



VERITY GROUP LIMITED
One Team, One Dream



CARBON REDUCTION PLAN

VERITY GROUP OF COMPANIES INC.

ENGLAND, UNITED KINGDOM

FEBRUARY 2023





COMMITMENT TO ACHIEVING NET ZERO

Verity Group Limited (VGL) UK and its subsidiary are committed to achieving net zero emissions by 2030 is set by our corporation at a global level and applies to all of Verity Group of Companies' operations world-wide.

Verity Group of Companies, Inc. England, United Kingdom, is committed to reaching Net Zero emissions by 2030 as part of the efforts to combat climate change and protect the environment and has been carbon neutral since 2016. We have been measuring, reducing and offsetting our operational carbon emissions in reaching our Net Zero target 20 years ahead of the 2050 target set out in the standard Carbon Reduction Plan requirements.

Verity Group of Companies Net Zero target supports the UN Sustainable Development Goals, 13 and in agreement with the Paris Agreement on climate to reduce greenhouse gas (GHG) emissions and promote global security and the world population must keep global warming to below 1.5°C (the critical level of heating needed to avoid the worst impacts of the climate crisis). To achieve this, VGL joined the Business Ambition for 1.5°C, committing to achieving net zero greenhouse gas (GHG) emissions by 2030, with a target that has been verified by the Science-Based Targets Initiative. Building on this, in 2022, we were one of the first businesses to achieve The Carbon Trust Route to Net Zero (level 2 – 'Advancing'), which is a validation that we are delivering against our science-based targets to reach Net Zero by 2030

VGL has implemented permanent plans to reduce and balance our emissions to become a more sustainable professional services company. In becoming a participant in the UN Global Compact and Business Ambition. Verity Group of Companies is continually bolstering their environmental policies and practices, to continually reduce our GHG emissions, waste, and water usage across Verity Group of companies in its entire operation globally. In that time we have significantly reduced our total carbon footprint through 3 main sustainability programmes – Decoupling our Carbon and Going Circular – with continued low levels of business travel, low acquisition of office resources e.g. paperless approach and low office occupancy in the first half of the financial year due to Covid-19 reducing our emissions to 92% below our original 2016 baseline target. Increased office occupancy, with gradual increase in business travel has been balanced with the reliance on energy efficient resources and 95% cut down on paper, printing and photocopying.

VGL's approach to reducing remaining targeted levels of carbon footprint by removing carbon from the atmosphere through mainly nature-based solutions – and plans to reach Net Zero emissions by 2030 across VGL's global geographical offices. During VGL's shift to Net Zero, we will continue to compensate for all VGL's emissions, including those from travel, by investing in carbon-reduction projects certified to international standards, including contributing to tree planting exercises and national and international projects intended to cut down carbon emissions. More information about our environmental programme and global Net Zero commitments and can be found on our website, with additional performance indicators via <https://www.veritygroupltd.com/environmental-sustainability>



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. In conjunction with our commitment to achieve Net Zero by 2030, we rearrange our baseline from 2012 to 2022, in line with the requirements of the Science-Based Targets Initiative (SBTi).

Baseline Year: 2012. Additional Details relating to the Baseline Emissions calculations.



BACKGROUND

VGL and its subsidiary companies have quantified and disclosed our greenhouse gas emissions and other environmental and social impacts in our non-financial scorecard each year since 2017, originally against a baseline of 2015 and more recently reset to 2019. The scorecard is published within our Annual Report, and the 2022 scorecard is available here. All metrics have been independently assured by our financial auditors.

As part of VGL's environmental footprint strategy, VGL measures and reports on the Group's environmental footprint, including undertaking rigorous annual measurement and third-party verification of VGL's emissions. VGL's reporting includes absolute emissions and intensity metrics by scope, by source and by region, compares VGL's performance to previous reporting periods and tracks progress against VGL's targets.

