

NEWTON EUROPE CARBON REDUCTION PLAN

NEWTON

Supplier name: **Newton Europe**

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Commitment to Achieving Net Zero

The more we act on climate change, the more we can avoid the worst impacts of climate change. Newton Europe is dedicated to reducing the carbon emissions that have a negative effect on the world we live in. We have a clear understanding of our carbon footprint with the work that we do and our passion for improving our environmental impact has driven our carbon reduction plan. Our Net Zero strategy has been calculated using data analysis; benchmarking against consultants operating within the UK and committing to this strategy for all future consulting within the UK.

Newton Europe is committed to achieving Net Zero emissions by 2027 for its UK operations.

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.

Newton has not previously baselined our emissions. This current reporting year will be the baseline.

Baseline Year: 2021	
Additional Details relating to the Baseline Emissions calculations.	
Baseline emissions were calculated using a combination of expenses data, external research/consultation and internal operating estimates. These were adjusted for the effects of the covid-19 pandemic on travel, which is a large driver of emissions. Emissions are also shown on a 'per consultant (full time employee) FTE' basis, as this is the largest driver of emission for Newton and a large headcount growth rate is expected in the next 5-10 years. Head Office emissions have been included and normalised against consultant headcount.	
Baseline year emissions: 2,149 Tonnes (6.9 Tonnes per FTE)	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	181 Tonnes (0.58 Tonnes Per FTE) – Car Fuel (main driver)
Scope 2	34 Tonnes (0.11 Tonnes Per FTE) – HO Water, Heat and Power (main driver), <i>Electric Car Emissions</i>
Scope 3 (Included Sources)	1,934 Tonnes (6.21 Tonnes Per FTE) – Hotels, Car Embedded Emissions, Trains, Air Travel, Food, Taxis, HO Commuting
Total Emissions	2,149 Tonnes

Current Emissions Reporting

Newton has not previously baselined our emissions. This current reporting year is the same as baseline.

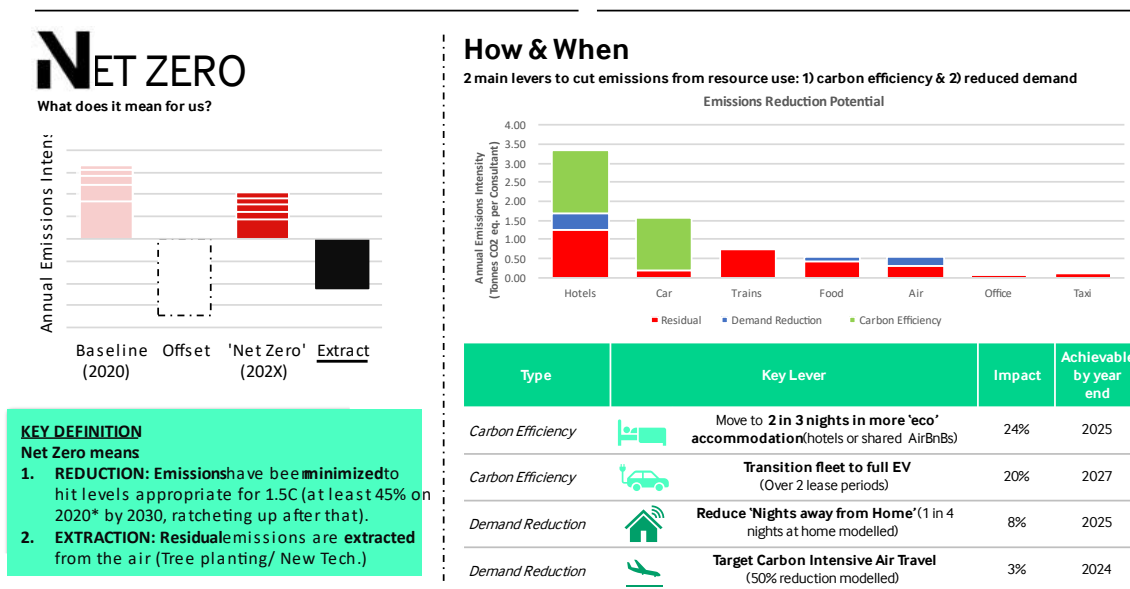
Reporting Year: 2021	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	See above
Scope 2	See above
Scope 3 (Included Sources)	See above
Total Emissions	See Above

Emissions Reduction Targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions *per consultant FTE* will decrease over the next five years to **3.2 tCO₂e** by 2027. This is a reduction of over **50%**. Total emissions accounting for company headcount growth are expected to be **2,936 tCO₂e**.

