

Carbon Reduction Plan

Supplier name: KRCS Group Limited

Publication date: 5/12/2025

Commitment to achieving Net Zero

KRCS Group Limited committed to achieving Net Zero emissions by 2050.

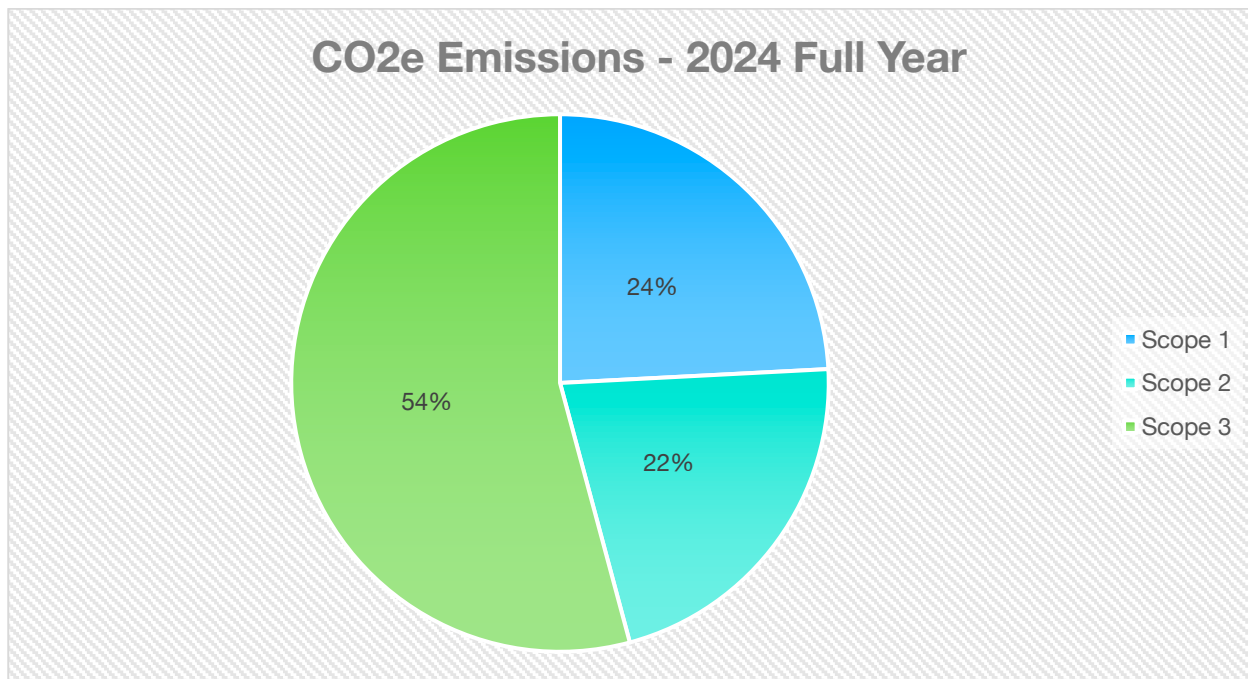
Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the implementation of a defined carbon reduction plan. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: January – December 2021	
Additional Details relating to the Baseline Emissions calculations.	
To ensure the most accurate possible baseline, calendar year 2021 was chosen. To use previous years would have involved too many estimations in all scopes and make strategic decisions based on that data very difficult. However, it should be recognised that many carbon reducing strategies had already been implemented within our business during this baseline period because of the company's general attitude towards minimising energy consumption and the overall environmental impact of our business activities	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	13.05
Scope 2	10.80
Scope 3 (Included Sources)	The following categories account for our Scope 3 emission figures: Category 1 – Upstream Purchased Goods & Services (0.32) Category 2 – Upstream Capital Goods (0.64) Category 3 – Upstream Fuel & Energy (5.93) Category 5 - Waste generated in operations (0.85) Category 6 - Business travel (0.13) Category 7 - Employee commuting (12.10) Category 9 – Downstream transport and distribution (0.64)
Total Emissions	44.46

Current Emissions Reporting

Reporting Year: January – December 2024	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	10.20
Scope 2	9.13
Scope 3	22.86
Total Emissions	42.19



Scope 1 Breakdown – Direct Emissions

Heating of Buildings	1.29 tCO ₂ e
Fuel Use - Vehicles	5.93 tCO ₂ e
Fugitive Gases	2.98 tCO ₂ e

