions</b>	<b>31.506</b>

### Emissions reduction targets

Sterling has had no prior plan for emission reductions. This Carbon Reduction Plan (CRP) is our first formal assessment of our carbon footprint. As part of Sterling's commitment to achieving Net Zero, we have adopted the following five-year carbon reduction targets to guide our progress:

#### 1. Energy Efficiency & Renewable Energy Integration

- Secure own premises.
- Encourage the use of energy-efficient devices and workspace optimizations.

#### 2. Sustainable Business Travel Policies

- Reduce business travel emissions by promoting virtual collaboration.
- Implement an annual review of employee travel emissions to track progress.

#### 3. Waste Reduction & Circular Economy Practices

- Reduce office waste emissions through improved recycling programs.
- Encourage a paperless work environment and sustainable procurement practices.

#### 4. Supply Chain & Vendor Emissions Accountability

- Incorporate sustainable materials in office supplies and procurement policies.

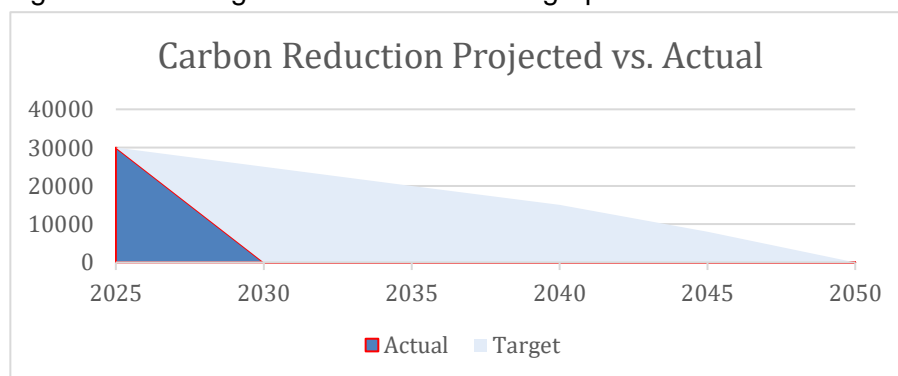
#### 5. Carbon Offsetting & Employee Engagement

- Engage employees in sustainability awareness programs to promote a green office culture.

Our progress will be reviewed annually, with updated reporting and strategies based on emission trends and new opportunities for reduction. This structured approach ensures we align with UK Net Zero goals while fostering a sustainable business model for the future.

We project that carbon emissions will decrease over the next five years to 25tCO<sub>2</sub>e by 2030. This is a reduction of 20%.

Progress against these targets can be seen in the graph below:



## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2025 baseline. The carbon emission reduction will be measured against the 2025 baseline and in effect when performing the contract.

We do not have a previous history of completed carbon reduction projects, as we begin Sterling's Carbon Reduction Plan (CRP) reporting this year. However, as part of Sterling's commitment to environmental sustainability, we have begun implementing foundational measures to support long-term emissions reductions.

As part of our ISO 14001 compliance, we will be implementing key sustainability initiatives, including:

- **Energy Efficiency Improvements:** Optimizing office lighting and equipment usage to reduce electricity consumption.
- **Waste Management & Recycling:** Following structured waste disposal protocols, increasing recycling rates and reduction of landfill waste.
- **Sustainable Procurement Practices:** Prioritizing vendors with strong environmental commitments.
- **Carbon Accounting & Reporting:** Using DEFRA-compliant methodologies and UK.gov guidelines to assess emissions accurately.

### Future carbon reduction initiatives

As we transition to a privately operated office, we will develop a comprehensive emissions reduction plan, focusing on areas where we can directly influence sustainability outcomes.

#### 1. Energy Efficiency & Renewable Energy Integration

- Reduce office electricity emissions through energy-efficient equipment and smart power management.
- Optimize HVAC systems for better temperature control and energy savings.

#### 2. Sustainable Business Travel Policies

- Reduce business travel emissions by increasing remote collaboration tools.

#### 3. Waste Reduction & Office Sustainability

- Ensuring digital-first document management.

#### 4. Low-Carbon Transportation

- Promote public transit/railways, walking, carpooling, and biking incentives for staff travel.

#### 5. Carbon Offsetting & ESG Commitment

- Conduct annual carbon audits to measure reduction progress and refine sustainability strategies.

With direct control over our energy consumption, travel policies, and office operations, this transition allows us to take greater accountability in our progress toward Net Zero.

**Declaration and Sign Off**

This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standards 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.

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<sup>3</sup>.

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:**

  
\_\_\_\_\_  
Signature

May 14, 2025

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Date

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