NON-FINANCIAL SCORECARD

VGL presents its reports to the Board yearly to verification and scrutiny of its progress against our net zero target in our public non-financial scorecard. The target is formulated using the 'fair and clean business based' approach for purchased stationary, electricity, fuel for vehicle use to highlight the emissions benefits from our renewable energy arrangements. Our report also covers a broader set of the GHG Protocol's 'Upstream' Scope 3 categories than those requested in the Technical Standard for Completion of Carbon Reduction Plans.

Our net zero target includes the 'Employee commuting and teleworking' category, emissions that are largely determined by our employee's personal choices, and voluntary commitment to our organizations' emission goals. To support employee's commitment to the organizations' goals, we have deliberately sought to find offices and our operations to be as close to public transport hubs as possible to cut down on staff travel distance and invariably cut down on their carbon footprint. We acquire hybrid and electric vehicles through our car scheme, and bicycles under the Cycle to Work scheme to help each organization to cut down on its carbon footprint. Purchased goods and services are also included in our net zero emissions target, and also reported by a separate target.

GREENHOUSE GAS (GHG) SCORECARD

VGL's greenhouse gas (GHG) emissions are calculated in line with the GHG Protocol. VGL's approach follows best practices, such as using internationally accepted emission conversion factors and including radiative driving in emission factors for all air travel. To remain transparent, we are incorporating an extensive scope GHG account in our non-financial scorecard, reporting against all 15 GHG protocol Scope 3 categories. VGL's reporting covers all material emission sources and complies with the criteria of Global Climate Change Neutral label. VGL's GHG footprint was independently verified by the ISO 14001-3 standard.

EFFICIENT ENERGY USE AND CARBON REPORT

Although fugitive emissions are not part of the required scope of the Streamlined Energy and Carbon Report (SECR) we recognize the need to make them as part of our impact and net zero baseline, and so we have been included the emission figures within this Carbon Reduction Plan and our non-financial scorecard. The SECR disclosure only requires emissions generated from our road travel to be included in scope 3, so covers a lesser business travel scope than what is included in both our Carbon Reduction Plan, and our public non-financial scorecard.

SCOPE OF EMISSIONS

SCOPE 1

The scope of emissions in this category includes direct emissions, particularly those associated with the direct consumption of natural gas, heating oil, and diesel fuel as well as the emissions associated with owned and leased vehicles and fugitive emissions. Scope 1 emissions are primarily measured based on volumes of consumed fuels in each continent and region of operations.

SCOPE 1

This scope encompasses indirect emissions, including those directly related to the purchase and consumption of local electricity and distinct heating energy. Scope 2 emissions are mainly calculated based on volumes of purchased and consumed electricity and heating energy in each of the geographical areas where we operate.

SCOPE 1

The calculations related to this scope encompasses other indirect emissions, such as business travel, emissions from

- Purchased goods and services including technology usage (e.g., cloud services and video conferencing)
- Vehicles not owned or controlled by us, outsourced activities, employee commuting (including teleworking), and waste disposal.
- Mileage (air travel and ground transportation),
- Business stay duration (hotels),
- Energy consumption (upstream emissions from purchased fuels and electricity),

- Spend (purchased goods and outsourced activities),
- Employee travel/home energy consumption (employee commuting and teleworking), and industry benchmarks (waste disposal).

The 2019 baseline and 2020 GHG footprint relates to the Verity Group of Companies, Inc. United Kingdom activities only and are a subsection of the total GHG footprint of VGL's global activities.

BASELINE YEAR EMISSIONS

BASELINE YEAR EMISSIONS: 2019

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	244
Stationary combustion of fuels	187
Fugitive emissions	57
Other indirect emissions	4,072.3 ¹
Scope 2	2,066
Purchased electricity: Market based	645
Scope 3	144,118
(Included sources)	
Purchased goods and services	1,003
Fuel and energy related activities	645
Upstream transportation and distribution	375
Waste generated in operations	813
Business travel	1,017
Employee commuting and teleworking (modelled) ¹	14,016
Downstream transportation and distribution	Not related to our operations as VGL does not sell or transport products
Total emissions	
(including modelled employee commuting and teleworking figure)	
Market based	14,103
Location based	3,322

