Carbon Reduction Plan

Supplier Name: Baringa Partners LLP

Publication date: 30/09/2024

Commitment to achieving Net Zero

Baringa Partners LLP ("Baringa") is committed to achieving Net Zero emissions by 2050. We are committed to managing our energy consumption and carbon emissions responsibly. Our overarching ambition is to reduce our global Scope 1, 2 & 3 emissions in line with the Net-Zero Corporate Standard from the Science Based Targets Initiative (SBTi), and our emissions reduction targets were verified by the SBTi in FY24. This commitment also forms an important part of being a certified B Corp.

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. Our baseline emissions are the reference point against which emissions reductions and progress towards our Net Zero targets is measured.

Baseline year: 01 April 2019 - 31 March 2020 (FY20)[1]		
Emissions categories	**Global TCO_2e**[2]	**UK segment of global**
Scope 1[3]	**18**	**18**
Fuel combustion	18	18
Scope 2	**36**	**36**
Electricity (location-based)	36	36
Electricity (market-based)	36	36
Steam, heating and/or cooling	0	0
Scope 3[4]	**3,903**	**3,368**
1. Purchased goods and services	1,845	1,558
3. Fuel and energy related activities	5	5
5. Waste generated in operations	0.3	0.3
6. Business travel	1,994	1,754
7. Employee commuting and working from home [5]	59	52
	100	87
Total emissions (location-based)	**3,957**	**3,422**
Total emissions (market-based)	**3,957**	**3,422**

[1] All figures have been rounded to the nearest decimal and may not sum exactly to the totals.
[2] In FY20 the majority of our operations were in the UK, with a small presence in serviced offices overseas. As we don't have operational control over serviced offices - the corresponding emissions have been captured in Scope 3.1 Purchased goods & services.
[3] We don't own or operate any vehicle fleet, fugitive emissions are deemed to be immaterial, we are not involved in the chemical transformation of raw materials.
[4] We don't produce, sell, or transport any products, nor do we own franchises or have any qualifying investments. The small amount of capital goods purchased are reported in Scope 3.1 Purchased goods & services. Our only leased assets are serviced office facilities, and the associated emissions are also reported in Scope 3.1 Purchased goods & services.
[5] We have used our current methodology to retrospectively estimate working from home emissions based on our FTE in that year.

Current year emissions footprint

Reporting year: 01 April 2023 - 31 March 2024 (FY24) [1,6]		
Emissions categories	**Global TCO_2e**	**UK segment of global**
Scope 1[3]	**52**	**47**
Fuel combustion	52	47
Scope 2	**15**	**-**
Electricity (location-based)	143	91
Electricity (market-based)	7	-
Steam, heating and/or cooling	8	-
Scope 3[4]	**8,653**	**6,897**
1. Purchased goods and services	4,895	3,964
3. Fuel and energy related activities	370	280
5. Waste generated in operations	0.3	0.2
6. Business travel	2,343	1,899
7. Employee commuting and working from home	497	329
	547	425
Total emissions (location-based)	**8,856**	**7,035**
Total emissions (market-based)	**8,720**	**6,994**

Emissions estimation improvements and reporting impact

We continued to improve our methodology and data for estimating emissions in FY24, and also recalculated our FY23 emissions. This resulted in differences between the FY23 data reported in our previous Carbon Reduction Plan (dated 29/11/2023) and the FY23 data shown in the charts below. The net effect of the change was a 13% increase in total carbon emissions reported in FY23 from 8,494 TCO2e location-based global emissions to 9,567 TCO2e. The improvements made include.

- Replacing some previously estimated office energy consumption figures with actual consumption data from meters
- A new approach for estimating emissions from upstream gas and electricity and the well-to-tank impact of business travel, which are now reflected in Scope 3.3 (Fuel and energy related activities)
- Applying new data controls
- Using regional averages to better reflect differences in working patterns in each of our geographies for commuting and working from home data.

These improvements were also used to estimate the 2024 emissions in this report.

[6] Our FY24 GHG reported emissions have been externally verified in line with ISO 14064-3.

