NORR

Carbon Reduction Plan For NORR USA

Publish date: 20-June-2024

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Our Commitment

NORR USA is committed to achieving Net Zero emissions by 2050.

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:

- Reduce scope 1 and 2 emissions to zero by 2030.
- To procure 80% renewable electricity by 2028 and 100% by 2030.
- Reduce Scope 3 emissions by 42% by 2030.

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2050.
- Neutralise any residual emissions using verified carbon offsets.

<u>Scope 1 emissions</u>: 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.

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

<u>Scope 3 emissions</u>: 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. We have chosen to set our baseline year as January - December 2021.

Baseline Year: 2021

Additional details relating to the Baseline Emissions calculations:

Measurement periods that include 2020 – 2022 emissions will be impacted by COVID-19. This will be seen as a temporarily reduced emission and not something the business is able to continue, as a trend, or repeat. We have chosen to measure our emissions despite the Impact to ensure we continue Improving and monitoring data for future reporting years.

Emissions	Total (tonnes CO₂e)
Scope 1	10.244
Scope 2*	Market-based: 1482.296
 Scope 3 including: Purchased Goods & Services Capital Goods Fuel & Energy Related Services Business Travel Transportation & Distribution (Upstream) Employee Commuting & Homeworking Operational Waste & Water 	1437.154
Total Emissions*	Market-based: 2929.694

Our total emissions equate to a Carbon Intensity Metric of 10.5 tCO₂e per full-time employee equivalent (FTE) based on 280 FTEs during the baseline period (using market-based emissions)

Current Emissions Reporting

Current Reporting Year: January - December 2023	
Emissions	Total (tonnes CO ₂ e)

Scope 1	0.4
Scope 2*	Market-based: 73.1 Location-based: 39.6
 Scope 3 including: Purchased Goods & Services Capital Goods Fuel & Energy Related Services Business Travel Transportation & Distribution (Upstream) Employee Commuting & Homeworking Operational Waste & Water 	2093.2
Total Emissions*	Market-based: 2166.6 Location-based: 2133.1

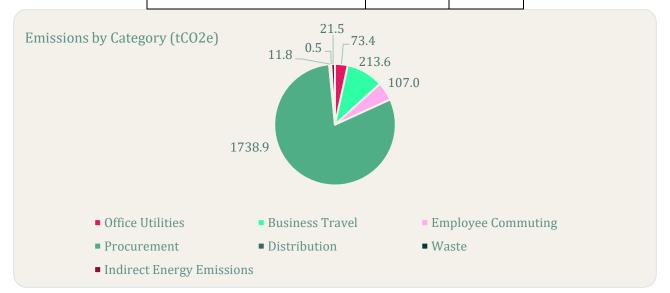
Our total emissions equate to a Carbon Intensity Metric of 9.1 tCO₂e per full-time employee equivalent (FTE) based on 238 FTEs and 541.7 tCO₂e per site for 4 sites during the measurement period (using market-based emissions).

*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.

Carbon Emissions Breakdown

Measurement Results		
By Scope	tonnes	% of total
Scope 1	0.4	0
Scope 2 (Location-based)	39.6	-
Scope 2 (Market-based)	73.1	3
Scope 3	2093.2	97

By Source		
By Source		
Direct	0.4	0
Upstream	2132.8	98
By Category		
Office Utilities	73.4	3
Company Cars	0.0	0
Business Travel	213.6	10
Employee Commuting	107.0	5
Procurement	1738.9	80
Distribution	11.8	1
Waste	0.5	0
Indirect Energy Emissions	21.5	1
Total		
Location-based	2133.1	-
Market-based	2166.6	-



Carbon Reduction

Our Net Zero targets

NORR USA is committed to achieving Net Zero by 2040. 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:

- Reduce scope 1 and 2 emissions to zero by 2030.

- To procure 80% renewable electricity by 2028 and 100% by 2030.
- Reduce Scope 3 emissions by 42% by 2030.

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2040.
- Neutralise any residual emissions using verified carbon offsets.

