Aurora

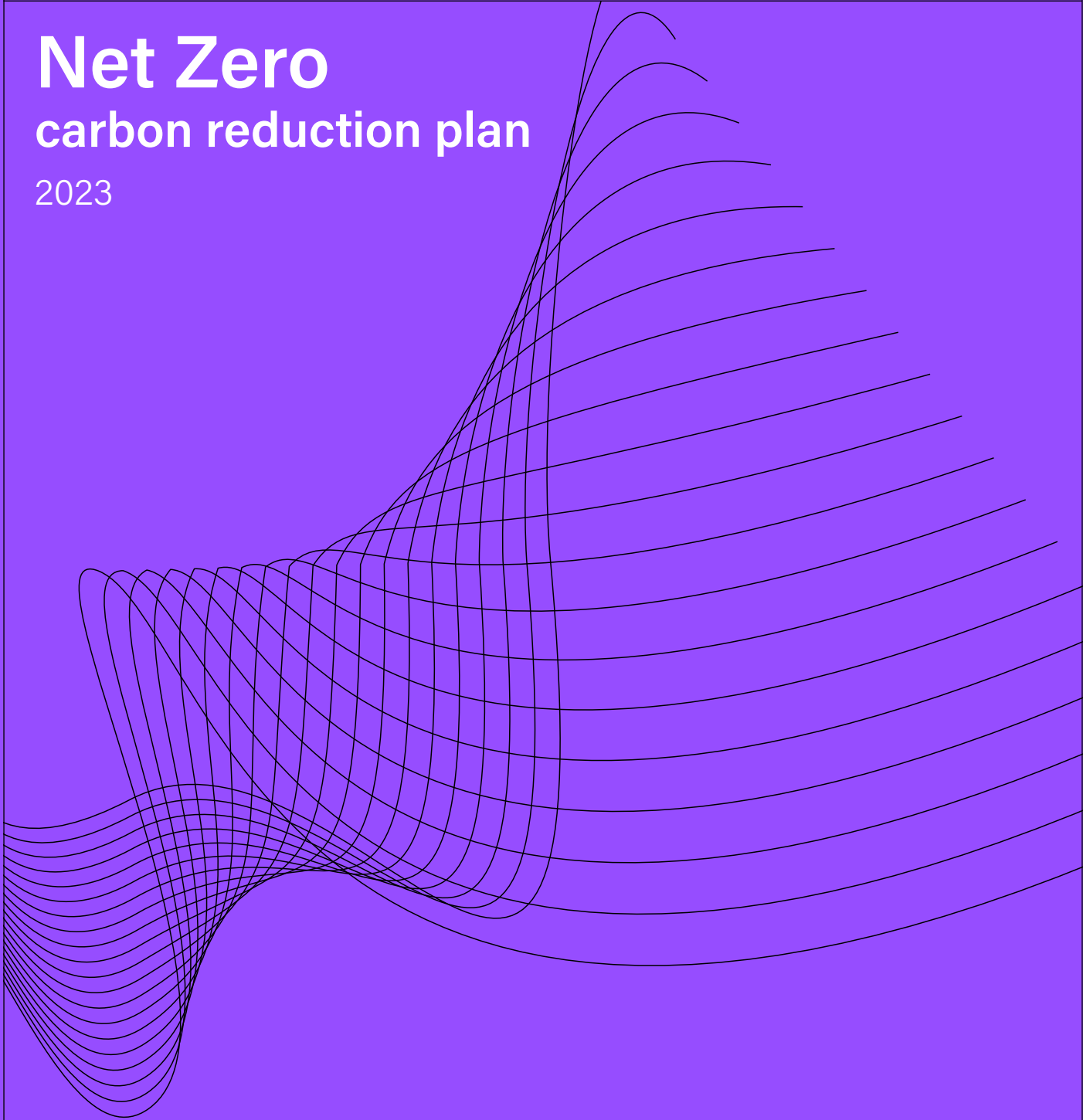## Net Zero
### carbon reduction plan

2023

Executive Summary

Welcome to our second Net Zero Report. As one of the UK's leading telecoms, access systems and print management companies, we continuously assess our carbon footprint within every aspect of our operations including our impact on the environment, communities and our stakeholders.