Emissions reduction targets

In February 2024, the Science Based Targets initiative (SBTi) validated that our science-based GHG emissions reductions targets conform to the SBTi Net-Zero Corporate Standard[7] and that our long-term Scope 1, 2 and 3 target ambition is in line with a 1.5°C trajectory.[8]

Overall Net-Zero Target: We commit to reach net-zero GHG emissions across the value chain by FY50.

Near-Term Targets: We commit to reduce absolute Scope 1 and 2 GHG emissions 46% by FY30 from our FY20 base year. We also commit to reduce Scope 3 GHG emissions from purchased goods and services, fuel and energy related activities, waste generated from operations, and business travel 52% per FTE within the same timeframe.

Long-Term Targets: We commit to reduce absolute Scope 1 and 2 GHG emissions 90% by FY50 from our FY20 base year. We also commit to reduce Scope 3 GHG emissions from purchased goods and services, fuel and energy related activities, waste generated from operations, business travel, and employee commuting 97% per FTE within the same timeframe.

We currently project that

- our absolute reductions in Scope 1 and Scope 2 carbon emissions will reduce from 54 TCO2e in FY20 to 29 TCO2e in FY30 (near-term) and 5 TCO2e in FY50 (long-term).[9]

- our Scope 3 carbon emissions will reduce from 5 TCO2e/FTE in FY20 to 2 TCO2e/FTE in FY30 (near-term) and 0.1 TCO2e/FTE in FY50 (long-term).

Progress against these targets can be seen in the graphs below.

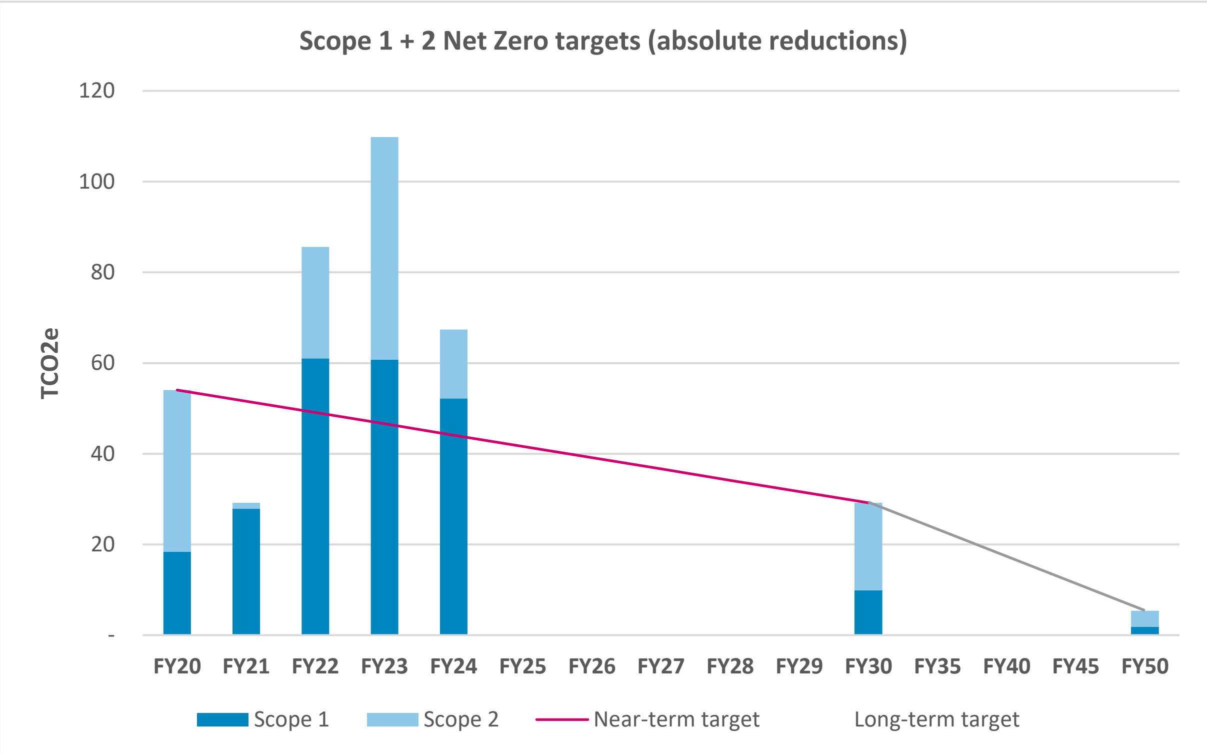
[7] sciencebasedtargets.org/net-zero
[8] Target dashboard - Science Based Targets Initiative
[9] All reduction targets are expressed according to the requirements of the SBTi Net-Zero Corporate Standard. Consequently, our base year and target year emissions exclude working from home, commuting and emissions from hotels.

