



# Carbon Reduction Plan

December 2024

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# 1. Introduction

This Carbon Reduction Plan sets out Principle One's progress and plans to reduce our carbon emissions.

We recognise the importance of driving continual improvement in how our business activities affect the environment, as demonstrated by achieving ISO14001 accreditation in September 2024. Through ISO14001 we have built an Environmental Management System which ensures ongoing and systematic identification and assessment of environmental aspects arising from, or associated with, Principle One's work processes and activities.

ISO14001 has been the main focus of our environmental activity in 2024; this has given us the building blocks required to put in place an initial carbon reduction strategy.

We are therefore at the start of our journey towards Net Zero, and work to capture and understand our emissions in more detail is planned for 2025, as described in Section 8.

Principle One is committed to making sustainability improvements in its operations and as such plans to revisit and update this document twice a year to reflect our progress.

## 2. Commitment to achieving Net Zero

Principle One is committed to achieving Net Zero emissions by 2045.

## 3. Overview of Principle One

Principle One was founded at the end of 2017 to support UK Law Enforcement, National Security and central government clients in addressing the challenges of an increasingly diverse threat environment. We work with our clients to deliver their core mission outcomes, helping them to experiment, innovate and continually improve their capabilities.

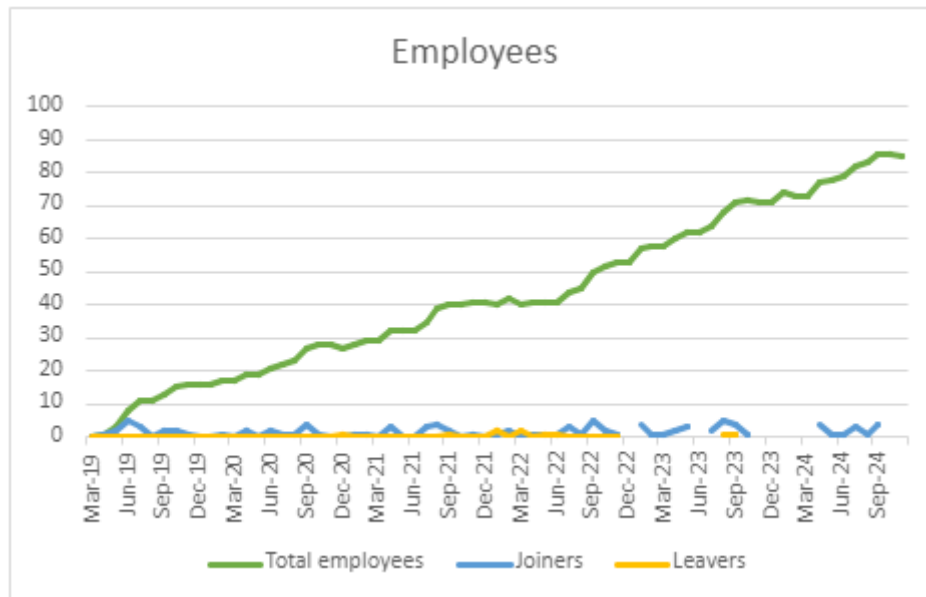
Our work is fundamentally technical and business consultancy; we provide a range of skillsets from solution architecture to business change experts and project managers. We do not build or sell products to our customers; we work with them, usually as part of multi-supplier teams, on projects ranging from a few weeks to several years, to help them solve difficult technical and business challenges.

Since starting out in late 2017 we have grown to over 80 fee-earning staff plus a small supporting operations team. We have one office, in Vauxhall, London SE1. The majority of our customers are also based in London.

## 4. Baseline Emissions Footprint

We intend to use 1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2024 as our Baseline for emissions data. This is the first year that Principle One has had enough staff and access to sufficient data to enable meaningful data collection.

Principle One was founded in late 2017, and relied on associates for the first year, before adding its first permanent staff in March 2019. Almost a dozen associates converted to permanent employees in the first three months, and our growth has continued at a fairly consistent level over the next five years, reaching 25 staff during the COVID-19 pandemic in September 2020, 50 staff two years later, and at the end of our financial year in November 2024 has reached 85 staff. The growth (including data on leavers and new joiners) can be seen in the graph below.



