



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹ Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

² Technical Standard can be found at:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

³ Guidance can be found at:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf

Carbon Reduction Plan Output

Supplier name: Quantexa Limited.....

Publication date: 21st December 2023.....

Commitment to achieving Net Zero

Quantexa Limited is committed to achieving Net Zero emissions by 2050.

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.

Baseline Year: FY2020/2021 (1st April 2020 – 31st March 2021)	
Additional Details relating to the Baseline Emissions calculations.	
<p>The data presented below covers all scopes required to meet PPN-0621 broken down into Scope 1,2 and 3.</p> <p>The data used to generate these calculations was provided by our landlord “WeWork” alongside other Scope 3 data which was generated using internal data sources.</p> <p>The baseline date for the emissions calculations will follow the financial year; this has been reviewed and approved by Quantexa Leadership.</p> <p>The submitted calculations include data from all Quantexa’s UK locations as presented and made available for the purposes of this PPN 0621 report.</p> <p>Quantexa has partnered with https://www.altruistiq.com/ to perform the calculations for the submission of this plan. Altruistiq has produced the proposed carbon reduction plan using industry approved methods to meet the requirements of PPN 06/21, with management oversight from Quantexa.</p>	
Baseline year emissions: FY2020/2021 (1st April 2020 – 31st March 2021)	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	0 t CO₂e
Scope 2	0 t CO₂e
Scope 3 (Included Sources)	<p>Category 1 Purchased Goods & Services = 893 t CO₂e</p> <p>Category 8 Upstream Leased Assets = 83 t CO₂e</p> <p>Category 7 Employee Commuting = 41 t CO₂e</p> <p>Category 5 Waste Generated in Operations = 2 t CO₂e</p> <p>Category 6 Business Travel = 1 t CO₂e</p>

Total Emissions	1,020 t CO₂e (UK Only)
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Current Emissions Reporting - UK

Reporting Year: FY2022/2023 (1st April 2022 - 31st March 2023)	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	32.89
Scope 2	0
Scope 3 (Included Sources)	<p>Category 1 Purchased Goods & Services = 1,854.2 t CO₂e</p> <p>Category 3 Fuel and Energy Related Activities = 26.82 t CO₂e</p> <p>Category 4 Upstream Transportation and Distribution = 0 t CO₂e*</p> <p>Category 5 Waste Generated in Operations = 3.08 t CO₂e</p> <p>Category 6 Business Travel = 1,091.20 t CO₂e</p> <p>Category 7 Employee Commuting = 89.48 t CO₂e</p> <p>Category 8 Upstream Leased Assets = 0 t CO₂e*</p> <p>Category 9 Downstream Transportation and Distribution = 0 t CO₂e*</p> <p>*Please note emissions associated with Upstream Transportation and Distribution are included within Category 1 Purchased Goods & Services. This is due to Quantexa not being able to collect emission data from Upstream logistics within its supply chain. This request is catered for within Category 1 Purchased Goods & Services and is based on a spend-based approach using internal purchasing data only.</p> <p>Furthermore, Downstream Transportation and Distribution is not relevant to the Quantexa operating model.</p> <p>Quantexa has followed the GHG Protocol Scope 3 guidance which sets out a hierarchy of approaches. Based on the data available the option of using a spend-based data method has been selected. Quantexa are unable to differentiate between money spent on goods or services and the delivery cost which is included within the total spends of the purchase. Therefore, a spend-based approach has been used.</p> <p>The link below details the spend-based method selected.</p> <p>https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter4.pdf</p>
Total Emissions	3,097.69 tCO₂e

Quantexa took an operational control approach for the data collection, which included the GHG Inventory for all GHG emissions. This approach was believed to be the most valuable means of reporting and helping Quantexa leadership to make impactful and sustainable decisions. Any identified data gaps were addressed by Altruistiq through estimation, employing a kWh intensity per unit of floor space.

Please note, in comparison to the baseline year, in both FY21/22 and FY22/23, Quantexa has adjusted its methodology as follows:

- Emissions arising from the use of the leased office space (electricity and fuel combustion for heating) has been reallocated to scope 1 and scope 2 respectively in FY21/22, hence the increase from FY20/21 where these were allocated to scope 3 category 8.
- Renewable energy was accounted for where applicable using a market-based approach.

