Carbon Reduction Plan

Supplier name: **Capgemini UK**

Publication date: 16 July 2024

Commitment to achieving net zero

Capgemini is committed to **becoming a net zero business by 2040***

Our net zero target has been set in line with the Science Based Target initiative's (SBTi) Corporate Net-Zero Standard and we are committed to achieving a 90% reduction in carbon emissions across Scopes 1, 2 and 3 by 2040 compared to a baseline of 2019.

* While we recognise currently there is debate on the validity of terms like carbon neutrality, we will continue to support the reduction of atmospheric greenhouse gas concentrations through carbon abatement and removal projects

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: 2019
Additional details relating to the baseline emissions calculations
We follow the Greenhouse Gas Protocol Corporate Standard. Emissions have been calculated using the conversion factors recommended by the Department for Energy Security and Net Zero and Department for Business, Energy & Industrial Strategy (formally BEIS). Where specified we have reported "market-based" emissions in line with the GHG Protocol.   **Scope 1** emissions arise from purchased and landlord supplied gas for space heating, diesel for testing of backup energy generation equipment, and F-gas for use in heating, ventilation and air conditioning (HVAC) systems.   **Scope 2** emissions arise from purchased electricity and landlord supplied electricity for our offices and data centres.   **Scope 3** emissions arise from business travel, electricity transmission and distribution losses, waste and water consumption, employee commuting and working from home, third party managed data centres, and upstream transportation and distribution. An explanation for the exclusion of downstream transportation and distribution has been provided below.
Baseline year emissions: 2019

EMISSIONS	TOTAL (tCO$_2$e)
Scope 1	**1,022** **Natural Gas** 882 **Diesel** 8 **F-Gas** 118 **LPG** 15
Scope 2	**2,409** (market-based emissions) **Data Centre Electricity** 889 **Office Electricity** 1,520
Scope 3 (Included Sources)	**34,773** **Business Travel** 22,631 **T&D Losses** 330 **Water** 56 **Waste** 12 **Commuting** 9,924 **Working From Home** 1,314 **Third Party Managed Data Centres** 478 **Upstream Transportation and Distribution** 26 Our Scope 3 emissions include the GHG Protocol categories **(3) Fuel and energy related activities**, **(4) Upstream transportation and distribution, (5) Waste generated in operations, (6) Business travel** and **(7) Employee Commuting**. **(9) Downstream transportation and distribution** emissions are excluded. Explanation: As a provider of technology consulting services, we do not sell or transport products. For this reason, Capgemini does not have Scope 3 emissions associated with downstream transportation and distribution of physical goods.
Total Emissions	**38,202**

Current emissions reporting

Reporting year: 2023	
EMISSIONS	**TOTAL (tCO₂e)**
Scope 1	**927** **Natural Gas** 749 **Diesel** 3 **F-Gas** 172 **LPG** 2
Scope 2	**0** (market-based emissions)
Scope 3 (Included Sources)	**18,233** **Business Travel** 11,949 **T&D Losses** 159 **Water** 10 **Waste** 4 **Commuting** 2,523 **Working From Home** 3,266 **Third Party Managed Data Centres** 283 **Upstream Transportation and Distribution** 38 Our Scope 3 emissions include the GHG protocol categories **(3) Fuel and energy related activities**, **(4) Upstream transportation and distribution, (5) Waste generated in operations, (6) Business travel** and **(7) Employee Commuting.** **(9) Downstream transportation and distribution** emissions are excluded. Explanation provided above.
Total Emissions	**19,159**

The data reported above has changed compared to previous reports for the following key reasons:

I. At the start of 2023, Capgemini UK's remaining data centre was outsourced to become a colocation data centre under third party management. As this data centre is effectively no longer under our operational control, we have moved the emissions

data from Scope 1 and 2 into a Scope 3 category for third party managed data centres. In line with the guidance from the GHG Protocol and the UK Environmental Reporting Guidelines this is considered a structural change and has been made to data for all years to ensure year on year comparability and maintain a constant perimeter.

