

**Supplier Name:** NHS Shared Business Services Limited (“NHS SBS”)

**Publication date:** 20<sup>th</sup> June 2022

# NET ZERO CARBON REDUCTION PLAN

## Commitment to achieving Net Zero

- NHS SBS acknowledges the Climate Emergency and the race to Net Zero.
- NHS SBS will be Net Zero by 2028.
- We are committed to accelerating and supporting the NHS in its ambition to become the world’s first Net Zero health service.
- NHS SBS embraces our collective and urgent responsibility to address the causes of climate change and enhance the resilience of our business, the NHS and its supply chain to withstand climate change impacts happening now and in the future.
- NHS SBS adopts the UN Climate Neutral Now definition of Net Zero as “the state where a balance between anthropogenic greenhouse gas (GHG) emissions and removals is achieved”, by taking the following actions:
  - Measure 100% of the organisation’s GHG emissions
  - Reduce GHG emissions as far as possible; and
  - Offset remaining emissions through projects that remove carbon from the atmosphere in the long term.

## Baseline and Current Emissions Footprint

Baseline emissions are a record of the GHGs 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. The Reporting Year is the calendar year 2021 and the Baseline Year is the calendar year 2017.

Scope Category/ Definition	Description of source	Emissions (tCO <sub>2</sub> e)			
		Reporting year (2021)	Baseline year (2017)		
<b>1</b>	Direct emissions from owned or controlled sources	Combustion of fuel, & measured leakages of refrigerant	348	221	
<b>2</b>	Indirect emissions from the generation of purchased electricity, steam, heating and cooling	Generation of electricity consumed (on a market basis)	0	90	
<b>3</b>	1	Purchased Goods & Services	Supply chain	4,230	3,838
	3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	The production and delivery of fuel and electricity	136	197
	4	Upstream transportation & Distribution		Included in Scope 3 Category 1	
	5	Waste Generated in Operations	Treatment of waste including wastewater	7	7
	6	Business Travel	Travel for business purposes, including hotel nights	33	401
	7	Employee Commuting	Travel by employees to and from their places of work and emissions due to remote working (homes and client sites)	498	721
	8	Upstream Leased Assets	Off-site data centres	0	0
	9	Downstream transportation & Distribution	Not applicable – see Table 2	0	0
	13	Downstream Leased Assets	Tenants	0	0
	All		<b>5,252</b>	<b>5,476</b>	

Table 1: NHS SBS's Emissions by Scope and Category for the Reporting Year and its Baseline Year

Table 2 below lists Categories of Scope 3 for which NHS SBS has declared no emissions and the reasons for their exclusion.

Category		Reason for exclusion
2	Capital Goods	Emissions due to capitalised purchases are included in Scope 3 Category 1
9	Downstream Transportation & Distribution	NHS SBS's business requires no material downstream transportation and distribution of goods
10	Processing of Sold Products	NHS SBS does not sell products subject to processing
11	Use of Sold Products	NHS SBS does not sell products
12	End-of-Life Treatment of Sold Products	NHS SBS does not sell products
14	Franchises	NHS SBS neither sells franchising rights nor operates any franchises
15	Investments	NHS SBS has no material investments in other companies

*Table 2: Categories of Scope 3 for which NHS SBS has declared no emissions and the reasons for their exclusion*

## Emissions reduction targets

NHS SBS intends to achieve net zero emissions by the end of 2028 and will implement a phased approach, through intermediate targets, to achieve the main objective.

Year	Scope of Net Zero
2022	All operations under direct control
2025	Certain indirect operations (i.e. waste treatment, indirect fuel & energy, employee commuting, and downstream leased assets) added
2028	Indirect operations related to the supply chain (purchased goods and services) added

*Table 3: Phases of NHS SBS's Approach to becoming Net Zero by 2028*

To continue our progress to achieving Net Zero, NHS SBS has adopted the following carbon reduction targets, against a 2017 baseline:

- 24% reduction in GHG emissions (Scope 1 +2) intensity per full-time employee by the end of 2021; and
- 20% reduction in business travel emissions intensity per full-time employee by the end of 2021.

We project that NHS SBS’s absolute carbon emissions will decrease to 4,230 tCO<sub>2</sub>e by 2025 (a reduction of 23%) and to zero by 2028 (a reduction of 100%).

Scope	Category	Description	2028	2025	2022	2021	2020	2017
1		Combustion of fuel, and measured leakages of refrigerant	0	0	0	136	277	277
2		Generation of electricity consumed (on a market basis)	0	0	0	0	0	54
3	1	Purchased Goods & Services	0	4,230	4,230	4,230	3,815	3,838
	3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	0	0	136	136	136	198
	5	Waste Generated in Operations	0	0	7	7	8	7
	6	Business Travel	0	0	0	0	89	401
	7	Employee Commuting	0	0	498	498	549	721
	8	Upstream Leased Assets	0	0	0	0	0	0
	13	Downstream Leased Assets	0	0	0	0	0	0
<b>All</b>	<b>All</b>		<b>0</b>	<b>4,230</b>	<b>4,871</b>	<b>4,871</b>	<b>4,861</b>	<b>5,475</b>