Specifically, in terms of our climate impact, we have examined our entire value chain and implemented an achievable emissions reduction strategy. In our first Net Zero Report, we set out our ambitious carbon reduction plan and Net Zero pathway. This detailed how we are targeting reducing our emissions by 41 per cent by 2030 and will attain Net Zero by 2040. This is 10 years ahead of the UK Government's plan "Build Back Greener" and exemplifies our commitment to proactively reduce our impact on the planet and help the lives of those living on it. We have expanded our Net Zero scoping this year to include three new categories: Employee commuting – working from home (WFH); Use of sold goods; and End-of-life treatment of sold products. These inclusions, alongside an increase in our material spending, have meant we have revised our emissions reductions to 36 per cent by 2030. However, our overall goal remains the same: to become Net Zero by 2040.

Our business reported a combined increase in revenue of 17 per cent for the financial year April 2022 to March 2023. Consequently, our absolute emissions also increased by 17 per cent since last year's Net Zero Report as a direct result of our increased spend on Scope 3 purchased goods and services and the additional categories.

We remain focused on achieving our target while continuing to provide innovative print management solutions, office supplies and telecommunication services, as well as unparalleled customer support throughout the process. While we are making our workplaces greener through an improved waste management programme and the encouragement of staff to limit business travel, we recognise we still have a long way to go in the process.

Andy Moffitt
CEO

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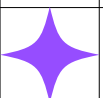
About us

We are one of the UK's leading telecoms, access systems and print management companies. We work in partnership with our customers to find the best solution for your business - no matter how big or small. We're proud to work with some of the biggest names in print and telecoms, with a full scope of services, all under one roof.

Our services:

- Print Management Services
- Telecoms and ICT
- Office Supplies
- Professional Services
- Enterprise
- Print Production

We are laying out a roadmap to become a more sustainable business

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Commitment to Net Zero

Aurora is committed to taking action to reduce our annual emissions and achieving Net Zero emissions by 2040, ten years earlier than the UK government's target. We will aim to reduce our emissions year-on-year and will achieve a:

36% reduction in our Scope 1, 2 and 3 emissions by 2030 (against 2023 carbon data)

79% overall reduction in all Green House Gas (GHG) emissions across Scopes 1, 2 and 3 by 2040, offsetting any residual emissions via high-quality nature-based or direct air capture projects

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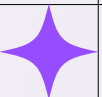
How we are doing this

1 We have set our base year (April 2021 – March 2022)

2 We have committed to updating our carbon footprint calculation annually in line with the GHG protocol, including all relevant emissions sources:

a. Scope 1

i. Transport and gas

b. Scope 2

i. Electricity

c. Scope 3

Selected categories from the below based on materiality. Purchased goods and services, Capital goods, Fuel and energy-related activities, Upstream transportation and distribution, Waste, Business travel, Employee commuting (including WFH), Use of sold goods and End-of-life treatment of sold products

In this report, we have included three extra categories to gain a better, and more accurate understanding of our carbon emissions. These were: Employee commuting (WFH), Use of Sold Goods and End-of-life treatment of sold products

3 We have created a carbon reduction plan for each Scope and category

4 We have compared our Year 2 emissions with our Year 1 emissions to help us to keep on track through our 'Measurement and Verification process'