Scope 1&2 progress

Our business has grown significantly since our baseline year of FY20, with both revenue and headcount almost tripling in the last four years.

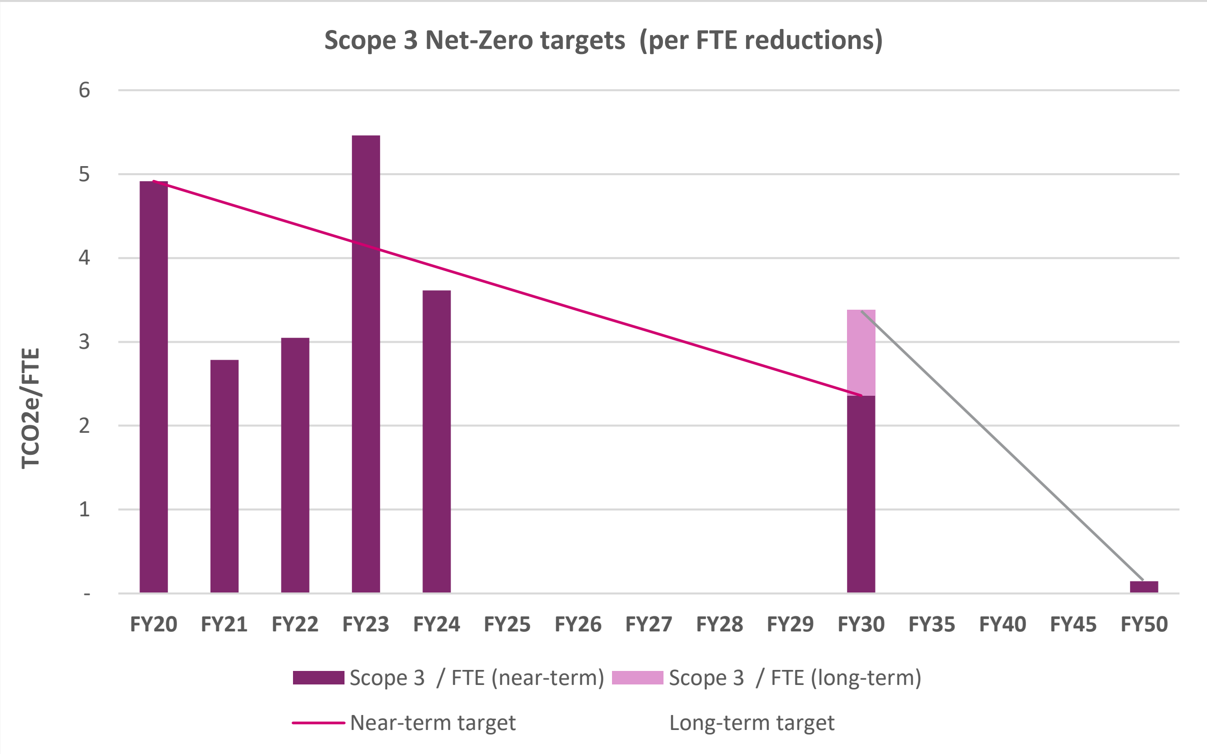
We now occupy significantly more leased office space globally, which means that our Scope 1 and Scope 2 emissions combined were 25% higher in FY24 than our FY20 baseline. Compared to FY23, however, we reduced them by 39%, largely through increasing the proportion of our leased office space that is covered by renewable electricity tariffs. The milder winter also meant that we used less gas for heating in our London office.

