OCDER GROUP



Carbon Reduction Plan

COER GROUP

Supplier name: CDER Group Limited **Publication date:** 30th September 2022

Commitment to achieving Net Zero

CDER Group 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: 2021

Additional Details relating to the Baseline Emissions calculations.

General comments: 2020 is the earliest period for which reliable and comprehensive emissions data is available for CDER Group; however, during this period our business operations were significantly, untypically low due to the impact of COVID-19. Therefore, we have opted to use 2021 as the most appropriate baseline reporting year to work from.

Scope 1 comments: data shown is complete, incorporating emissions from all field agent vehicles as part of our core business operations (i.e. Enforcement Agent visits). The figure also includes emissions from staff travel made as part of other key business operations (i.e. client visits and industry conferences).

Scope 2 comments: This incorporates all our electricity consumption across our 3 sites. We are currently working with our individual site management teams to obtain data on gas consumption and any other emitting features, and plan to have this in place to include in our 2022 report.

Scope 3 comments: Our 2021 (January to December) baseline emissions reporting does not include any scope 3 emissions as this is not required for our existing SECR reporting. Nevertheless, we are currently collecting data across our business in order to provide a baseline Scope 3 subset for 2022 and future reporting periods. Data gathering activities include, for example, conducting employee travel surveys. Based on the nature of our business, we do not anticipate our Scope 3 emissions being significant.

Baseline year emissions:	
EMISSIONS	TOTAL (tCO2e)
Scope 1	338.32
Scope 2	34.46

COCER GROUP

Scope 3	0
(Included Sources)	[to be stated in 2022 report]
Total Emissions	372.78

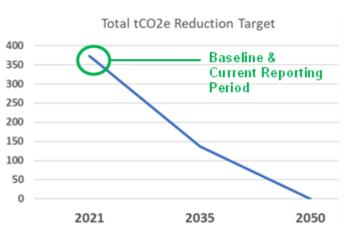
Current Emissions Reporting

Reporting Year: 2021		
EMISSIONS	TOTAL (tCO2e)	
Scope 1	338.32	
Scope 2	34.46	
Scope 3 (Included Sources)	0 [figure to be stated in 2022 report]	
Total Emissions	372.78	

Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets:

- achieve a 100% reduction of tC02e emissions by 2050 across all 3 Scopes
- achieve a 50% reduction of tC02e emissions by 2035 across all 3 Scopes
- achieve a 30% reduction in tCO2e emissions over the next 6 years across Scopes 1 and 2.



Carbon Reduction Projects

Completed / ongoing carbon reduction initiatives

Strategic initiatives

Our commitment to protecting the environment is evidenced by our ISO 14001 Environmental Management Systems accreditation (*see right*).

Furthermore, we are currently preparing for ISO:50001 (Energy Management Systems) assessment and accreditation, and look to have this in place in early 2023.

We have a robust Environmental Policy and Carbon Reduction Strategy, reviewed six-monthly by our CEO, Nick Tubbs. All CDER Group employees must read these and undertake a short test on this as part of their induction process. We distribute updated copies of the Policy to staff via email and newsletters, in



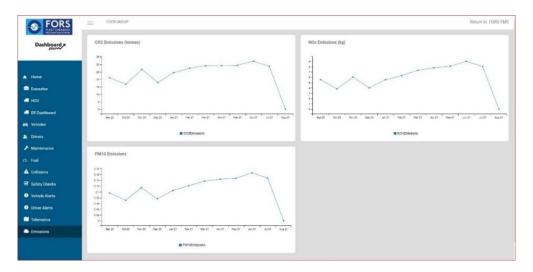
line with changes in environmental and carbon-related legislation. Our employees have a duty to co-operate with the company in complying with our policy requirements and to report incidents that may cause harm to the environment as specified in the CDER Group Employee Handbook.