5 We will reflect on the targets and the environmental management techniques we've undertaken

6 We will consider areas that we can focus on to help drive down emissions further

Overview of GHG Protocol scopes and emissions across the value chain
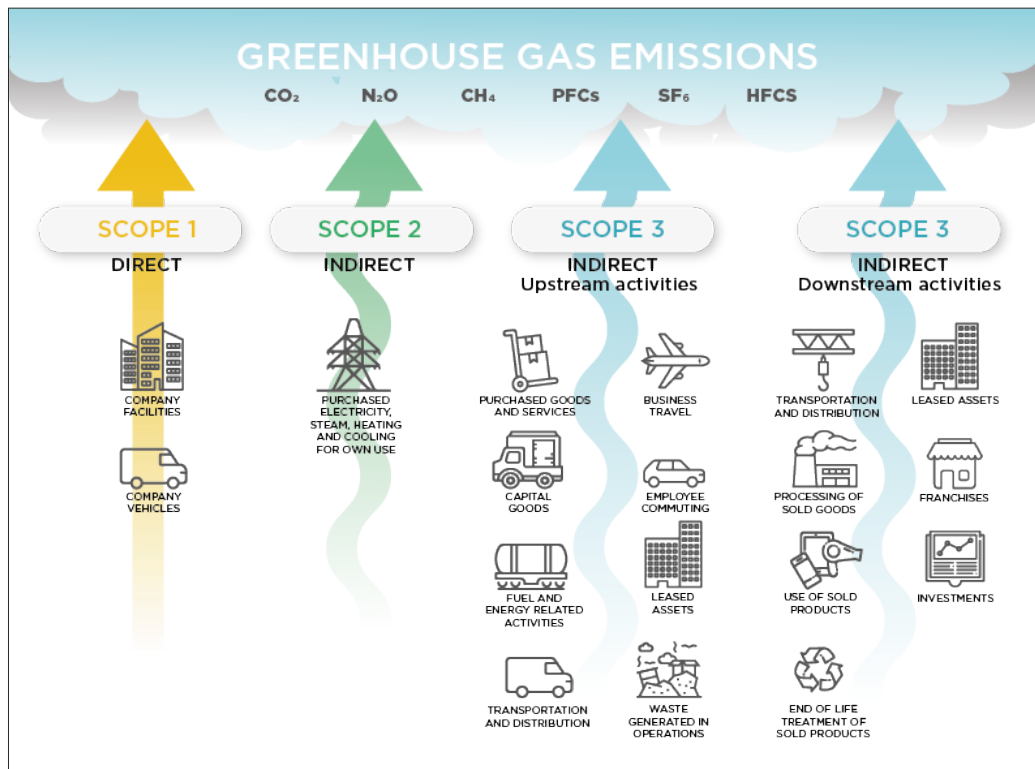
Source: GHG Protocol

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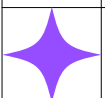
GHG emissions footprint

Baseline emissions are a record of the greenhouse gases produced in a previous [financial] year before introducing any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured. As part of the journey to reduce carbon emissions, we calculated our carbon footprint for our most recent financial year (April 2022 – March 2023). Aurora's Year 2 carbon emissions footprint is as follows:

Category	Item	tCO$_2$e FY2021/22	tCO$_2$e FY2022/23	% tCO$_2$e FY2022/23	% difference from FY2021/22
Scope 1					
Stationary combustion (Gas)	Gas consumed	27.82	42.87	0.6%	+54.6%
Transport	Owned and leased vehicles	433.81**	584.07	7.5%	+34.6%
Refrigerants	HVACs	Not included	0.00	0.0%	0.0%
Scope 2					
Electricity (location-based)[1]	Purchased electricity, for own use (grid average)	37.81	39.76	0.5%	+5.2%
Electricity (market-based)[2]	Purchased electricity, for own use (specific contract)	37.81	39.76	N/A	+5.2%
Scope 3					
Cat 1: Purchased Goods & services	Goods and services	3,351.45	5,581.33	71.7%	+66.5%
Cat 2: Capital Goods	CapEx expenditure	2,277.63	147.03	1.9%	-81.2%
Cat 3: Fuel & energy related activities	WTT	170.06	176.22	2.3%	+3.6%
Cat 4: Upstream transportation and distribution	Paid transport for goods (upstream & downstream), well to wheel (WTW)	6.91*	15.68	0.2%	+126.9%
Cat 5: Waste	Waste - total	79.40	3.17	0.0%	-96.0%
Cat 6: Business Travel	Land and air travel for business purposes	37.20	16.05	0.2%	-56.9%
Cat 7: Employee Commuting	Employees commuting to and back from work	137.81	212.82	2.7%	+54.7%
Cat 7: Employee commuting (WFH)	Employees working from home	67.95*	67.95	0.9%	0.0%
Cat 11: Use of Sold Goods	Direct and indirect emissions from use of goods sold	Not included	888.06	11.4%	-
Cat 12: End-of-life treatment of sold products	Waste disposal and treatment of products sold (by customers)	Not included	4.54	0.1%	-
Total Gross Emissions (Market based)		**6,627.85**		**7,779.55**	
Less emissions avoided by choice of renewable electricity		(0.00)		(0.00)	
Total Gross Emissions (Market based)		**6,627.85**		**7,779.55**	
Less carbon offsets		300		588	
Total Net Emissions		**6,327.85**		**7,191.55**	