Scope 2 Breakdown – Indirect Emissions

Heating of Buildings	1.29 tCO ₂ e
Fuel Use - Vehicles	5.93 tCO ₂ e

Scope 3 Breakdown – Value Chain Emissions

3.1 Purchased Good & Services	0.83 tCO ₂ e
3.2 Capital Goods	0.64 tCO ₂ e
3.3 Fuel & Energy Related Activities	4.78 tCO ₂ e

3.5 Waste Generated in Operations	0.85 tCO ₂ e
3.6 Business Travel	0.16 tCO ₂ e
3.7 Employee Commuting & Homeworking	15.30 tCO ₂ e
3.9 Downstream Transportation	0.30 tCO ₂ e

General Notes

All emissions calculations have been made in line with the GHG protocol and aligned methodology, using tools available from <https://carboncalculator.smeclimatehub.org>

Scope 2 emissions and related Upstream emissions in Scope 3.3 are based on location-based electricity data as per the GHG protocol, as opposed to market-based electricity data which would be applicable to the certified renewable energy purchased from grid providers.

Scope 3 Exceptions

Our business activities fit into seven of the fifteen Scope 3 categories. Notable exceptions are:

Scope 3.4 – Upstream Transportation & Distribution

Goods are transported directly from manufacturers' distribution centres directly to our customers, therefore this scope is accounted for within 'Scope 3.9 – Downstream Transportation & Distribution'

Scope 3.11 – Use of Sold Products

Following PPN 006 government guidance for SME accounting of Scope 3 emissions, the use of sold products has not been included in our calculations.

Emissions reduction targets

With a long-term objective of net-zero by 2050, we've committed to the following short, and medium-term targets:

Reduction Targets

Year	Target Reduction	Total Emissions Goal
2030	30% vs baseline	~31 tCO ₂ e
2040	70% vs baseline	~13 tCO ₂ e
2050	Net Zero	Residual emissions removed

Scope-specific goals:

- **Scope 1:** 50% reduction by 2030; near zero by 2040.
- **Scope 2:** Maintain renewable electricity; improve efficiency by 15% by 2030.
- **Scope 3:** 30% reduction in commuting by 2030; supplier engagement for upstream emissions.

Carbon Reduction Projects

The following environmental management measures and projects have been ongoing or completed or since the 2021 baseline.

The carbon emission reduction achieved by these schemes is 4.52 tCO₂e, 19% reduction against the 2021 baseline Scope 1 and Scope 2 emissions

- Transition from Intel based to more energy efficient Apple Silicon based Macs across our business
- Encourage EV adoption amongst company car drivers
- Legacy air conditioning cooling systems replaced with energy efficient heating / cooling
- Reliance on hot water radiators removed for office heating
- Fluorescent lighting replaced with LED panels and motion sensors
- Major IT network infrastructure upgrades and rationalisation, reducing the required number of devices by over 50% and significantly reducing power consumption from these 'always on' devices.
- Adding timers to devices which only need to be powered on when offices are open (drinks fridges, coffee machine etc)
- Replacing kettles with energy efficient insulated hot water urns on timers.
- Expanded work from home scheme
- Colleague engagement in environmental matters

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

Scope 1 – Company Vehicles

- Transition fleet to **electric or hybrid vehicles** by 2030
- Install **EV charging points** at office.
- Implement **car-sharing and route optimization**.

Scope 1 – Gas Powered Boilers

- Transition to alternative water heating for taps, showers etc by 2030.
- Drain down and decommission remaining legacy heating systems
- Remove gas powered boilers

Scope 2 – Office Energy

- Already using **100% certified renewable electricity**.
- Focus on **energy efficiency**:
 - Complete LED lighting upgrades.
 - Continued upgrade program for IT and networking equipment
 - Optimize server infrastructure (virtualization, cloud migration).
- Explore **on-site** power generation for resilience and market-based zero emissions.
- Explore options for smaller, and therefore more energy efficient office space

Scope 3 – Commuting & Business Travel

- Expand hybrid/remote working policy where appropriate
- Incentivise EV use with car allowance scheme
- Launch cycle-to-work scheme.

Scope 3 – Purchased Goods & Services

- Engage distribution partners on their carbon reduction commitments.
- Work with distributors to identify most carbon efficient delivery partners
- Prioritise low-carbon logistics options.

Waste & Operations

- Enhance **recycling programs** for packaging and e-waste.
- Partner with certified **IT asset disposal/recycling firms**.

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 KRCS Group Limited:

Philip Woods

Director

Date: 5/12/2025

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

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

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