Overall and local emissions targets can be seen in the graph below. Progress will be updated annually.



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented before the 2021 baseline. Future reductions in emissions will be recorded as a percentage against the 2021 baseline.

Fleet

Newton first introduced electric and hybrid cars into our fleet as part of the User-Chooser scheme introduced in December 2020 to sit alongside our diesel flexi-fleet scheme. Since then, we have introduced 30 cars on this scheme with 62% being electric and 38% being hybrid, with all current vehicles on order being both electrics and hybrids. An update on percentage of the fleet split with electrics and hybrids is available on request. Newton consultants receive efficient driver training and the use of telematics monitors driver efficiency.

Offsetting

Newton has committed to offset 100% of its annual carbon footprint, the Company matching 2:1 each tonne offset by an individual. We are doing this in conjunction with MyClimate, helping to provide rural communities in the Siaya region of Kenya with more energy efficient cookstoves which reduce their fuel consumption and in turn their average emissions. In addition, it also focuses on helping these communities reach financial stability and independence through a Community Savings and Loans project, while also brings life-changing health benefits to those involved in the projects.

ISO 14001, ESOS and SECR Compliance

Newton was first accredited to ISO 14001 on 13/06/2014. We have since proudly maintained our certification and will continue to do so with bi-annual external audits. This certification along with our internal audit program looks at internal processes to continually improve our environmental impact. Newton achieved ESOS compliance in 2019 (which is still currently valid) and we will continue to achieve this at the time of renewal. Newton completed compliance with SECR regulation in the FY19/20 annual report. Copies of our certification are available upon request.

Switch to 100% Renewable Energy

In June 2021, Newton was proud to announce that the Head Office had switched to using a 100% renewable energy supplier. This means that the amount of energy Newton uses must be purchased from renewable energy sources. Whilst Newton cannot control the proportion of renewable energy making up National Grid supply, which powers the Head Office, this method works to encourage renewable energy production by sending a message to the wider industry that we wish to avoid using electricity generated from fossil fuels.

Switch to LED lights

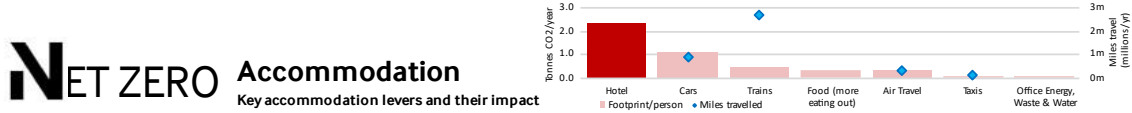
As part of a Head Office refurbishment considering environmental impact, Newton replaced all fluorescent lights with LEDs. LED lights are approximately twice as energy efficient than fluorescent lights. We have also installed auto-shut LED lights in areas that are not frequently in use.

Future Carbon Reduction Initiatives

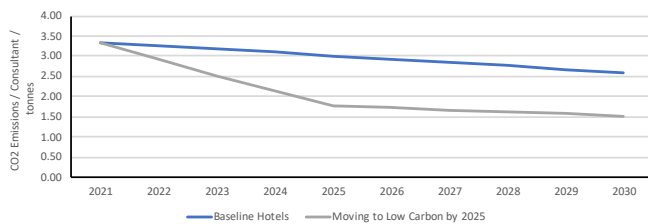
For the future, we have developed a carbon Net Zero strategy which will aim to implement further carbon reduction initiatives within UK operations.

Accommodation

Accommodation is the largest driver of emissions for the company. The proposed measure to reduce this is moving to lower intensity accommodation (e.g. shared accommodation, eco hotel chains) and reduce overnight stays where possible in the next 5 years.



Accommodation Intensity



Hotels 26.4 kg CO ₂ /person/night	Eco Accommodation* ≈10 kg CO ₂ /person/night
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Further Notes

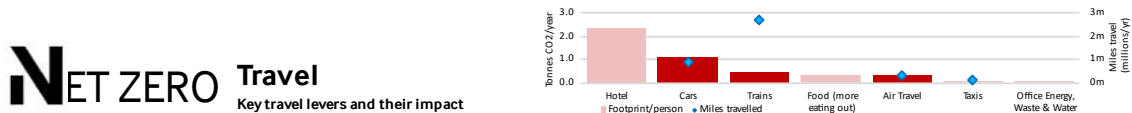
- Hotels will likely remain as the largest contributor to our carbon footprint (rivalled only by travel). Therefore improving our accuracy of emissions estimation from accommodation should be a key priority for the improvement cycle (e.g. hotel types, occupancy rates by Newton for Airbnbs).
- Use of The 'Demand' lever, such as reducing time on site within and between weeks, will have a large and concrete impact on this bar.