*Back calculated for 2021/22
**Recalculated for 2021/22

[1] Location based represents emissions from electricity consumption based on grid average emissions
[2] Market based represents emissions from electricity consumption based on specific energy contracts

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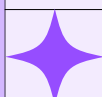
To further understand our emissions, we have also recorded them using intensity ratios as this will allow us to track our emissions as our business grows and develops.

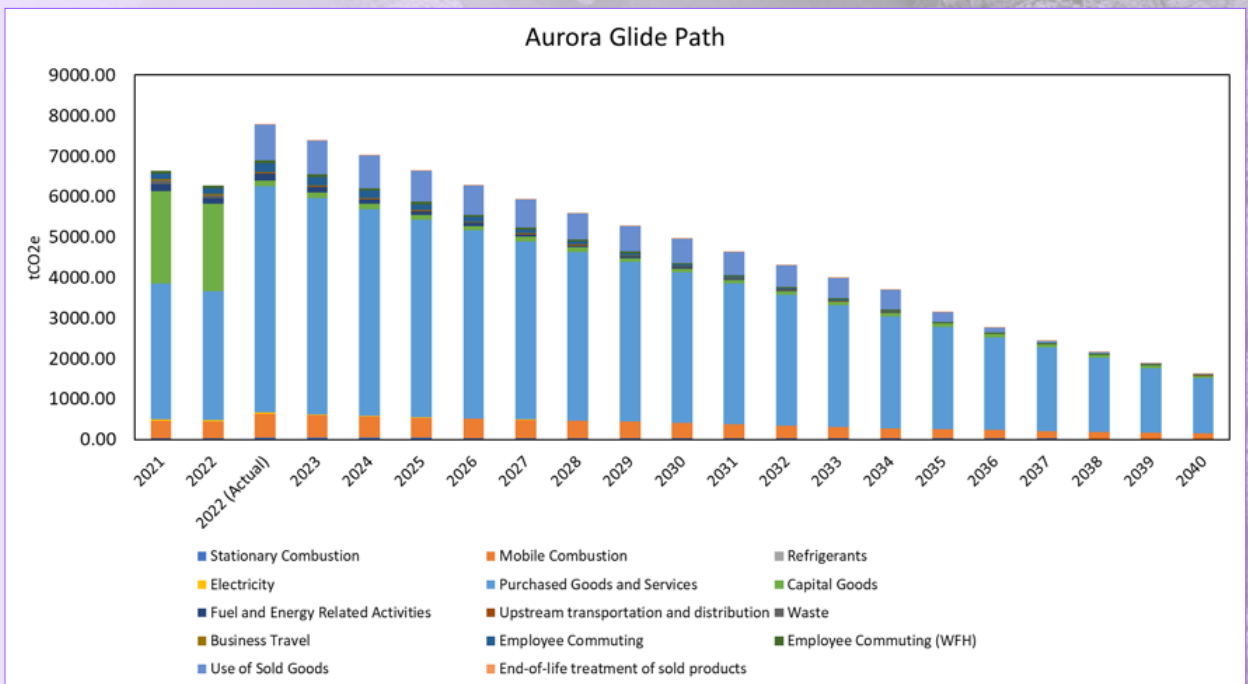| Intensity ratios	Gross Emission (Location based)		Gross Emissions (Market based)		Net Emissions	
	2022	2023	2022	2023	2022	2023
tCO$_2$e per employee	29.7	31.2	29.7	31.2	28.4	28.9
tCO$_2$e per million £ turnover	145	144.9	145	144.9	138.5	133.9

