

Carbon Reduction Plan For Advice Cloud

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Our Commitment

Advice Cloud is committed to achieving Net Zero emissions by 2045.

What does Net Zero mean in practice?

To achieve Net Zero, we will be aiming to reduce emissions in line with the latest science-based targets (SBTs). SBTs are greenhouse gas reduction goals set by organisations, they are defined as “science-based” when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. To achieve Net Zero under this scenario, we will need to reduce our absolute emissions by 90% from our baseline year.

SBTi recommends that organisations commit to near-term targets (that cover a minimum of 5 years/maximum of 10 years from the baseline year), as well as long-term targets.

Our near-term targets:

- Maintain scope 1 and market-based scope 2 emissions at zero up to and beyond 2030.
- During FYE 2025 begin engaging with suppliers to understand their maturity around emissions measurement, reporting and reduction.
- Review scope 3 targets following FYE 2027 measurement to assess the level of supply chain alignment with Advice Cloud's Net Zero targets.

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2045.
- Neutralise any residual emissions using verified carbon offsets.

Scope 1 emissions: direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from the combustion of fuels in on-site boilers, furnaces, or vehicles.

Scope 2 emissions: indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.

Scope 3 emissions: all other indirect greenhouse gas emissions that occur in an organisation’s value chain, including emissions from upstream and downstream activities.

Our Carbon Footprint

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. Following review of historic measurements we have chosen to set our baseline year as April 2021 – March 2022. While a measurement was carried out to cover the FYE 2021 period this has been deemed not to represent a normal operating year for Advice Cloud, resulting in lower than expected emissions in purchased goods and services and business travel.

Baseline Year: FYE 2022	
Baseline emissions have been adjusted as part of the FYE 2024 measurement project to incorporate for updated methodologies around estimating procurement and employee home working emissions.	
Emissions	Total (tonnes CO ₂ e)
Scope 1	0.000
Scope 2*	Market-based: 0.000 Location-based: 0.000
Scope 3 including: <ul style="list-style-type: none">- Purchased Goods & Services- Capital Goods- Fuel & Energy Related Services- Business Travel- Transportation & Distribution (Upstream & Downstream)- Employee Commuting & Homeworking- Operational Waste & Water- Leased Assets (Upstream & Downstream)	52.216
Total Emissions*	Market-based: 52.216 Location-based: 52.216

Our total emissions equate to a Carbon Intensity Metric of 4.747 tCO₂e per full-time employee equivalent (FTE) based on 11 FTEs during the baseline period (using market-based emissions).

*Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. We have chosen to base our Net Zero target on a market-based methodology.

Current Emissions Reporting

Current Reporting Year: FYE 2024	
The current reporting year follows the methodologies used to calculate the baseline emissions measurement and there are no significant variations in boundary or inventory to report.	
Emissions	Total (tonnes CO ₂ e)
Scope 1	0.000
Scope 2*	Market-based: 0.000 Location-based: 0.000
Scope 3 including: <ul style="list-style-type: none">- Purchased Goods & Services- Capital Goods- Fuel & Energy Related Services- Business Travel- Transportation & Distribution (Upstream & Downstream)- Employee Commuting & Homeworking- Operational Waste & Water- Leased Assets (Upstream & Downstream)	50.772
Total Emissions*	Market-based: 50.772 Location-based: 50.722

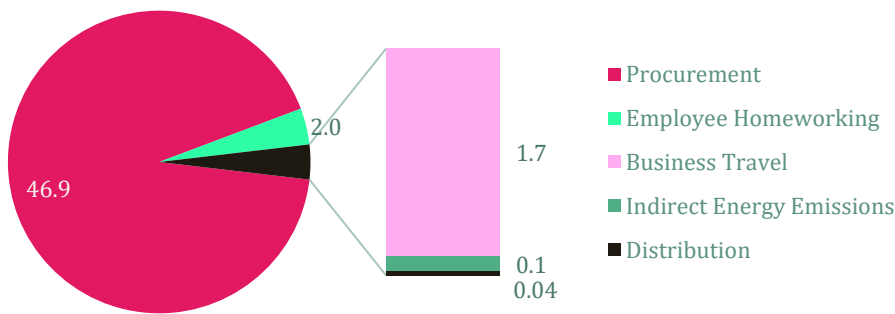
Intensity Metrics (FYE 2024)

Intensity Metric	tCO ₂ e
Employees (tCO ₂ e per FTE)	5.344
Revenue (tCO ₂ e per £mil)	38.841