Scope 1 carbon reduction initiatives

- hybrid and electric vehicles: In-line with our parent company, OSI Group's, pledge to ensure 70% of all vehicles used by 2030 will be 'Next-Generation', CDER Group has launched a programme to switch our entire vehicle fleet to hybrid and electric. This is beginning with an expansion of hybrid vehicles (as these are easier to source currently and are not subject to the same EV infrastructure limitations). To this end, we are working with our supplier partners, Northgate and Enterprise, to source the vehicles. The percentage of our fleet that is hybrid or electric is now monitored and reported on a monthly basis
- meeting Euro-6 emission standards: 100% of our vehicle fleet already meets Euro-6 emission standards and our IT system is configured to record adherence to these standards and prevent the issue of any warrants to EAs unless using a Euro-6 compliant vehicle
- we monitor vehicle emissions: We use the FORS FMS data management portal to measure fuel consumption and fleet incidents to understand where efficiencies can be made, and emissions reduced. have seen a CO₂ 4.2% emissions reduction since 2019 Recording data is key for us to baseline performance and identify where efficiency improvements can be made across a fleet
- reducing need for use of vehicles, debtor visits and vehicle removals we limit the level of emissions we generate by maximising collections at Compliance Stage. This is achieved through early tracing and a proactive multi-contact strategy, reducing the need for EA visits using vehicles and the risk of having to remove the debtor's vehicles using HGV removal trucks
- **optimised routing** our IT system ensures cases are issued to Enforcement Agents nearest to debtor addresses and uses historic records and third-party intelligence to determine best-time-to-visit, maximising success and minimising distance travelled.



Despite a 60% increase in visits made daily since 2018, our smart -routing solution has delivered an 18% reduction in fuel consumption



- FORS Silver accreditation as part of our accreditation, all our drivers are required to complete regular 'smart-driver' training, reducing fuel consumption and CO2 emissions. This is aided by our monitoring of driver behaviour and vehicle performance by our vehicle telematics (linked to our Fleet Management system)
- Our Supplier Policy we ensure that environmental and carbon reduction initiatives are a standard agenda item in our contract performance review meetings with our suppliers. As a minimum, our suppliers must commit to implementing policies/processes/plans compliant with our own.



Scope 2 carbon reduction initiatives

- our move to Amazon Web Services for data-centre operations provides energy efficiency improvements of over 37% compared to our previous provider
- signs are above all photocopiers, mail room equipment and air conditioning and heating units reminding staff to turn them off after use
- automatic movement sensor lighting installed
- PCs and monitors are all shut down at night; in the case of servers, monitors are turned off
- chargers for phones and other handheld units are switched off or removed from sockets
- all heaters have adjustable thermostats
- all appliances are energy efficient (e.g. our fridges are in the A++ band for efficiency making and we have eco-friendly hand dryers in toilets)
- LED lighting as part of all property refurbishments since 2019, we have replaced incandescent and similar lighting with low energy equivalents
- all appliances are serviced on a regular basis to ensure maximum efficiency.

Scope 3 carbon reduction initiatives

We have implemented a range of initiatives to reduce the carbon impact of our office-based staff. This includes:

- implementing video conference facilities across all sites to minimise travel for meetings
- encouraging home working 100% of our office based staff are now able to work from home at least 2 days a week
- interest free cycle loans
- cycle and walk to work initiatives
- a blanket ban on all personal deliveries (Amazon etc.) to our offices.



Upcoming / planned carbon initiatives

- Carbon Reduction Working Group: we will establish this Group to monitor and direct our organisational strategy towards carbon reduction. Members will include our CEO and Board of Directors, as well as our Head of Audit & Compliance, Fleet Manager, Social Value Manager, and a consultant from our environmental specialist partner, Delta Simons. The Group will assess our progress against our carbon reduction targets and set out plans for future initiatives. They will also assess new relevant technologies to ascertain whether these can feasibly be implemented in our business operations
- feasibility study on implementation of electric vehicles
- continued expansion of our hybrid and electric vehicle fleet
- full implementation of ISO:50001 (Energy Management System)
- switch to using renewable energy providers for our offices in London, Bolton and Darlington
- replacing our oil generation air conditioning system at our Darlington office with an electric version
- full decarbonation of heating systems
- work with our facilities management partners to install Building Management Systems to automatically control energy consumption
- roll out of a Carbon Reduction Awareness course on our online training platform, LearnUpon
- adopting alternatives to natural gas at our sites, as soon as reasonably feasible (e.g. electric boilers, biomass boilers)
- increased scrutiny and monitoring of gas usage at all sites
- appointing a Carbon Reduction Agent who will be responsible for collating and analysing our emissions under each Scope, and reporting this to the Board to guide strategic decisions.
- communications to office employees throughout the year on means to reduce energy consumption.



As set out is this Carbon Reduction Plan, we have robust strategies to reduce the volume of carbon that we emit from our operations. We will augment this by implementing a concurrent Carbon Offsetting Plan. This will include, most notably, financially supporting Forest Carbon Limited, who have planted over 10.5 million trees in the UK, capturing 2,000,000 tonnes of CO2 to date.

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 <u>Government emission conversion factors for greenhouse gas</u> <u>company reporting</u>.

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.

This Carbon Reduction Plan has been reviewed and signed off by the CDER Group Board of Directors.

Signed on behalf of the Supplier:

John Mason | Director, Road Traffic & Road User Charging

Date: 22nd September 2022.