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Emission reduction targets

In order to continue our progress to achieving Net Zero, we have mapped out and planned a number of positive actions to achieve the following carbon reduction targets:

36% reduction in Scope 1, 2 & 3 emissions by 2030 from 2023 baseline levels

60% reduction in Scope 1, 2 & 3 emissions by 2035 from 2023 baseline levels

79% reduction in Scope 1, 2 & 3 emissions by 2040 from 2023 baseline levels

Aurora Glide Path

Legend:
- Stationary Combustion
- Mobile Combustion
- Refrigerants
- Electricity
- Purchased Goods and Services
- Capital Goods
- Fuel and Energy Related Activities
- Upstream transportation and distribution
- Waste
- Business Travel
- Employee Commuting
- Employee Commuting (WFH)
- Use of Sold Goods
- End-of-life treatment of sold products

Current emissions vs target emissions

To keep our target carbon emissions reduction pathway on track to reach our Net Zero goal, we will report our total emissions against our target emissions every year. We are aware as a company that some years we will make better progress than others, but by regularly assessing and reporting our emissions we can ensure that we are holding ourselves accountable to our target reductions.

The figure below shows Aurora's absolute emissions.

2021-22
**6,627.85 tCO$_2$e**

2022-23
7,779.55 tCO$_2$e

N.B. 2022/23 Includes the three extra categories

The overall increase is a result of us making more material purchases compared to the base year of 2022, as well as the added categories. This is demonstrated in the overall emissions compared to our target glide path shown below.

Carbon Emissions Overall Glidepath tCO2e 2022 Vs 2023
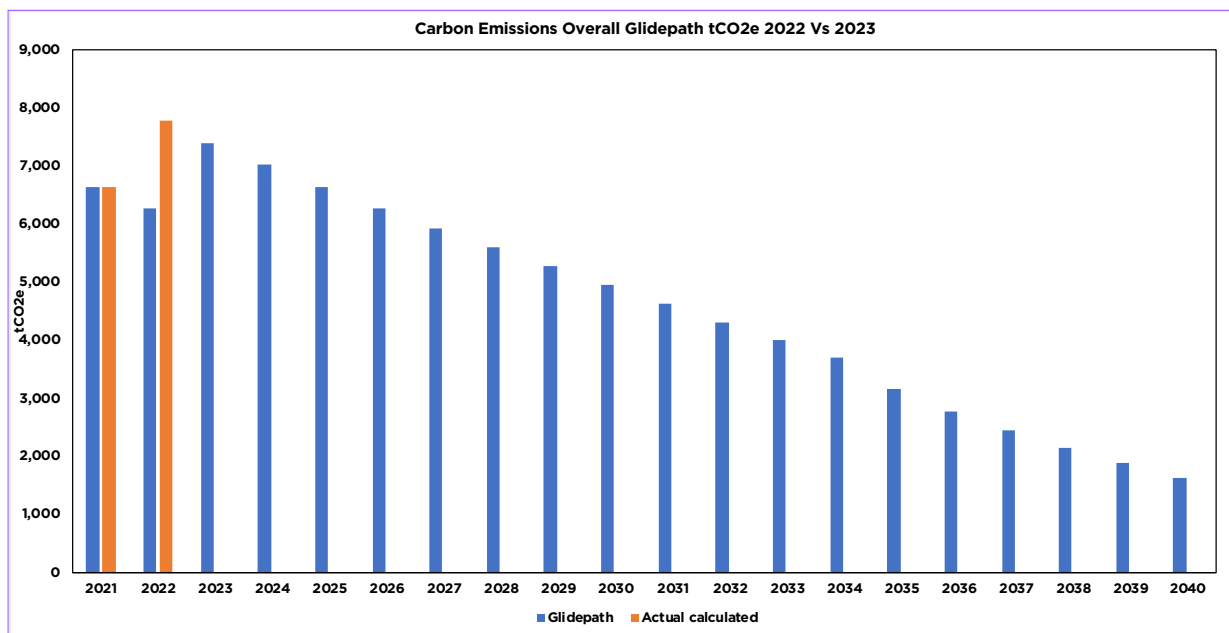
While we recognise our emissions have increased due to our increased spending and additional categories, purchased goods and services is the main category where we have the least control and so we are working with suppliers to identify how we can bring these emissions down. Although our overall emissions are up, we have successfully implemented sound environmental management techniques to reduce our emissions in certain areas over which we have control, namely Scope 3 categories 5: Waste and 6: Business travel and a large reduction in Scope 3 category 2: Capital goods. This is indicated in our progress against our targets not including Scope 3 category 1: Purchased Goods and Services.
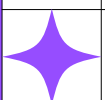
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Environmental management measures / emission reduction plan