Table 4: NHS SBS’s GHG Emissions (tCO<sub>2</sub>e) by Year under its Plan to be Net Zero by 2028

The graph in Figure 1 below shows projected progress against these targets:

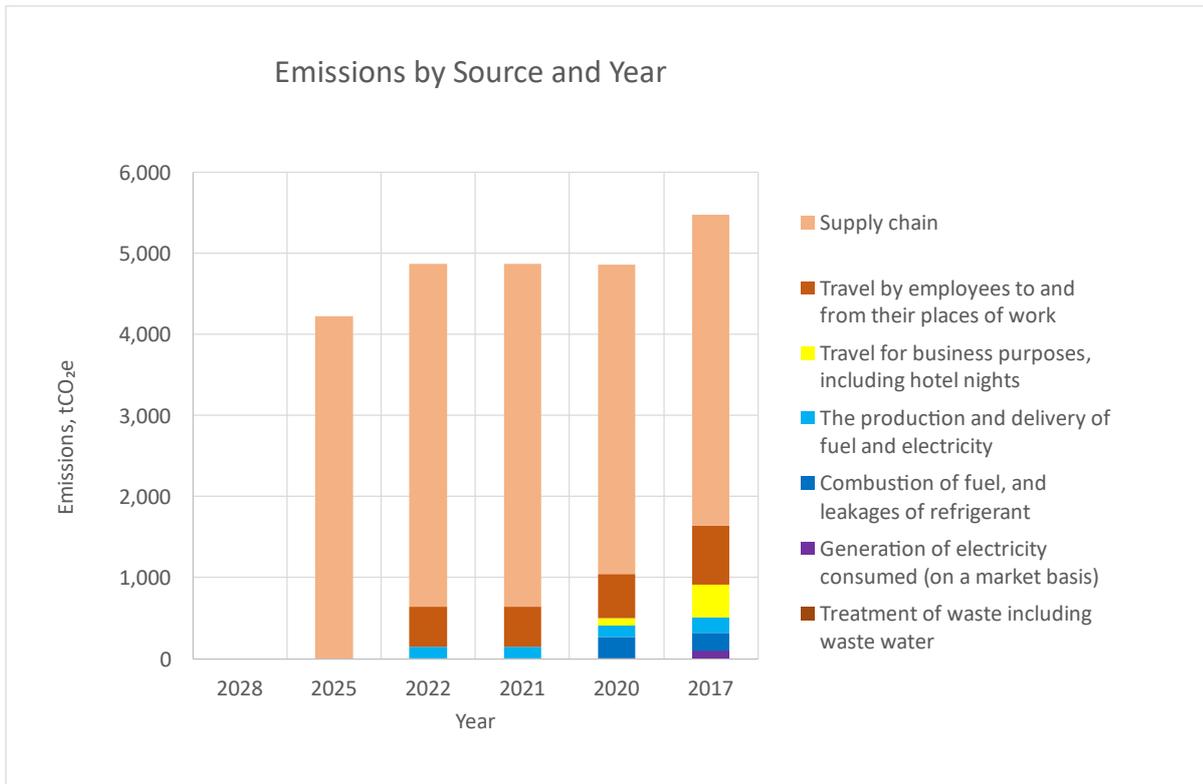


Figure 1: Emissions Reductions Past and Projected

### Science-Based Targets

The Science-Based Targets\* (SBTs) that have been set by Sopra Steria Group apply to NHS SBS in the UK. The following SBTs are aligned to the 1.5 degree pathway and approved by the Science Based Targets Initiative (SBTi):

- 42% reduction in Scope 1 + 2 (market-based emissions) by end of 2025. This is our 10-year science-based target for all of our Scopes 1 and 2 emissions. Sopra Steria expects to achieve this target by procuring more renewable energy and through emissions reduction activities;
- 85% reduction in Scope 1 + 2 (market-based emissions) by end of 2040. This is our 25-year science-based target for all of our Scopes 1 and 2 emissions. Sopra Steria expects to achieve this target by procuring more renewable energy and through emissions reduction activities;
- Ensure that the Group's suppliers, accounting for at least 70% of supply chain emissions, control their GHG emissions by 2025; and
- Ensure that 90% out of these Group's suppliers, accounting for at least 70% of supply chain emissions, have set GHG emissions reduction targets by 2025.

**We project that our GHG emissions will decrease to zero by 2028, a reduction of 100% with carbon removal offsets.**

*\*Science-based targets do not include carbon removal offsets.*

Sopra Steria Group was one of the companies that road-tested the SBTi Net Zero Standard prior to its publication in late 2021.

## **Carbon Reduction Projects**

### **Completed Carbon Reduction Initiatives**

NHS SBS maintains and continually improves its Environmental Management System, which is externally certified to the ISO 14001:2015 standard.

NHS SBS has completed or implemented the following environmental management measures and projects since the 2017 baseline year. These measures will be in effect over the course of the contract (when performing the contract).