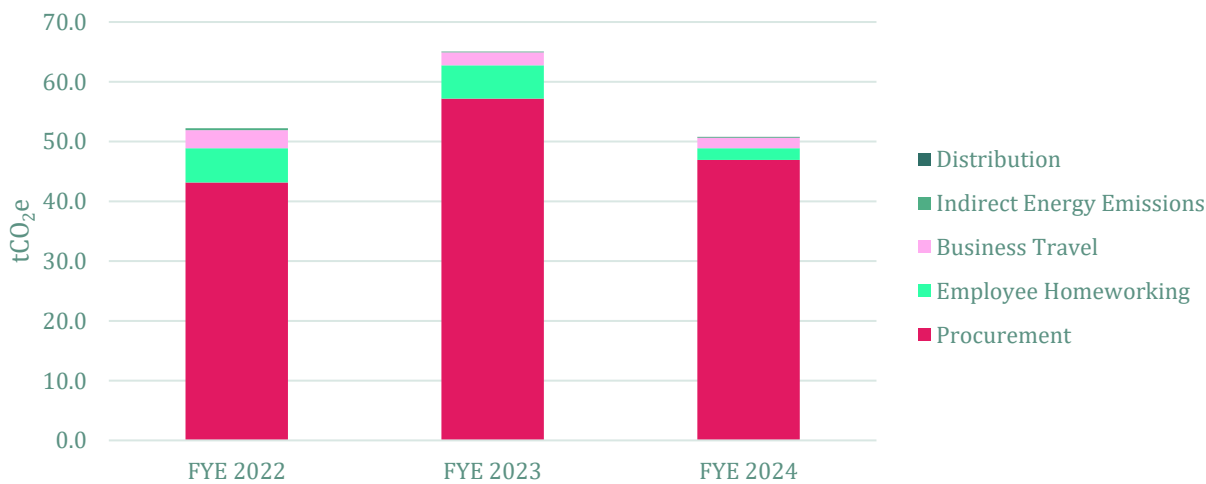
Based upon 9.5 FTEs (full-time employee equivalents), and £1.3 million revenue during the measurement period.

Carbon Emissions Breakdown

FYE 2024 (tCO₂e)



Annual Emissions



Measurement Results (FYE 2024)		
By Scope	tonnes	% of total
Scope 1	0.0	0
Scope 2 (<i>Location-based</i>)	0.0	-
Scope 2 (<i>Market-based</i>)	0.0	0
Scope 3	50.8	100
By Source		
Direct	0.0	0
Upstream	50.8	100
Downstream	0.0	0
By Category		
Office Utilities	0.0	0.0
Company Cars	0.0	0.0
Business Travel	1.7	3.4
Employee Commuting	2.0	3.9
Procurement	46.9	92.4
Distribution	0.0	0.1
Waste	0.0	0.0
Indirect Energy Emissions	0.1	0.2
Total		
Location-based	50.8	-
Market-based	50.8	100

Carbon Reduction

Our Net Zero targets

Advice Cloud is committed to achieving Net Zero by 2045. To achieve Net Zero under this scenario, we will need to reduce our absolute emissions by 90% from our baseline year. To keep us on track, we have also set the following near-term targets to 2030.

Our near-term targets:

- Maintain scope 1 and market-based scope 2 emissions at zero up to and beyond 2030.
- During FYE 2025 begin engaging with suppliers to understand their maturity around emissions measurement, reporting and reduction.
- Review scope 3 targets following FYE 2027 measurement to assess the level of supply chain alignment with Advice Cloud's Net Zero targets.

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2045.
- Neutralise any residual emissions using verified carbon offsets.

Progress

Emissions	Total Footprint (tCO ₂ e)		% Change
	Baseline year (FYE 2022)	Current year (FYE 2024)	
Scope 1	0.000	0.000	n/a
Scope 2	0.000	0.000	n/a
Scope 3	52.216	50.772	-2.8
Total emissions	52.216	50.772	-2.8

Emissions	Intensity metric		% Change
	Baseline year (FYE 2022)	Current year (FYE 2024)	
Employees (tCO ₂ e per FTE)	4.747	5.344	+12.6
Revenue (tCO ₂ e per £mil)	42.918	38.841	-9.5

To date Advice Cloud has made some progress towards reducing emissions when measured against absolute emissions and revenue-based intensity metrics. This is a positive sign as emissions have reduced while revenue has increased, demonstrating efficiencies and sustainable practises are having positive influence overall.

The key area of emissions which remains to be understood on a more granular level is purchased goods & services. In order get a better understanding of value chain emissions, and accelerate reduction, the below initiatives will be undertaken to begin addressing emissions hotspots and quantifying reductions achieved as a result of improved oversight and action toward integrating Net Zero into business decisions.

Completed Carbon Reduction Initiatives

The following emissions management measures and projects have been completed or implemented.

Activity	Completion Date	Scope
Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions. Appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations.	2021	1, 2, 3
Delivered Carbon Literacy Training to the Advice Cloud team as part of wider effort to engrain sustainability within company culture.	2022	1, 2, 3
Advice Cloud is a remote first employer, encouraging employees to work predominantly from home. For those employees that prefer a hybrid model Advice Cloud offers subscriptions to co-working spaces available within employee's local areas, for the most part these spaces are within walking distance to employee's homes.	ongoing	1, 2, 3
Engaged with Positive Planet to co-deliver educational webinar content pertaining to the impact on business and sustainability reporting requirements in line with the introduction of the Procurement Act 2023.	2024	3
Updated Events Policy to specify that suppliers with demonstrable sustainability credentials should be selected for any events hosted by Advice Cloud. This also includes decisions around catering, where vegan options are chosen by default.	2024	3

Future Carbon Reduction Plans

We are committing to action the following emissions management measures and projects in line with our Net Zero targets.