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. Year 1 appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations.	2021	1,2,3
Created a Green Team to lead initiatives. This team has been made up of members from different departments to support the roll out of initiatives and management of data, this includes sharing and collaborating throughout the organisation.	2021	1,2,3
NORR USA is signing up for the Science Based Targets Initiative alongside their Net Zero Advisory Partner Positive Planet	Ongoing	1,2,3
NORR has implemented a permanent hybrid work model, and we are currently right-sizing (reducing GSF) our spaces to mee this new business opportunity, using our proprietary design, construction, and operations standard - supporting carbon reduction as an outcome.	Ongoing	1,2,3

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	% Reduction Target	Category
1	Ask the facilities management to consider low- cost options such as reducing the boiler temperature and adding heat & solar control reflective window sheets. Consider planning for larger cost management (where appropriate) such as an efficient boiler system. Consider moving to premises without gas heating for 100% reduction is stationary combustion emissions.	2026	6%	Stationary Combustion
2	Encourage the facilities management company at the office to procure a 100% renewable electricity tariff. This change will reduce market-based emissions (from chosen tariff) from the office (common areas) to 0 tCO2e.	2026	100% (market- based)	Purchased Electricity
3	 Implement energy efficiency measures to reduce the overall amount of electricity consumed at sites. Optimise operational procedures and implement energy management systems (such as ISO 14001). Examples of reduction measures include: upgrading lighting and introducing more sensor lighting, and aligning sensor times to usage patterns (eg 3 minutes for corridors, 20 minutes for working spaces) installing timers on sockets/equipment reviewing and renewing inefficient equipment (when at end of life), and actively consider the energy efficiency of equipment when new purchases are required (eg laptops, fridges, dishwashers) Invite colleagues from different sites to openly explore challenges and barriers to collaboratively find solutions for reduction. 	2026	10% (location- based)	Purchased Electricity

Based upon the above completed and planned initiatives, it is projected that Scope 1 & 2 carbon emissions will decrease to **0 tCO₂e** by 2050.

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We also aim to implement the further initiatives below to reduce Scope 3 emissions:

Reduction	n Plans – Scope 3			
Activity No.	Activity	Target Date	% Reduction Target	Category
1	Consider training and engagement for the Green Team, leadership, and the wider employee base. Including and not limited to, creating spaces for environmental positive conversations (internal comms, newsletters, slack, Teams etc), certified Carbon Literacy Training for all applicable to roll out to further workforce and share with externals where appropriate. On average, certified learners reduce their carbon footprints by 5-15%, of which ~50% are work-related.	2024	2.5 - 7.5%	Commuting & Home Working Business Travel
2	As procurement is our largest category of emissions, addressing this category is imperative to our reduction journey. We aim to implement a Sustainable Procurement Policy. Encourage suppliers to adopt sustainable practices and improve their own carbon footprint through supplier engagement, procurement policies and contracts, and monitoring reporting mechanisms. Commit to a Sustainability Audit or Survey to request further information regarding credentials – Plan to send these to the top 50 suppliers by spend. This data collection will support reduction journey by gathering important data for year two measurement & encourage supply chain integration towards Net Zero. Complete this audit within two phases: 1. Identify suppliers for engagement 2. Formulate and collect data (survey/scoring)	2025 - 2028	20%	Purchased Goods & Services
	Once completed prioritise suppliers with lower carbon footprints as part of the above phased approach. This may also involve purchasing			

	second hand/refurbished (furniture, IT equipment) and extending the lifespan of purchased items. Develop and monitor procurement policy for all new suppliers to align to Net Zero goals.			
3	Review logistics partners/couriers and utilise the above Sustainable Procurement Policy. Work with providers to gather their emissions data, and/or switch to lower-carbon providers. Prioritise purchasing from local suppliers to limit delivery mileage.	2025 - 2028	20%	Upstream Distribution Downstream Distribution
4	Develop and implement a Sustainable Travel Policy to support environmental impact of choices when travelling, staying in hotels and commuting. The priorities within this policy will support active travel and low emission travel options where appropriate. Monitor and consider alternatives to air-based travel as a priority and commit to offering support to workforce with options for active travel schemes, such as bike to work or car sharing opportunities. Utilise the emissions travel hierarchy: - Digital communication - Walking and cycling - Public and shared transport - EV's and car sharing/clubs - ICE vehicles and car sharing/clubs - Air travel Consider creative ways to engage and support the workforce to influence change. Examples include setting an internal organisation carbon credit scheme (limit that to a number of tCO ₂ e per year), extra holiday days for low emission travel choice, bonuses, subsidised travel, equal mileage payments for diesel/petrol/EVs/cycling.	2025 - 2028	15%	Business Travel Commuting
5	We aim to liaise with key suppliers to see whether they can ship with the minimal amount of packaging needed to secure the product.	2025 - 2028	25%	Waste

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Based upon the above completed and planned initiatives, it is projected that (as a minimum) Scope 3 carbon emissions will further decrease over the next seven years from the current normalised measurement of 2093.2 tCO₂e to 1214.0 tCO₂e by 2030. This is a **reduction of 42%** and will keep us on track to Net Zero.



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 NORR USA Executive Team.

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

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

Signed on behalf of NORR USA:

Name: Blake Jackson

Position: Director, Sustainability

Date: 13-June-2024