II. F-gas data for the 2019 baseline year has increased compared to previous reports due to the inclusion of additional types of f-gas not previously reported at one of our subsidiary's sites.

III. Improved measurement of our purchased goods and services emissions has meant the upstream transportation and distribution emissions have been revised, and likely will continue to be so as we work to improve the information gathered from suppliers. In 2023 we became a member of CDP's supply chain program, which should see us gradually enhance our understanding of our supply chain emissions in the coming years.

Please note:
- In 2023 we are able to report 0 emissions for scope two using the market-based approach due to the renewable electricity contracts at our sites and purchase of REGOs (Renewable Energy Guarantees of Origin).

Emissions reduction targets

In order to continue our progress to achieving net zero, Capgemini Group has adopted the following carbon reduction targets.

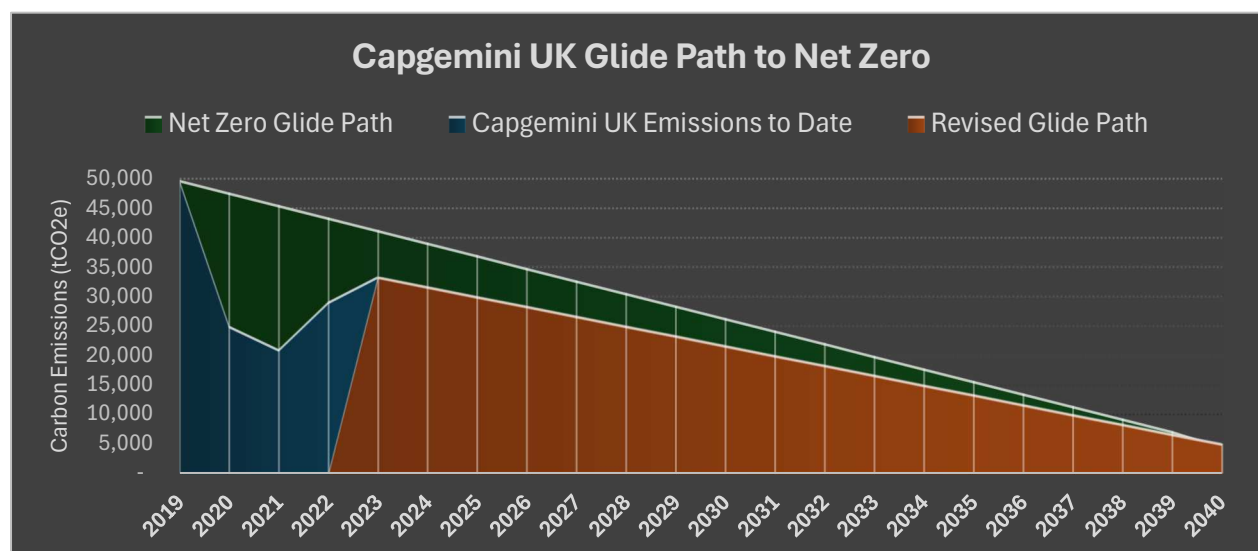| Category	2025 target	2030 target (SBTi near-term target)	2040 net zero target (SBTi long-term target)
Headline targets			**-90% absolute**
Scope 1 & 2 emissions		-80% absolute	-90% absolute
Scope 3 business travel		-55% per employee	-90% absolute
Scope 3 commuting		-55% per employee	-90% absolute
Scope 3 procured goods and services		-50% absolute	-90% absolute
Supporting targets	*100% renewable electricity*	*100% EV fleet*	
Overall emissions	*Operational carbon neutral**	*Supply Chain carbon neutral**	*Net zero*

* While we recognise currently there is debate on the validity of terms like carbon neutrality, we will continue to support the reduction of atmospheric greenhouse gas concentrations through carbon abatement and removal projects.