As a responsible business, Aurora has for many years had a focus on the environment and reducing our carbon emissions. To drive this to the next level, we engaged the services of Sustainable Advantage to advise the Aurora Board on global best practices on carbon reduction. We have a detailed carbon emissions reduction plan, the key actions of which are summarised below:

SCOPE 1: Stationary Combustion (Natural Gas)

What we have done since the last year:

- Offset 100% of gas use

What we plan to do in future:

- Identify sites with high gas consumption and perform energy surveys to identify capital expenditure (CapEx) opportunities

- Investigate new technologies as they become available and install these where practicable (e.g., hydrogen powered boilers)

- Reduce reliance on gas use and replace gas boilers with electrical heating systems such as air / ground source heat pumps, infra-red panels, electric storage heaters etc. where feasible

SCOPE 1: Transport (owned/leased vehicles)

What we have done since the last year:

- We have invested in telematics, which are now installed in 100% of our vehicles. Telematics monitor driver behaviour, such as speeding or sudden braking, and provide feedback to help improve safety. Another benefit of telematics is increased efficiency. The technology will also provide us with more accurate carbon emissions data. Gathering accurate data will be integral to reducing our footprint

What we plan to do in future:

- We will also look into accessing less environmentally damaging fuels, such as HVO, that can be used as a direct replacement for diesel while we transition our fleet to green vehicles

- Provide driver training on how to drive more efficiently to reduce emissions to supplement the "Light foot" telematics already in place in all vans

- We will look into the possibility of installing EV charging points at office locations

- We will investigate other emerging green transportation technology as alternatives where moving to fully EV is not possible, such as hydrogen-powered vans

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SCOPE 1: Refrigerants

Whilst it is assumed fugitive emissions from refrigerant gases will remain the same due to lack of knowledge surrounding new technologies, we will endeavour to reduce our impact where possible:

- Avoid emissions through improved leak tightness; consider fitting leak-detection systems and following a regular maintenance schedule

- Ensure correct end-of-life treatment of refrigerant gases; recover and dispose of refrigerant gases correctly when maintaining, upgrading or decommissioning a system

- Substitute refrigerants with other less harmful substances e.g., refrigerant gas with low ozone depletion potential and low global warming potential (GWP)

- When renewing HVAC system, choose the most efficient systems:

  – Investigate systems using least damaging refrigerant gases with low potential leakage

  – Installing new systems may offer energy savings as well as next generation refrigerants (HFOs (hydrofluoro-olefins) and natural refrigerants)

- Limit use of refrigeration / air conditioning systems

SCOPE 2: Electricity

What we plan to do in future:

- Energy surveys will be undertaken at sites consuming large amounts of electricity to identify CapEx opportunities

- Investigate opportunities to install green energy production facilities onsite where practicable

- Look into moving onto a fully green tariff

- Switch to LED lighting across all offices

- Create an energy efficiency register, which will help us to change our behaviours and enable us to look for opportunities to reduce our electricity demand

