A photograph of a woman with curly hair and a man looking at a tablet together. The woman is smiling and looking at the tablet, while the man is looking at the tablet with a slight smile. They are both dressed in professional attire.

NTT DATA UK Ltd.

Carbon Reduction Plan

2022-23

21 February 2024

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1 Commitment and performance

1.1 Commitment to achieving Net Zero

NTT DATA UK is committed to achieving Net Zero emissions by 2040.

1.2 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. These baseline emissions are the reference point against which carbon reduction progress is measured.

On 1 October 2023, Everis Consultancy Ltd was merged with NTT DATA UK Ltd. This merger necessitated a complete re-calculation of emissions from the baseline year forward. As indicated in last year's report, we are now measuring emissions across all relevant scope 3 categories, including our entire supply chain, to the last penny. In order for the reader to make a comparison with other firms, the categories required by PPN 6/21 are listed first. For transparency, the other categories are listed afterwards.

Baseline Year: FY2019/20		
Additional Details relating to the Baseline Emissions calculations.		
Our carbon emissions are consolidated in accordance with the GHG Protocol's Corporate Standard using the Operational Control approach, with the following comments:		
<ul style="list-style-type: none"> a) Gas is derived from benchmark figures which requires to be validated from meter readings b) Upstream and downstream transportation and distribution is calculated using the distance weight method using average item weights and transportation distances c) Business Travel emissions are based upon the types of transport using the distance method d) Commuting travel emissions have been calculated using the number of employees, the most likely modes of transport at each office and an average distance which requires to be validated by a travel survey. e) Waste relates only to waste water, there is insufficient data about solid waste f) Only business travel data was available from the baseline year for Everis Consultancy Ltd, so the baseline is an under-estimate. 		
Baseline year emissions:		
EMISSIONS	TOTAL (tCO₂e)	
Scope 1	142	
Scope 2	110	
Scope 3 (Mandated categories by PPN 6/21)	Category 4: Upstream transportation and distribution	2
	Category 5: Waste generated in operations	2
	Category 6: Business travel	1,749
	Category 7: Employee commuting	1,238
	Category 9: Downstream transportation and distribution	Not relevant
Total Emissions for comparison with other suppliers	3,243	

(Mandated Sources by PPN 6/21)	
Scope 3 (Non-mandated categories by PPN 6/21)	Category 1: Purchased goods & services 3,180
	Category 3: Upstream transport of goods 2
Total Emissions	6,425

1.3 Current Emissions Reporting

Reporting Year: FY2022/23	
Additional Details relating to the current year.	
<p>Scope 2 calculations are market-based, reflecting our purchase of renewables.</p> <p>Category 7: the calculation method changed this year so that it is now based on employee access to our buildings and anonymised home location. This is significantly more accurate but is not easily comparable with our baseline year.</p>	
Latest reporting year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	191
Scope 2	16
Scope 3 (Mandated categories by PPN 6/21)	Category 4: Upstream transportation and distribution 1
	Category 5: Waste generated in operations 10
	Category 6: Business travel 949
	Category 7: Employee commuting 129
	Category 9: Downstream transportation and distribution Not relevant
Total Emissions for comparison with other suppliers (Mandated Sources by PPN 6/21)	1,296
Scope 3 (Non-mandated categories by PPN 6/21)	Category 1: Purchased goods & services 5,206
	Category 3: Upstream transport of goods 1
Total Emissions	6503

2 Emissions reduction targets

Emissions reductions are with reference to the baseline year FY19/20.

Business growth has been assumed over the period and our reduction targets take that growth into account.

In order to continue our progress to achieving Net Zero, we have adopted the following interim high-level carbon reduction targets in accordance with the UN “Race to Zero” campaign.