From FY21/22 to FY22/23, Quantexa has seen an overall increase of 91% in emissions intensity (tCO₂e/£ revenue). However, energy consumption intensity (kWh/£ revenue) has decreased by 10%. The overall increase in emissions stems from several key factors, which are discussed in more detail below.

1. We Work Facility Emissions

WeWork provides electricity, heating, solid waste, and water consumption data for Quantexa's London office. Two factors have influenced Quantexa's London office in terms of electricity, heating, and solid waste emissions.

- First factor is the increased number of Quantexa employees,
- Second factor is a modification in waste data collection methods by WeWork, resulting in more comprehensive and accurate data.

Overall Quantexa's London facility experienced a 37% rise in heating consumption and an 11% uptick in electricity consumption. This can be partially attributed to the heightened occupancy levels at WeWork's London office.

Factor 1: Increase in Number Quantexa Employees

WeWork assigns utility consumption on a per-desk basis (as per the provided formula), meaning that if the overall energy usage per desk in the entire building increases, Quantexa's proportion of utilities also rises, regardless of the company efforts to enhance energy efficiency. Unfortunately, for the FY22/23 period, obtaining a more detailed breakdown of specific usage attributable solely to Quantexa's operations was not possible.

$$\text{Average Utility Consumption Per Member} = \frac{\text{Total Building Consumption}}{\text{Total Building Members}} \times \text{Member No.}$$

Factor 2: Modification in Data Collection Method

The second factor which impacted emissions from Quantexa London was a change in solid waste data collection methodology. In FY21/22 London's solid waste production was reported as 830kg*, in FY22/23 this increased to 137,312kg. This 16443% increase equated to a 933% rise in emissions. This was attributed to WeWork having

more visibility on waste production, as previously waste data was calculated using a broad industry average.

**Both Altruistiq and Quantexa raised questions about this consumption at the time, as we had concerns that it appeared unrealistically low to provide an accurate representation. However, WeWork confirmed that it was indeed the sole available data.*

2. Business Travel and Purchases Spend Data

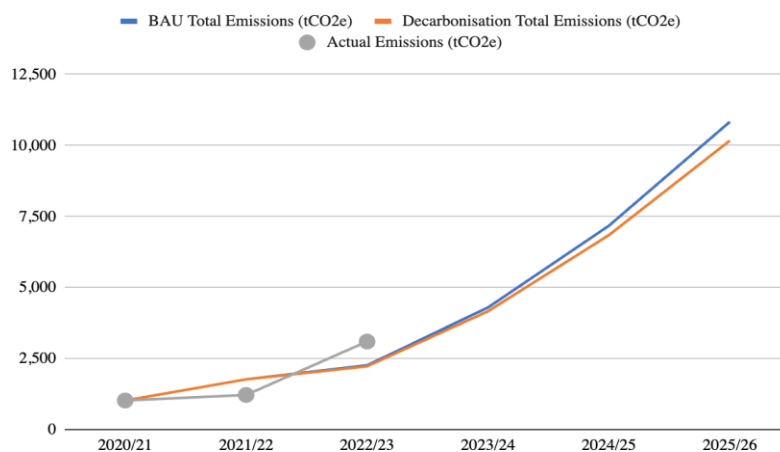
There has been a notable increase in business travel and purchased goods and services. Year on year this is primarily due to gradual lifting of Covid travel restriction globally, and Quantexa restoring usual travel policies. However, as Quantexa continues to expand its business operations, global travel continues to increase. Business travel and purchased goods and services emissions increased by 675% and 86% respectively from FY21/22 to FY22/23. Quantexa's spend on business travel increased by 6540%, with key changes being a 729% increase in spend on flights, and a 745% increase in spend on train services.

3. Commuting Data

A modification in the methodology for calculating commuting emissions has been implemented, resulting in an upsurge in commuting emissions from 49.1 tCO₂e in FY21/22 to 89.5 tCO₂e in FY22/23. Previously, Quantexa relied upon an employee commuting questionnaire, but due to limited response rates in FY22/23, emissions were computed using a more conservative 'average data method' based on average (e.g., national) commuting patterns. Additionally, the increase is also attributable to the expansion of Quantexa's UK based workforce from 319 to 413 employees, which naturally led to a rise in commuting emissions.