SCOPE 3 category 1 and 2: Purchased goods and services and Capital Goods

Aurora realises a significant proportion of our emissions fall within purchased goods and services and capital goods. That's why we're undertaking a specialist environmental management strategy in carbon material areas. This will help us work with our suppliers to reduce our shared emissions, by:

What we plan to do in future:

- Sending out a supply chain survey to our tier one suppliers

- Collecting data that will help us to identify strategic opportunities and improve the accuracy of the carbon accounting

- Be selective about working with sophisticated carbon suppliers and encourage suppliers to reduce their emissions, where possible

- Work with suppliers to collaboratively set carbon emissions reductions targets
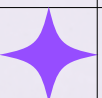
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SCOPE 3 category 5: Waste

What we have done since the last year:

- Aurora already follows the waste hierarchy:

  – Reduce the waste generated

  – Re-using / recycling as much as possible

  – Residual general waste to be incinerated to limit the volume of waste that goes to landfill

- In 2022, Aurora engaged the services of Sustainable Advantage, who look after the waste for our two main offices, Hertford and Coventry. They also look after confidential waste at our Blackburn and Victoria offices

- This has helped us to significantly reduce our emissions within this category by approximately 97% and an overall reduction in waste generation of 60%

- We will continue to implement these environmental management processes, which will further help to drive down this category of emissions

What we plan to do in future:

- Staff training programmes will be rolled out to provide clear, consistent training and information to minimise waste and maximise recycling

- Sustainable Advantage will be taking on our Ipswich office in February 2024

SCOPE 3 category 6: Business travel

We have made a significant effort to deter our staff from business travel unless essential; this has resulted in a 56% drop in emissions in this category

What we plan to do in future:

- Paying favourable mileage reclaim rates for EV vehicles

- Where EV business travel is not possible, we'll continue to prioritise low carbon forms of transport such as rail and bus

- Additionally, we'll continue to prioritise video conferencing tools such as Teams and Zoom to host meetings

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SCOPE 3 category 7: Employee commuting (and WFH)

We recognise that we cannot massively influence what modes of travel our employees use. That said, we need to do all we can to encourage them to join us on our sustainable journey.

What we have done since the last year:

- We have a very flexible working-from-home policy

- We will help our employees working from home to reduce their emissions by promoting better practices through home working guides, providing support for procuring renewable electricity for their home, and encouraging energy consumption and waste consumption reduction. We will also consider collecting granular data by sending a survey to all employees working from home to understand their energy, waste, and water usage during working hours

- Additionally, we are currently encouraging employees to embrace green commuting through our cycle-to-work scheme

- We will assess the effectiveness of these schemes and gather feedback on how we can further help our employees in their commuting choices by carrying out regular commuting surveys

SCOPE 3 category 11: Use of Sold Goods

What we plan to do in future:

- We will ensure we procure the most energy efficient goods and products going forward, allowing our customers to make the most environmentally conscious choice for the products they purchase from us

- We will also encourage our customers to switch off goods when not in use to save energy consumption alongside procuring green energy tariffs

SCOPE 3 category 12: End-of-life treatment of sold products

What we plan to do in future:

- We already offer a collection service to our customers when the goods and products reach the end of their life. This allows us to ensure that we dispose of these in the best possible manner