CURRENT EMISSIONS REPORTING

REPORTING YEAR: 2022

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	591
Stationary combustion of fuels	370
Fugitive emissions	221
Scope 2	0
Purchased electricity: Market based	4,645
Scope 3	80,810
(Included sources)	
Purchased goods and services	47,851
Fuel and energy related activities	1,954
Upstream transportation and distribution	Reported in the PG&S category
Waste generated in operations	15
Business travel	16,508
Employee commuting and teleworking (modelled) ¹	14,482
Downstream transportation and distribution	Not relevant. PwC does not sell or transport products 8,927.5 ²
Total emissions	
(including modelled employee commuting and teleworking figure)	
Market based	81,401
Location based	86,046

¹ Scope 3 figures reported in this CRP include only the following sources of emissions as per the Technical Standard guidance: upstream transportation & distribution; waste generated in operations; business travel; employee commuting; and, downstream transportation and distribution.

² Ibid 1



EMISSIONS REDUCTION TARGETS

In pursuance of long term company-wide targets for reducing our carbon emissions target since 2017, we continue our progress to achieving Net Zero through various initiatives. We have adopted the following **Group-wide carbon reduction targets that apply to all of VGL's operations, including VGL & Company, Inc. United** to becoming 'net zero by 2030.

VGL is committed to **reducing absolute Scope 1 and 2 GHG emissions 25%** by 50% year in year and reaching Net Zero **by 2025** from a 2017 base year. VGL is also committed to **reduce Scope 3 GHG emissions from customer-based business travel 25% per employee** over the same timeframe, managing this carefully via our 'Thoughtful Travel' programme so we can account for this transparently.

VGL & Company, Inc. United Kingdom Total GHG emissions have decreased by 4.78 thousand tCO₂e over 2020 from the 2019 base year. This is a reduction of ~82% in total emissions and represents reductions of ~76.3% and ~78.5% in Scope 1 and 2 emissions and Scope 3 emissions, respectively. While VGL United Kingdom have made significant reductions in Carbon emissions, we continued to reduce the frequently of our business travel after resorting to the use of online communications. Other reductions were mainly attributable to the shift to working remotely and the associated sharp reduction in office usage and travel dues to new innovative working approaches during and after the global COVID-19 pandemic.

VGL has subscribed to and set science-based targets (SBTs) to reduce VGL's GHG emissions. For achieving our VGL's targets for reducing and removing the remaining footprint, VGL resource and rely mainly on nature-based solutions – and to reach Net Zero climate impact by 2030. During the transition to reach Net Zero, VGL will continue to compensate for all VGL's emissions, including those from travel, by investing in carbon-reduction projects targets set through its to international standards certification – ISO 14001. VGL's Group-wide SBTs have been reviewed and validated by the Science-Based.

Our SBT initiative is to reduce VGL's GHG emissions by 2025 in line with a 1.5-degree pathway, and the progress made against VGL's global carbon reduction targets can be seen in the charts below.