Reduction Plans – Scope 1 & Scope 2			
Activity No.	Activity	Target Date	Category
1	<p>As a growing business there is a possibility that Advice Cloud will require a more permanent office premises at some point in the future, with this in mind the below considerations will be factored into any decisions around new office spaces if/when this becomes relevant.</p> <p>Electricity:</p> <ul style="list-style-type: none"> Does the landlord/management company procurement 100% renewable energy. Or, where utilities are arranged independently, can Advice Cloud procure a 100% renewable tariff to supply the space? Is the building fitted with on-site renewable energy generation technologies to reduce costs and reliance on the National Grid? Is the building/managing agent ISO 14001 accredited or have similar credentials around environmental management? <p>Heating</p> <ul style="list-style-type: none"> Avoid buildings with gas heating as a priority. Is there opportunity to move into a property which benefits from a district heating programme? Opt for buildings fitted with alternative solutions such as heat pumps, electric space heaters or electric derived air conditioning systems (ensuring these are well maintained to avoid any F-gas leaks). 	n/a	1, 2, 3

We aim to implement the initiatives below to address scope 3 emission hotspots:

Reduction Plans – Scope 3			
Activity No.	Activity	Target Date	Category
1	<p>Establish regular (bimonthly) companywide sessions to discuss and share updates around sustainability. These sessions should focus on progress and plans laid out within this report as well as discussing wider topics within the remit of sustainability, with the aim of further embedding a sustainable approach to Advice Clouds operations.</p> <p>Depending on outcomes from these meetings consider establishing an informal Green Team made up of interested parties from across the organisation who are willing to support the roll out of initiatives, management of data and sharing of progress on relevant platforms.</p>	2025	All
2	<p>Further Carbon Literacy training for new starters who have not already been certified Carbon Literate. This will support company culture aims and build confidence when discussing sustainability in general, ultimately encouraging positive behavioural change through education and engagement.</p> <p>On average, certified learners reduce their carbon footprints by 5-15%, of which ~50% are work-related.</p>	ongoing	All
3	<p>Develop a Sustainable Procurement Policy. This should inform Advice Cloud's approach to new and existing procurement arrangements whilst encouraging suppliers to adopt sustainable practices and improve their own carbon footprint. Supplier engagement, contract review (KPIs) and monitoring and/or reporting mechanisms should be included within the policy to ensure expectations around annual reporting of emissions is well established.</p>	2025	Purchased Goods & Services
4	<p>Implement the Sustainable Procurement Policy outlined above by beginning annual supplier surveying. Surveying may be rolled out gradually, initially surveying the top 5-10 suppliers by spend to request further information regarding credentials and increasing in scope annually.</p> <p>This data collection will support Advice Clouds reduction journey by gathering important data for future measurements and encouraging supply chain integration towards Net Zero. It will also aid decisions around opting for sustainable partners as Advice</p>	2026	Purchased Goods & Services

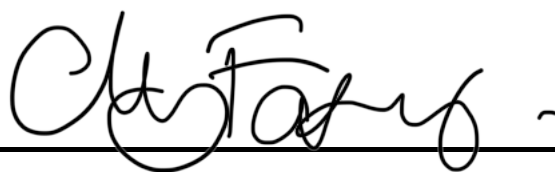
	Cloud grows, building sustainability into new and existing supplier relations.		
5	<p>Advice Cloud is already a remote first company, however, developing and formalising a Sustainable Travel Policy will help to solidify this approach by informing choices when travelling, staying in hotels and potentially commuting in the future. The priorities within this policy will support active travel and low emission travel options where appropriate.</p> <p>This policy should monitor and consider alternatives to domestic air-based travel as a priority, with additional focus on improving internal processes for capturing business travel data. Currently a spend-based approach is used to estimate emissions from rail & taxi travel.</p> <p>Utilise the emissions travel hierarchy to inform decision making processes within the policy:</p> <ul style="list-style-type: none"> - Digital communication - Walking and cycling - Public and shared transport - EV's and car sharing/clubs - ICE vehicles and car sharing/clubs - Air travel 	2025	Business Travel, Commuting
6	Employee surveying to understand commuting and home working patterns achieved 100% response rate during the FYE 2024 measurement project. Future survey efforts may expand the scope of questions to collect more information with regard to employee home working situations (e.g. renewable energy tariffs / heat sources).	2025	Home Working

Declaration and Sign Off

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.

This Carbon Management Plan has been reviewed and approved by Advice Cloud's Executive Team.

Signed on behalf of Advice Cloud:



Name:

C FARTHING

Position: CEO

Date: 23rd January 2025

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

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