Before we moved into our current office In November 2023 we rented space in a serviced office building, also in Vauxhall. This building had a large number of companies within it, which meant we were unable to get specific information related to our use of utilities.

Our current office is 8000 sq. ft of purpose-built office space, which is part of a larger residential development, on the Albert Embankment, SE1. This development was built to achieve the BREEAM ‘Very Good’ sustainability standard. Environmental considerations in the office build included LED lighting throughout, generous bike storage provision, and excellent thermal performance.

Principle One engaged a design company to carry out a full fit out of the office space between September and November 2023. Environmental considerations were a priority throughout this process – for example making sure that all lighting is motion-sensor LED, to minimise power use.

Our staff all work in a hybrid pattern, dividing their week between the London office and their homes. Our staff use public transport, cycle or walk for the majority of their journeys between their home and our office. Public transport is always the preferred choice for any business-related travel.

As we are a consultancy company, which does not make or transport any products, our main environmental impact is maintaining the office space; heating and cooling, use of electricity and water, waste and recycling.

During 2024, as part of our ISO14001 accreditation, we focused on capturing data related to Scope 1 and Scope 2, and some Scope 3 emissions. More in-depth work on Scope 3 is planned for 2025.

Set out below is a summary of what we have included for each Scope category for 2024 (01/01/2024 – 31/12/2024), and the additional items planned for inclusion in 2025.

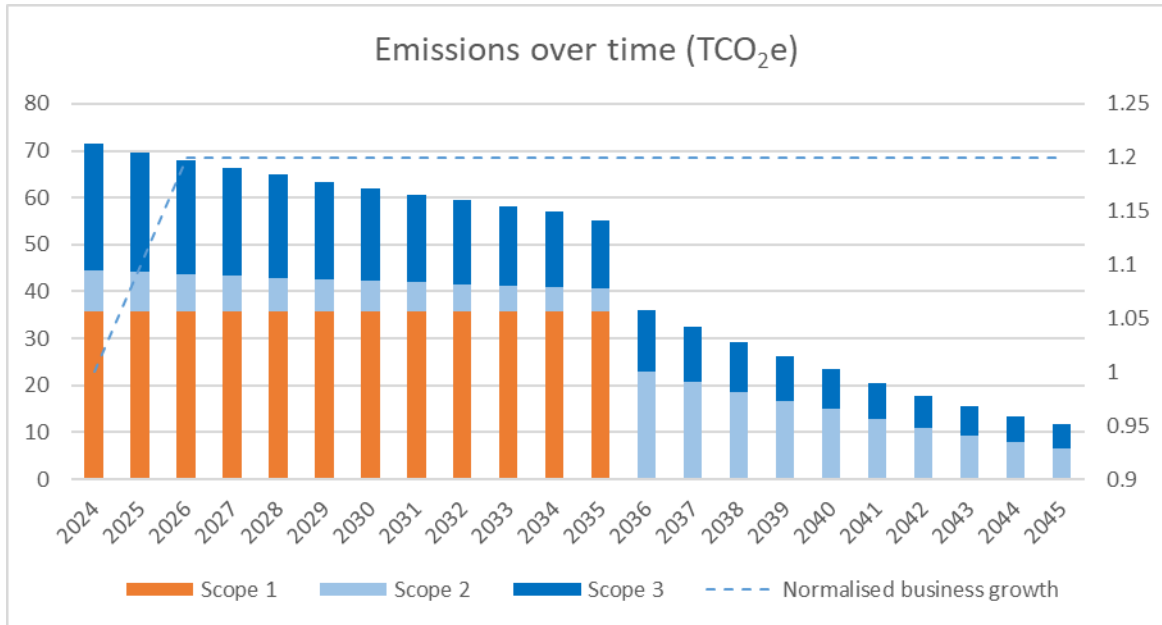
Emissions TCO <sub>2</sub> e	2024 Data Included
Scope 1	35.7 Gas consumption (Heating / Cooling)
Scope 2	8.9 Electricity consumption – office
Scope 3 (Including sources)	26.90 (Total)  Made up of:  Home based working 23.50 Fuel-and-energy-related activity 2.14 Waste generation 1.06 Business travel 0.11 Water consumption 0.09