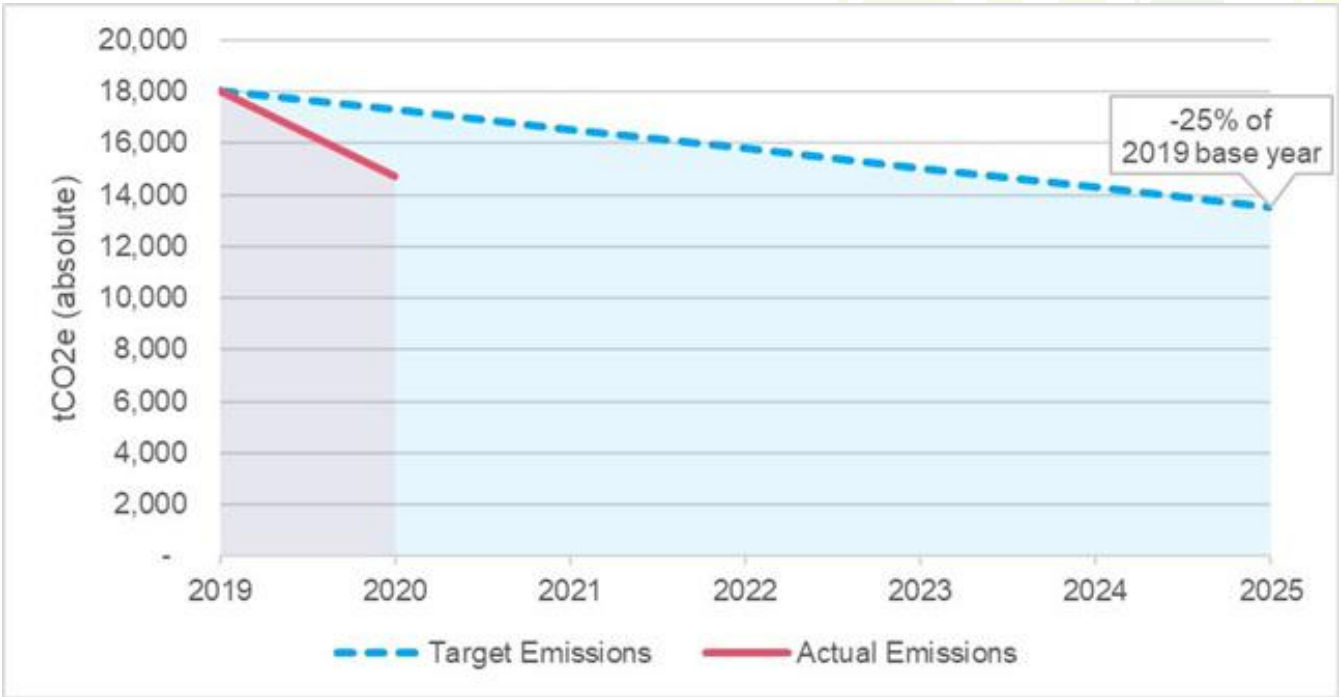


Chart 1: Scope 1 and 2 GHG emissions (Absolute Gross Emissions: Target vs Actual)