- Where we can't recover the goods at end-of-life, we will encourage our customers to dispose of our goods and products in the most responsible and environmentally friendly way
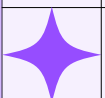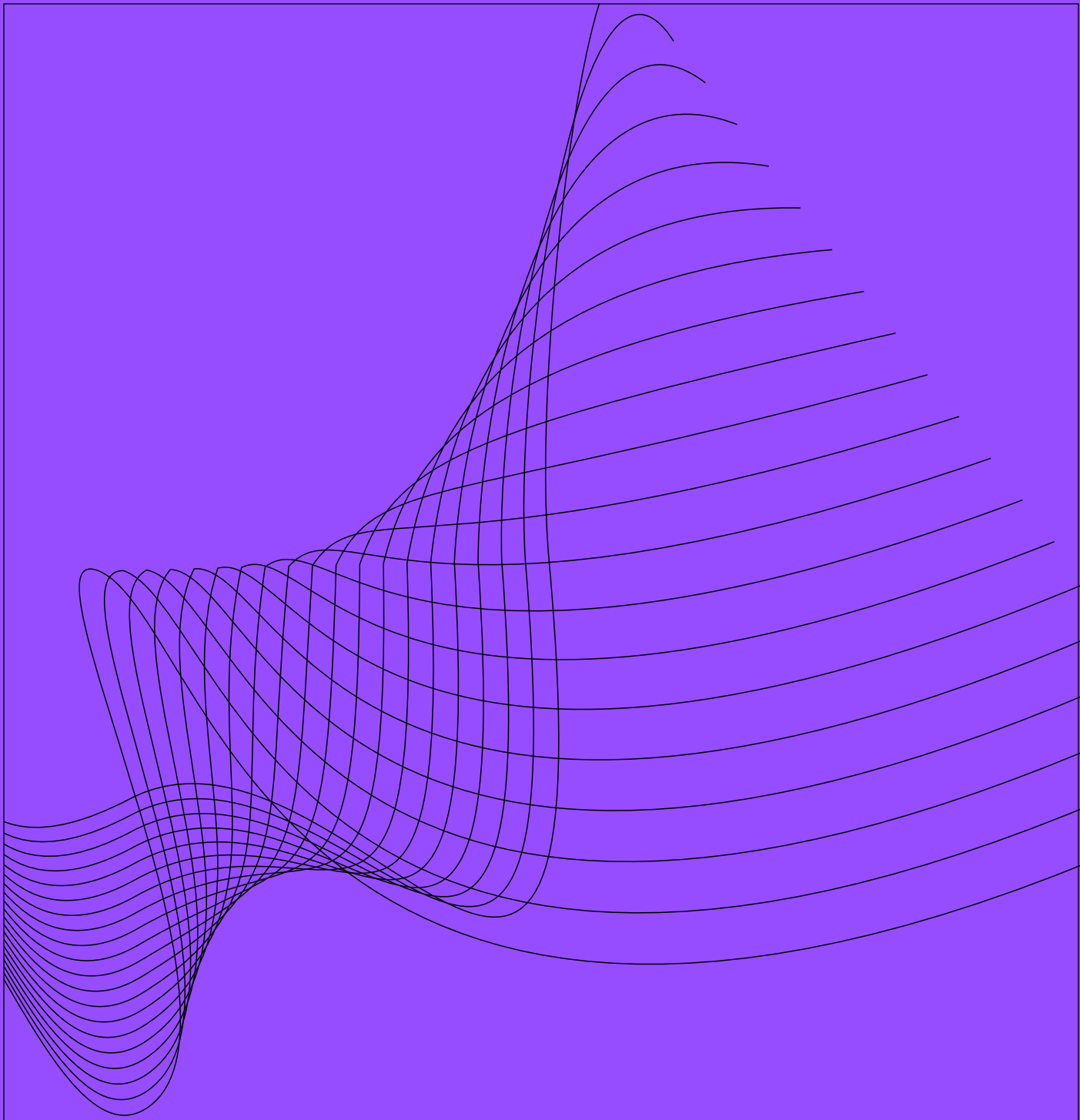
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Conclusion

We will continue along our Net Zero pathway and monitor progress throughout the year. Annually, we will report our emissions against the targets set to ensure we continue to take proactive steps to meet our Net Zero ambitions. We have already achieved key reductions in energy, transport, waste, and business travel-related emissions, and we have done this by increasing our fleet's access to electric vehicles, switching to LED lighting, and making investments in low-carbon technologies for heating and electrical power generation.

We will continue to engage with our supply chain and drive improved environmental performance. Aurora is steadfastly committed to act as a catalyst for change in the communities we serve and so help to preserve this precious planet.

Andy Moffitt
CEO

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SUSTAINABLE
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