### **Renewable Electricity**

92% of the electricity that NHS SBS consumed in the baseline year came from renewable sources; the remaining 8% accounted for emissions of 90 tCO<sub>2</sub>e on a market basis.

By 2019, NHS SBS had raised the proportion of electricity consumed from renewable sources to 100%, reducing Scope 2 emissions to zero on a market basis.

All of the electricity that NHS SBS consumes is backed by Renewable Energy Guarantees of Origin (REGOs).

### **Energy Efficiency**

Sopra Steria signed an agreement to upgrade its company car scheme, which will focus entirely on environmentally friendly and tax-efficient Battery Electric Vehicles (BEVs) and Plug-in Hybrid Electric Vehicles (PHEVs). The scheme applies to NHS SBS employees and will be launched in 2022 and also offer support to employees with arranging discounted home charging points.

### **Business Travel and Internal Carbon Price**

NHS SBS applies an internal shadow carbon price, in the UK, to business travel. Each quarter, emissions from business travel are calculated alongside the associated shadow carbon costs for each business division. The Carbon Footprint Report is incorporated into the existing Sector Travel Power BI Report, which is available to senior management, Sector Directors and Financial Controllers.

## **Waste Management**

100% of waste, from collections managed directly by NHS SBS, is diverted away from landfill.

Since 2019, NHS SBS has collaborated with its catering contractor in replacing plastic packaging of food and drinks sold at on-site canteens with packaging made from plant-based material. This has helped to eliminate over 40,979 items of single-use plastics from NHS SBS's waste.

## **Sustainable Purchasing**

By collaborating with its office stationery supplier and its partner, NHS SBS has been able to reduce the environmental impact of the paper that it uses by purchasing closed-loop paper. Using closed-loop papers means that NHS SBS's used paper is recycled and remanufactured back into a paper product. Therefore, we adopt the principles of the circular economy. No deforestation takes place to provide the fibre in the paper that NHS SBS subsequently purchases, which requires:

- 83% less water;
- 72% less energy; and
- 53% less CO<sub>2</sub> emissions.

... to manufacture than fresh-fibre paper.

## **Carbon Offset Initiatives**

In 2021 NHS SBS purchased carbon removal offsets for GHG emissions from its offices, data centres and business travel that it did not avoid. Offsetting the GHG emissions from these sources in this way means that they had no net effect on the amount of GHGs in the atmosphere, making emissions from these sources net zero.

Since 2017 NHS SBS had made its GHG emissions from offices, data centres and business travel carbon neutral by investing in projects that avoided future GHG emissions, particularly renewable energy projects in India.

In 2020, as part of its strategy for becoming net zero by 2028, NHS SBS migrated its offsets for carbon neutral certification to a new partner accredited by the United Nations Climate Neutral Now programme. This partner invests in projects that remove the primary GHG carbon dioxide from the atmosphere, particularly afforestation projects in Uruguay that create new land for trees that absorb carbon dioxide from the atmosphere, and that do not simply replace trees in deforested areas.

## Future Initiatives

NHS SBS will continue to extend carbon removal offsetting to all relevant sources of indirect emissions, so that 100% of all emissions are net zero by 2028, as follows:

Year	Scope of Net Zero
2022	All operations under direct control
2025	Certain indirect operations (i.e. waste treatment, indirect fuel & energy, employee commuting, and downstream leased assets) added
2028	Indirect operations related to the supply chain (purchased goods and services) added

*Table 4: Phases of NHS SBS's Approach to becoming Net Zero by 2028*

The Carbon Reduction Plan, as part of our Net Zero 2028 initiative is a key component of our wider Environmental Sustainability programme. This programme integrates our ISO14001-certified Environmental Management System, efficient resource consumption, renewable energy, circular economy, sustainable supply chain and support for our clients with solutions and services in their transition to a Net Zero economy.

NHS SBS expects that future ways of working patterns will lead to increased hybrid working. As a result, the NHS SBS will explore and implement, through our UK property strategy, smart technology that provides management information and enables control of energy usage in line with dynamic changes in demand for office utilisation.

NHS SBS is relocating to a new office in Leeds during 2022. NHS SBS will collaborate with the fit-out contractor to achieve SKA certification which will demonstrate that positive environmental outcomes are embedded in the design and fit out of the office. NHS will be extending the scope of its ISO 14001 certification to include the Southampton office.

Sopra Steria Group plans to continue to seek Net Zero through the UN Climate Neutral Now programme (2021: Measure: Gold; Reduce: Gold; Contribute: Silver). As a parallel exercise, Sopra Steria is due to make the Commitment to the new SBTi Net Zero Standard later in 2022. Then within the SBTi stipulated 24 months period, submit its existing SBTi 2019 validated targets to 1.5C for revalidation with the necessary revisions for SBTi validation.

## 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<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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<sup>3</sup>.

This Carbon Reduction Plan, for the Financial Year ending on 31st December 2021, has been reviewed and signed off by the board of directors (or equivalent management body).

### ***Signed on behalf of the Supplier:***

Director's Signature: *E Bannerman*

Director's Name: Erika Bannerman

Date: 20/06/2022

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

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

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