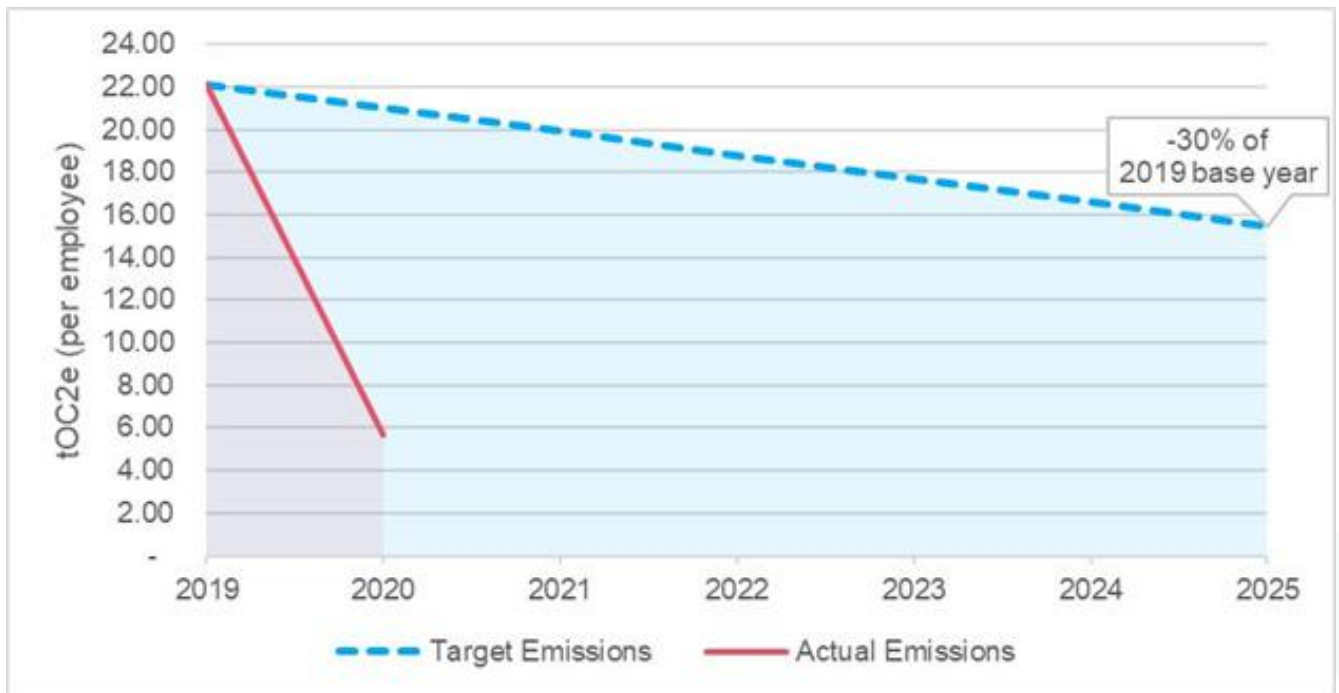


Chart 2: Scope 3 GHG emissions from business travel
Per employee gross emissions; Target vs Actual)

VGL's global GHG emissions from Scope 1 and 2 activities (see Chart 1) and Scope 3 business travel per employee (see Chart 2) declined significantly in 2020 (reduced by ~18% and ~74% respectively, compared to 2019). However, while VGL continued to reduce the intensity of VGL's business travel, these reductions were mainly driven by the shift to working remotely and the associated sharp reduction in office usage and travel as a result of the global COVID-19 pandemic.



COMPLETED CARBON REDUCTION INITIATIVES+

VGL implemented various environmental management measures since our 2019 baseline, resulting in cumulative carbon emission reductions of over 11,460 tCO₂e. This is equivalent to saving over 142% of our 2019 baseline emissions.

OPERATIONS

This year, operational scope 1 and 2 emissions were reduced by 40%, mainly influenced by the elimination of scope 2 emissions, as well as a 27% decrease in scope 1 gas emissions. Scope 3 business travel emissions increased notably due to the return of travel post Covid-19, however still showed a 78% decrease compared to 2019.

Specifically, VGL & Company, Inc. United Kingdom implements an Environmental Management System (EMS) and is ISO 14001 certified. Through these systems, our energy programme spans all of our UK offices and focuses on strengthening and invigorating office space systems, to operate more efficiently, and invest in new technology for further reductions.

During 2022 we reviewed our existing programme and implemented a five-year programme to have all of our UK offices and vehicles powered by renewable electricity. This approach allowed us to achieve the first stage in our net zero journey, supporting both our ambition to achieve net zero by 2030 and our commitment to source 100% renewable electricity across our global operations by 2030. As a result of this approach, 96% of our total energy is now sourced from renewable sources and we are continuing to reduce our use of natural gas.

We have outlined below a collection of environmental management measures and projects that have been delivered since the 2019 baseline for our London and UK offices, recognizing our sustainable environmental footprint achievements:

1

Achieved ISO 14001 certification in 2019 for our London and Global office. The office was rated fully compliant. Our general operations and business out-out was found to be designed in accordance with the LEED Gold certification in mind.

2

Purchased Goods and Services which were certified to be in line with Carbon and Environmental sustainability were found to account for nearly 85% of our total carbon footprint, VHL spends in this category in 2021 was largely driven by advertising and marketing, IT software and data centres to enable the offering of our products to customers.

3

Powered offices with 100% renewable electricity by installing 100% LED lighting. In 2019, VGL joined RE100, a coalition of about 500 organizations committed to using 100% renewable electricity and installing LED lights. VGL set a target of reaching this goal by 2025 and has made significant progress. Since 2019, 95% of VGL's global electricity consumption has come from renewable sources.

4

Transportation and Distribution: This scope accounts for emissions associated with business travels – conference attendance, business commitments etc . This covers both retail and SME customers and staff commuting to work.

5

Designed our office space to maximise exposure to natural light and reduce the need for artificial lighting. The circadian lighting automatically controls the intensity of the lighting to replicate natural daylight.