We also set annual targets at country level for our operational emissions (covering emissions from offices, data centres, business travel, commuting and working from home).

In 2023 we delivered the 50% reduction target two years ahead of schedule with an absolute reduction in operational emissions of 50% against our 2019 baseline.
Consequently, we have revised our ambition to ensure that emissions do not exceed 2023 levels and moved to setting year on year reduction targets: we have set a 4% year on year reduction target for 2024.

Progress against targets can be seen in the graph below:

Graph includes all sources of emissions, including purchased goods and services.

Based on our revised glide path, we project that carbon emissions will decrease over the next five years to 25,074 tCO$_2$e by 2028. This is a reduction of 25% against 2023, including our purchased goods and services emissions.

Carbon reduction projects

Completed carbon reduction initiatives

The following environmental management measures and projects have been completed or implemented since 2019. The carbon emission reduction achieved by these initiatives in the UK equates to 19,055 tCO$_2$e over the past 4 years, a 50% reduction in operational emissions in 2023 against our 2019 baseline, and the measures will be in effect when performing the contract. We acknowledge the impact of Covid in accelerating the uptake of hybrid working, reducing emissions associated with business travel and commuting to the office and leading to such a rapid emissions reduction in the years 2020-22.

The below initiatives relate to achievements from 2023, for projects dating back to 2019 please see previous versions of our Carbon Reduction Plan on our website.

Empowering our People
- In 2023, we continued to embed carbon as a business performance metric; carbon emissions reporting for business travel is now integrated into monthly business performance reviews and we introduced a mechanism that makes all UK VP bonuses dependent on their business line delivering within the travel carbon budget allocated to them.
- An important area we started to address in 2023 was working from home emissions. Capgemini teamed up with energy experts Big Clean Switch to deliver a series of webinars focused on reducing home energy consumption for both homeowners and renters, attracting over 2,000 of our employees. We introduced home energy assessments and home improvement loans as part of the employee benefits package; by opting in, Big Clean Switch will organise home energy assessors to identify measures that will improve home energy performance, and following this, Capgemini UK is offering employees an interest-free home improvement loan to finance sustainable improvements such as insulation, solar panels, or a heat pump, empowering employees to cut their carbon footprint and save on energy bills.

Transforming Travel
- In 2023, we introduced 'net zero travel standards' setting out a new approach for how our people should travel for business. They included only flying long haul for essential client activities and taking the train over the plane when travelling within the UK and when the Eurostar is an option, as well as encouraging public transport over cars for more local trips.
- We also instigated peer-led carbon coaching conversations for the top 50 carbon-emitting travellers, exploring sustainable behaviour changes and how they could reduce the most carbon intensive travel.

<u>Investing in Net Zero Operations</u>

- In 2023, we championed energy efficiency in our offices with insulation installed at our Inverness office and gas boiler replacement projects taking place at Nairn and Abingdon offices.
- In 2023, 100% of Capgemini UK electricity was sourced from renewable sources.
- Our 'Zero Hero' campaign encouraged the reuse and recycling of unwanted office equipment, promoting circular economy thinking.
- Looking to the future, in 2023 we designed a sustainable estate standard to ensure any new offices will meet sustainability criteria and are "future fit" for our net zero goals.
- Our offices maintain strong environmental and energy management practices, as indicated by ISO14001 and ISO50001 certifications.

Future carbon reduction initiatives

Carbon reduction initiatives planned for 2024 include embedding sustainability into our new London office, from energy efficiency to re-use of furniture and promoting biodiversity in the rooftop garden. We will also be working to scale up our Sustainable Delivery Framework, working with more clients to implement new ways of working that mean we can deliver services with fewer emissions. There is also a focus on building employee communities around local offices, promoting active travel and other sustainable commuting options.
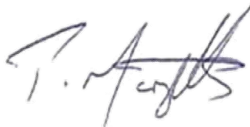
Declaration and sign off

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 standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

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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Paul Margetts, UK Managing Director

Date: 16/07/24

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[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