- Exclusions:
  - Building material / embodied carbon
  - Fixtures and fittings embodied carbon
  - Office consumables (stationary, light bulbs, toilet roll, etc)
  - Staff lunches, drinks etc
  - Embodied carbon for IT equipment (predominantly laptops and peripheries)
  - “Downstream” emissions of deployed products and services

<b>Baseline Year: 2024</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
The information below provides details on how each emissions category has been calculated as well as a statement as to whether captured data has been used or an estimate based on “reasonable” assumptions for the business.	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	Gas consumed at Principle One office, from billing data : 176,338 kWh  Using Defra 2024 conversion factors: 1kWh of gas consumed generates 0.20264 kg CO <sub>2</sub> e.

	<p>Total emissions from gas consumption on site is therefore:</p> $176,338 \times 0.20264 = 35,733.13 \text{ kgCO}_2\text{e}$
<b>Scope 2</b>	<p>Electricity consumed at Principle One office, from billing data: 42,900 kWh</p> <p>Using Defra 2024 conversion factors: 1kWh of electricity consumed generates 0.20705 kg CO<sub>2</sub>e.</p> <p>Total emissions from electricity consumption on site is therefore:</p> $42,900 \times 0.20705 = 8,882.45 \text{ kgCO}_2\text{e}$
<b>Scope 3</b> (Included Sources)	<p>Various sources listed below in the format (See appendix for assumptions):</p> <p>Volume of item x Defra 2024 conversion factor = Emissions Generated</p> <p><b>Home based working:</b> 23,498 kgCO<sub>2</sub>e</p> <p>Estimated based on 80 employees, 220 working days per year, 8 hour working day, 50% split between office and home based working = 70,400 hours.</p> $70,400 \times 0.33378 = 23,498 \text{ kgCO}_2\text{e}$ <p><b>Fuel-and-energy-related activity:</b> 2,139 kgCO<sub>2</sub>e</p> <ul style="list-style-type: none"> <li>- T&amp;D : 42,900kWh x 0.00397</li> <li>- Generation : 42,900kWh x 0.0459</li> </ul> <p><b>Waste Generation :</b> 1,064.81 kgCO<sub>2</sub>e</p> <p>Landfill : 705 bags (est.), 3 kg each = 2.115 tonnes x 497.04416</p> <p>Recycling : 705 bags (est.), 3 kg each = 2.115 tonnes x 6.41061</p> <p><b>Business Travel:</b> 105.85 kgCO<sub>2</sub>e</p> <p>Small Petrol Car (from mileage expense data) : 198 miles x 0.22551</p> <p>Full Electric Car (from mileage expense data) : 690 miles x 0</p> <p>Plug in hybrid Car (from mileage expense data) : 68 miles x 0.11317</p> <p>Medium Diesel Car (from mileage expense data) : 201 miles x 0.26631</p> <p><b>Water Consumption:</b> 94.62 kgCO<sub>2</sub>e</p> $618 \text{ cubic meters (from billing data)} \times 0.15311 = 94.62 \text{ kgCO}_2\text{e}$
<b>Total Emissions</b>	<b>71.52 TCO<sub>2</sub>e</b>

The below chart shows the planned carbon reductions for Principle One from the baseline year (2024) to the target net zero date (2045).



The key assumptions used in the above graph are as follows:

**Gas based heating / cooling** – it is assumed that heating and cooling the office space will consume gas at a fairly consistent rate up until 2035. From 2035, it is assumed that businesses and leased properties will be transitioned from gas based heating to energy efficient electric heating systems, such as heat pumps. This can be seen as a sharp drop in Scope 1 emissions in 2036, accompanied by an increase in scope 2 to account for additional electricity consumption, albeit with reduced carbon emissions.

**Electricity** – in line with Defra predictions, the UK electricity grid will decarbonise at a rate of approximately 5% per year between 2024 and 2035. Thereafter, a more aggressive reduction has been assumed: 10% annual reduction in carbon intensity from 2035 to 2040 and 15% annual reduction from 2040 to 2045. For the more aggressive reduction in the latter periods, it has been assumed that Principle One will aim to procure the bulk of its electricity from renewable sources.