We continue to work with our landlords to prioritise the decarbonisation of the heating supply to our buildings with a view to reducing our Scope 1 emissions from gas.



Scope 3 progress

Our Scope 3 emissions per FTE in FY24 fell by 27% compared to our FY20 base year, and by 34% since FY23. FY23 was the first full year following the lifting of covid restrictions, which enabled a significant increase in business activity and client engagement - with a corresponding increase in Scope 3 emissions per FTE. Since then, the most material reduction has been in business travel, as we have expanded into new geographies. Opening new offices has brought us closer to those clients and reduced the need for international travel. We've also reduced our consumption of goods and services, on a per FTE basis.



***Note**: Our near-term Scope 3 emissions target to FY30 does not include emissions from employee commuting in accordance with the SBTi Net-Zero Corporate Standard .However, from FY30 commuting forms part of the long term Scope 3 target to FY50*[7]

Carbon reduction projects

Completed carbon reduction initiatives

- We have implemented a number of measures to reduce the carbon impact of our activities since our base year. We prioritised energy efficiency and sustainability in the choice of new offices and in assessing our current workspaces. This included:
  - Benefiting from a full year of a new 100% renewable energy tariff in our Sydney office.
  - Reducing the impact from fitting-out new offices by ensuring furniture, hardware and fittings are reused or from recycled sources where possible
  - Implementing number of operational energy and water saving initiatives in our London office, such as low-energy taps and a lower-energy printing system.
- We implemented a new asset management system for IT hardware, identifying where laptops can be repaired and re-used instead of purchasing new laptops. This will reduce the emissions from both hardware purchases and from waste.
- We re-designed our annual events for staff to be lower-impact, regional events, that minimised travel and the generation of on-site waste.
- We changed our delivery model for recruitment which drove down the emissions associated with using external agencies.
- We formally embedded weighted sustainability criteria into all central procurement tenders and into our Terms and Conditions for all purchases.
- We implemented an electric vehicle leasing scheme which is available to the majority of our staff, and continued raising awareness of lower impact travelling options.

Planned Carbon Reduction initiatives

We are continuing to identify and initiate projects to reduce our emissions and broader environmental impacts. Examples that are planned or under consideration include:

- Introducing internal, business unit-level emissions targets with regular progress monitoring.
- Developing targeted decarbonisation pathways with priority corporate functions that control significant areas of emissions.
- Ongoing reviews with our office landlords to ramp up specific initiatives and secure commitment to further decarbonise the offices that we lease.
- Optimising our cloud data storage which will gradually reduce the intensity of our data infrastructure each year as we grow.

Offsetting

We offset our operational carbon emissions each year, focusing on activities within our direct operational control – i.e. office energy and waste, and business travel. Our priority is to reduce our carbon emissions and only to invest in offsetting where we have not yet completed sufficient reduction activities to meet Net Zero. To ensure that we select high quality credits, we seek projects which:

- have a high decarbonisation potential
- avoid unintended negative impacts on biodiversity and local communities
- meet globally-recognised standards

We currently purchase credits from both 'removal' and 'avoidance' projects and we aim to progressively shift towards more removal solutions over time.

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[10] and the GHG Reporting Protocol corporate standard[11] following the operational control approach and uses the appropriate Government emission conversion factors[12] for greenhouse gas company reporting.

This Carbon Reduction Plan was signed on 30th September 2024 on behalf of the members of Baringa Partners LLP by:

Alison Gaskins

Chief Operating Officer

Designated Member

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[10] assets.publishing.service.gov.uk/media/60ba4d208fa8f57ce980b5b7/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

[11] ghgprotocol.org/corporate-standard, https://ghgprotocol.org/standards/Scope-3-standard

[12] UK emissions factors have been used to estimate UK emissions where available. Global emissions have been estimated using relevant local emissions factors from regional bodies and government organisations, www.gov.uk/government/collections/government-conversion-factors-for-company-reporting.