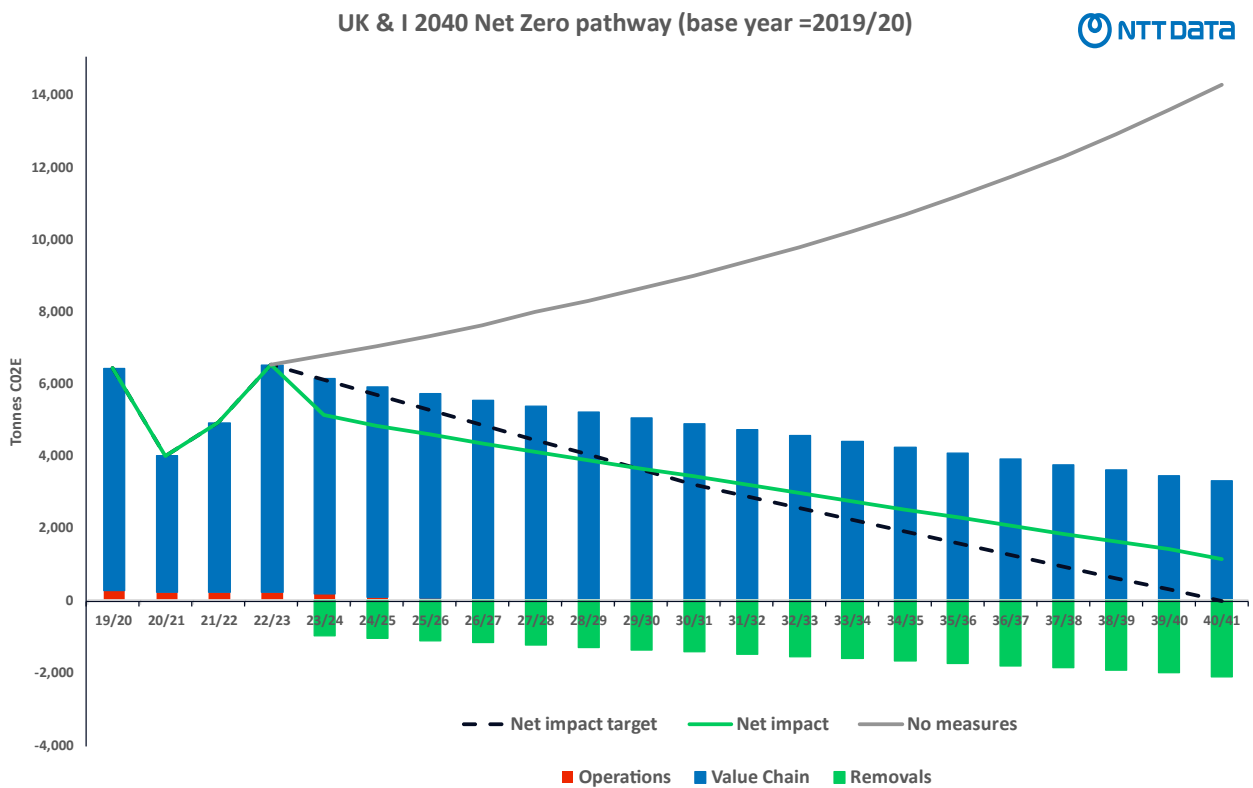
- 50% reduction of all in-scope emissions by 2030.
- A further 50% reduction by 2040, with Net Zero being achieved by the balance of carbon abated through purchased removals. Purchased removals will start in FY23/24 with 1000 tonnes.

Our roadmap to Net Zero Carbon includes the following key objectives.

- Reduce business travel by 10% year on year
- Reduce employee commuting by 10% year on year
- Engagement with key suppliers and their carbon reduction plans, targeting the top 40% of suppliers to be on the same net zero path as NTT DATA UK & Ireland.

The impact of these measures is shown below. As can be seen, we are on course to achieve the 2030 commitment with approximately 1000 tonnes of further reductions to find to meet the 2040 commitment. If only the scope 3 categories required by PPN 6/21 were considered, NTT DATA UK&I would be carbon negative by 2025.

The ‘No measures’ line shows the modelled emissions if no abatement projects were undertaken (but still accounting for the net zero transition in the rest of the UK economy).



3 Carbon Reduction Projects

3.1 Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline.

- Source 100% renewable electricity for our buildings (this was not fully completed for the reporting year 2022/23, but it now in place for every building at the time of publishing this report)
- Roll-out of new procurement policies requiring net zero commitments from key suppliers and scoring potential suppliers by the emissions of their products and services
- “Work where it works”: Our initiative to give our employees more freedom over their work location. This has reduced the proportion of time our staff spend in office locations which, in turn, has reduced the carbon emissions associated with business travel and employee commuting which are our two biggest contributors to our carbon footprint.
- We now offer all of our staff preferential deals on electric vehicles to encourage them to switch from away from diesel and petrol vehicles.

The carbon emission reduction achieved by these schemes is difficult to quantify against the 2019 baseline due to the confounding influence of the COVID pandemic. However we have forward projections for emissions which are included in the forecast above.

In addition, we continue to operate and ISO 14001 accredited environmental management system. This, and the measures outlined previously, will be in effect when performing our contracts.

3.2 Future Carbon Reduction Approach

In FY24/25, the board have ring fenced a budget for abatement-related initiatives. This will cover some of the future measures listed below:

- Maintenance on long-term commitments described above
- Closing our least energy-efficient office and using a smaller, more efficient alternative
- Installing EV chargers at our Birmingham office to encourage EV take-up
- Bring your own device to eliminate redundant hardware
- A ride sharing scheme for our Birmingham office
- Implementing the recommendations of our ESOS report
- Closing one floor of our main office when not in use
- Selecting business travel providers based upon carbon verified carbon footprint.
- Devolving specific emissions reduction targets to members of the exec team coupled with an internal carbon tax mechanism

These initiatives are sponsored at board level by the Chief Operating Officer and day to day execution is undertaken by a team led by the Chief Sustainability Officer.

4 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 and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

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.

Emissions reports have been independently audited.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).



Giles Crossley
Chief Operating Officer
Date: 6 December 2023