Due to the alterations in methodology and shifts in the global economic landscape, the data cannot be accurately compared to previous years. Consequently, as a response to the substantial impact these changes have had on emissions solely due to methodology, Quantexa intends to establish a new target in the upcoming year, with the 2022/2023 financial year serving as the new baseline.

Emissions reduction targets



Carbon Reduction Projects

Addressing climate change stands as one of the most significant global challenges, and Quantexa is unwaveringly dedicated to contributing to its mitigation. We are intensifying our efforts to achieve carbon neutrality, recognizing the escalating importance of this issue. The management team acknowledges the growing concern surrounding climate change, understanding the expectations of our clients and the broader ecosystem. We are steadfast in our commitment to surpass all targets and uphold our responsibilities in the pursuit of sustainability.

Since the baseline year, Quantexa has initiated a range of reduction initiatives. Notably, having completed an ESOS assessment as well as CDP and Ecovadis Questionnaires, which are available upon request.

Recognising the challenges associated with shared office spaces, Quantexa has fostered more comprehensive relationships with WeWork. These partnerships facilitate a heightened focus on energy consumption and savings, including a clearer understanding of the use of renewable energy sources at all Quantexa locations. Moreover, Quantexa's WeWork facilities incorporate sustainability features such as Green Building Certifications, Zero Waste to Landfill practices, Green Cleaning, EV Charging stations, Grey Water Recycling systems, and Plastic-Free Office Spaces.

Quantexa has entered a partnership with Altruistiq to oversee the management of all sustainability-related obligations. Altruistiq offers comprehensive guidance on environmental reporting for all Quantexa locations.

This report outlines the methodology Altruistiq uses to model a potential decarbonisation scenario for Quantexa based on initiatives that Quantexa presented. Several assumptions were made to estimate future emissions under a Business as Usual ("no change") design and a Decarbonisation Scenario. All the initiatives Quantexa presented, along with assumptions used on how they would impact Quantexa's baseline.

The subsequent environmental management measures and projects have been put into action since the 2020/21 baseline:

- Partnering with Ecologi to fund climate solutions that will help to reduce or remove emissions by introducing a carbon offset program.
- Continuing to monitor and report on the carbon output generated by all business travel using a dedicated and managed solution.
- Continued hybrid working and Virtual Meetings, building on the success of hybrid working practises, we continue to embrace this model. Virtual meetings remain best-practice, enabling us to minimise our carbon footprint by reducing unnecessary travel and its associated emissions.
- Enhanced environmental knowledge and positive action through our product and services offerings and conducting our business with the intent of having the lowest environmental impact.
- To ensure a thorough grasp of sustainable practices, we have implemented compulsory ESG Training for all our employees.
- Introduction of various new schemes, for example, an Electric Car Scheme encouraging eco-friendly commuting, established recycling practices for old IT equipment and continuation of the cycle to work scheme.
- Implementation of tooling to measure Diversity, Equity, and Inclusion (DEI) via an anonymised data baseline to pinpoint areas of improvement allowing Quantexa to better focus its priorities.
- Embedding of inclusive and equitable processes and practices across the talent journey, from attraction through to onboarding, learning, and performance management.
- Providing our leadership and management with education around embedding change by promoting inclusive behaviours in everyday routines through behavioural nudges and training.
- Continuation of regular well-being seminars around key focus areas and topics and build out of discussion forums for further education and understanding.
- Generating social value through volunteering and investing in our communities.

- Official signing of the Armed Forces Covenant at Bronze level pledging our commitment to the fair treatment of military personnel inclusive of reservists and cadets, with plans to secure Silver level accreditation in the financial year 2024/2025.

Declaration and Sign Off

- This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.
- Emissions have been reported and recorded in accordance with the published reporting standards for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.
- 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 standards for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁶.
- 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:

DocuSigned by:

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C Tauszky
VP Operations

21/12/2023 | 3:44 PM GMT
Date: Quantexa

⁴ <https://ghgprotocol.org/corporate-standard>

⁵ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶ <https://ghgprotocol.org/standards/scope-3-standard>