**Scope 3** – With commuting and home based working accounting for the bulk of scope 3 emissions, we have assumed that the decarbonisation of the grid (which powers trains, tubes and electric cars), combined with increased adoption of residential heat pumps and electric cars, will result in significant reductions in carbon emissions. Here, a reduction in carbon emissions of 5% per year has been assumed for the period 2024 to 2035, and then 10% reduction per year from 2035 to 2045.

With the residual emissions in 2045 reaching <20% of the 2024 levels, Principle One will have achieved an 80% reduction in carbon emissions, and from here there would be consideration of further reductions through high quality offsets as well as achieving reductions in our supply chain and active carbon removal options.

## 5. Current Emissions Reporting

Given 2024 is Principle One's Baseline year, the current emissions reporting is identical to the baseline emissions.

Reporting Year: 2024	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	35.7 Gas consumption (Heating / Cooling)
Scope 2	8.9 Electricity consumption – office
Scope 3 (Included Sources)	26.90 (Total) Made up of: Home based working 23.50 Fuel-and-energy-related activity 2.14 Waste generation 1.06 Business travel 0.11 Water consumption 0.09
<b>Total Emissions</b>	<b>71.52 TCO<sub>2</sub>e</b>

## 6. Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets. We project that carbon emissions will decrease over the next five years to **63.40 tCO<sub>2</sub>e** by 2029. This is a reduction of **11.3%**



## 7. Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

As 2024 is Principle One's Baseline year, it is the first official year for reporting and therefore no measurable carbon reduction measures have been executed to date. That said, a number of initiatives are underway to enable Principle One to achieve its long term carbon reduction plan.

#### *ISO 14001 Accreditation*

During 2024 we achieved ISO 14001 accreditation, which has given us the building blocks to start work on our carbon reduction strategy and set Net Zero targets. This includes running regular Environmental Lifecycle Workshops to review our environmental touchpoints and their impacts.

#### *Waste Recycling Improvements*

We have used the occupation of our new office to reinforce the importance of recycling; part of our Day 1 preparation was detailed information by all bins setting out clearly what can be recycled, and checking that staff are adhering to this.

We have reviewed the source of supplies we order to the office, and tried to ensure options are chosen which have shorter transportation journeys. We also consolidate orders to minimise delivery journeys.

#### *Improved Data Collection*

Principle One recognises sustainability as a strategic business objective and as such, plans are in place to improve the data quality for the various sources of carbon emissions captured above. Principle One has recruited an experienced consultant with a Masters degree in sustainability to lead on this and establish a sustainability steering group, which will lead on capturing better quality data as well as identifying opportunities for carbon reduction. Current priorities include the following:

- Validating electricity and gas consumption data to ensure accurate reporting
- Running a staff commuting survey to improve the accuracy of commuting emissions and validating home working patterns
- Carrying out a waste measurement survey to validate assumptions around the weight of waste produced and the extent to which recycled waste is contaminant free
- Identifying key sources of upstream emissions (from the supply chain) and using reasonable means to estimate carbon from these sources

#### *Employee Awareness Campaign on sustainability*

The sustainability steering group is looking to create a series of "lunch and learn" sessions to help raise awareness of sustainability challenges facing the business and to highlight small changes that employees can make to support the business' carbon reduction plans.

#### *Review of Energy Suppliers*

Gas and electricity consumption accounts for P1's scope 1 and 2 emissions. It has been observed that the carbon footprint from electricity will naturally reduce with gradual decarbonisation of the grid and as such there is a "do nothing" option.

However, Principle One is keen to decarbonise faster than the grid, and as such it is considering purchasing more renewable energy or looking at suppliers who are able to guarantee a level of renewables in their supply. There is no scope for installation of dedicated renewable energy sources (solar or wind) as the company office is part of a leased building in London and has no access to the roof for solar or any redundant space for wind. There are options for investing in high quality solar and wind projects to boost the renewables capacity into the grid.

## 8. 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<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of Principle One:



Ben Sadler  
Chief Operating Officer

Date: 3 January 2025

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<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

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