6

Installed an HVAC system our offices to use low-GWP refrigerants and heat pump technology, with heat recovery on all air systems contributing to reduced emissions and energy. LED/low energy lighting is used throughout, and ventilation is demand controlled.

7

Introduced multiple recycling points, installed “follow-me” printing technology (that prevents uncollected printing) **and eliminated single-use plastics**, all contributing to reducing our carbon footprint in the London office.

8

Encouraged sustainable ways of employee commuting to the office and client through our Cycle or Walk to work scheme that subsidizes the purchase of new bikes for work; gives incentives to staff who choose to live close to offices and walk to work. We rely on the use company and taxi companies electric vehicles for travels.

In addition to the above procedures, we have taken indirect carbon reduction measures such as:

- (a) Incorporated significant number of plants in the London office interior design and roof top.
- (b) Eighty (80%) of all furniture spend was from UK manufacturers to minimize delivery miles as well as support the UK manufacturing industry;
- (c) Using building and fit out materials for their sustainability for all renovation of premises activities.

The initiatives enlisted above are predominantly focused on securing reductions in Scope 1 and 2 GHG emissions. The total reduction achieved by these initiatives is estimated to be approximately 74 tCO₂e – approximately a 32% reduction from the 2019 baseline Scope 1 and 2 GHG emissions.



FUTURE CARBON REDUCTION INITIATIVES+

In the future, VGL & Company, Inc. United Kingdom plans to continue to align with VGL's global science-based targets and commitment to attain Net Zero emissions by 2030, by seeking and evaluating opportunities to minimise energy and resource use in our offices. This includes revamping our approach to building Carbon Reduction optimization, and adopt the use of technology to leverage and achieve a net zero office portfolio.

In 2021-2022, VGL & Company, Inc. United Kingdom implemented carbon reduction measures laid out in VGL's global carbon reduction plan, including:

- **Encouraging our key suppliers** to decarbonise through setting their own science-based targets for reducing emissions Early this year 2023, we launched our new 'Net Zero Supplier Springboard', a carbon-reduction programme designed to support our suppliers, to kick start and accelerate their decarbonisation programme.
- **Embracing alternative and hybrid working models** in addition, building on the lessons learned during the global COVID-19 pandemic, which impacted everyone's way of working.
- **Rethinking our travel policy** e.g., adjusting our travel policies and projects to using only greener ground transportation and using greener hotels.

CARBON OFFSETTING

Verity Group of companies have offset all our operational carbon emissions (Scope 1, 2 and 3) as reported in our Annual Carbon Reduction Report and non-financial scorecard in each financial year since 2012, through a variety of robust projects. Taking into consideration our efforts to contributing to biodiversity and ecosystem services, we have implemented projects that are focused on preserving and creating new forests through large scale tree planting projects in recognised biodiversity hotspots and the Climate, Community and Biodiversity standards.

Our projects form part of the portfolio of projects supported by the global VGL Network, through which we have also joined the LEAF Coalition (Lowering Emissions by Accelerating Forest Projects). By becoming a member of LEAF, we support, a public-private initiative that aims to protect tropical forests at scale, through a long term commitment to purchasing high integrity carbon credits that are verified against the independent and rigorous ART / TREES standard. Through our membership we take part of our global net zero commitment with a view to removing our remaining carbon emissions by 2030.

CLIENT SERVICES

As a professional services corporation, we also have an important role to play in helping our clients accelerate their net zero transformation, manage climate risk and build resilience. We can help clients to shape and drive the changes they need to make to retain a 'licence to operate' or to create long-term sustained outcomes, supported by a reporting approach that helps to build trust. Accordingly, ESG – Environmental, Social, Governance – issues are at the heart of our global strategy: The New Equation, with a significant investment plan that includes large scale upskilling and recruitment programmes. More information on these initiatives can be found in our 2022 Annual Report and associated statement on climate risk.



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 standard³ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁴.

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) Standard⁵.

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:

Dr Samuel Ofori-Kyereh

**Chief Executive Officer,
VGL & Company, Inc. United Kingdom**

Date: 12/01/2023