- The key factor affecting accommodation emissions is the carbon intensity per night of stay.
- To reduce this, we need to choose lower carbon options, primarily through:
 - Non-hotel & shared accommodation (e.g. AirBnB, holiday cottages, longer term rents)
 - Eco hotel chains with reduced carbon footprints
 - Eco friendly choices in hotels e.g. choosing for weekly rather than daily cleaning
- Combining the above, we have made the assumption that we can reach 66% of nights in Eco Accommodation by 2025. We are dependent on the hotel market to deliver this, but can reduce demand as an alternative lever.

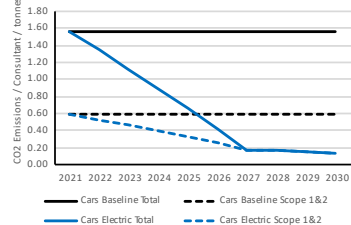
*Research shows that Airbnb style accommodation releases ~7 kg CO₂ /person/night.. The UK household standard is ~5 kg CO₂ /person/night.. A conservative estimate of 10 kg CO₂ /person/night has been taken.

Travel

Travel is another major driver of emissions for the company. The proposed measures are to move to electric vehicles, reduce air travel and encourage public transport in the place of fossil fuel car travel.



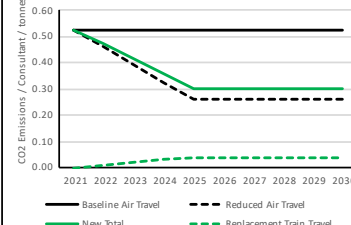
Electric Cars



- Electric cars have the potential to greatly reduce Scope 1 & 2 emissions.
- Can be further reduced by holding the leases for longer.

Important Note: Electric cars have higher production emissions, but this can be offset through manufacturer schemes (which we have included). Without offset the current 3 year lease scheme would actually increase overall emissions. However, over the vehicle lifetime the emissions are reduced compared to fossil-fuel, so this is the right thing to reduce societal emissions.

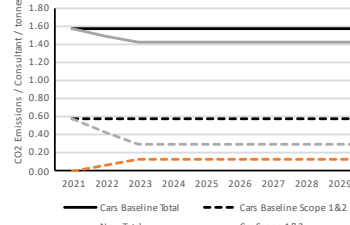
Air Travel



- Air travel has the worst impact per mile of all transport methods.
- Train travel releases around 6x less CO₂ per mile travelled

Opportunity
Replacing 50% of air travel with train travel would reduce our overall CO₂ output by around 4%.

Car Travel to Public Transport



- If we move to electric cars, their use should be prioritised over public transport as they release fewer emissions.
- If we do not move to electric cars, an alternative lever would be to replace 50% of car miles with train transport. This is not included in the suggested scenario.

Opportunity
XXX – TBD due to EV Choice

Kyoto Protocol Emissions Reporting

Newton Head Office has a total of 7 air conditioning units. F-Gas emissions were a total of 27.24 tCO₂e in 2021. All air conditioning systems are serviced every 6 months. There have been no leaks since they have been installed.

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 (or equivalent management body).

Signed on behalf of the Supplier:



Signature:

Date: ...29/09/2021.....

Acknowledgements:

Formulating our Carbon Net Zero Strategy and this Carbon Reduction Plan has involved the time and dedication of our staff; we would like to give thanks to the following people who have contributed to producing our strategy and CRP: (in alphabetical order) Andrew Camsell, Andy Clarke, Andy Hawes, Anna Baigent, Beth Farrant, Chris Barton, Chris Thompson, Dot Bell, Fred Church, Harveen Javed, Helen Lily Wang, Helen Mills, James Frost, Jamie Williams, Kate Mills, Michelle Darcy, Oliver Clark, Oliver Leyshon, Owen McGowan, Phil Sunley, Steve Dyde, Steve Phillips, Steve Wilson, Tom Wedgwood.

Implementation of our strategy will involve every Newton employee and we are proud to be working towards Net Zero together.