

Carbon reduction plan

Supplier name: Frontier Economics Limited

Commitment to achieving Net Zero

Frontier Economics is committed to achieving **Net Zero emissions by 2030** and has been carbon neutral since 2010. To achieve our target, Frontier commits to reduce absolute Scope 1 and Scope 2 emission by 46% by 2030 from a 2019 base year. We also commit to measure and reduce our Scope 3 emissions.

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. For the last 13 years, we have undertaken an Annual Carbon Audit through our carbon auditor, CO2balance UK Ltd.

Baseline Year: 2019/20 (FY)

Additional Details relating to the Baseline Emissions calculations

The Greenhouse Gas Protocol and the ISO 14064_1 standard defines three scopes that set Operational boundaries when determining emissions. These are as follows:

- Scope 1 – Direct Emissions (fuel combustion, company owned vehicles)
- Scope 2 – Indirect Emissions (such as purchased electricity for own use)
- Scope 3 – Indirect Emissions (outsourced operations, business travel in vehicles not owned by the company, embedded greenhouse gases in products purchased, waste disposal)

We currently report emissions under all 3 Scopes from the following seven offices:

- London, UK
- Brussels, Belgium
- Dublin, Ireland
- Cologne, Germany
- Madrid, Spain
- Paris, France
- Berlin, Germany

Greenhouse Gas Emissions are assessed according to the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development and the World Resources Institute (WBCSD/WRI Protocol). Emissions are included for all operations Frontier has financial control over.

Baseline Year emissions:

Emissions (2019 – 12 months)	Total (tCO ₂ e)
Scope 1 Direct GHG emissions	0.00
Scope 2 Energy indirect emissions	160.38
Scope 3 Other indirect emissions	492.17
Total emissions	652.56
Purchased carbon offsets	652.56

Current emissions reporting

With the rise of working from home in 2020 during Covid we have started to also account for emissions generated by working from home. This includes emissions generated by computers

and other devices, as well as lighting and heating based on the Homeworking Emissions Whitepaper by Ecoact (2020).¹

Reporting Year: 2022/23 FY	
Emissions (2022/23)	Total (tCO ₂ e)
Scope 1 Direct GHG emissions	0.00
Scope 2 Energy indirect emissions	118.29
Scope 3 Other indirect emissions	453.13
Total emissions	571.42
Purchased carbon offsets	571.42

The last reporting period showed a continued increase in emissions, driven by the return to travel post-Covid.

Total emissions in 2022/23 were at 571.42 tCO₂e. 0% of these were Scope 1 emissions, 21% Scope 2 emissions and 79% Scope 3 emissions.² Over half (54%, or 309.81 tCO₂e) of total emissions came from air travel. The office with the largest Carbon footprint in absolute terms was London, accounting for 49% of total emissions. Per employee, the largest footprint was in Berlin, while the smallest footprint per employee was in Paris.

Emissions reductions targets

In order to continue our progress towards achieving Net Zero, Frontier Economics has set its own emissions reduction targets that are aligned with the Science Based Targets initiative (SBTi).

Science Based Targets Initiative (SBTi)

The Science Based Targets initiative is a collaborative effort between CDP (formerly the Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). SBTi provides a robust framework to assist companies in setting ambitious, scientifically informed emissions reduction targets that contribute to limiting global warming to well below 2°C above pre-industrial levels. For scope

¹ <https://info.eco-act.com/hubfs/0%20-%20Downloads/Homeworking%20emissions%20whitepaper/Homeworking%20Emissions%20Whitepaper%202020.pdf>

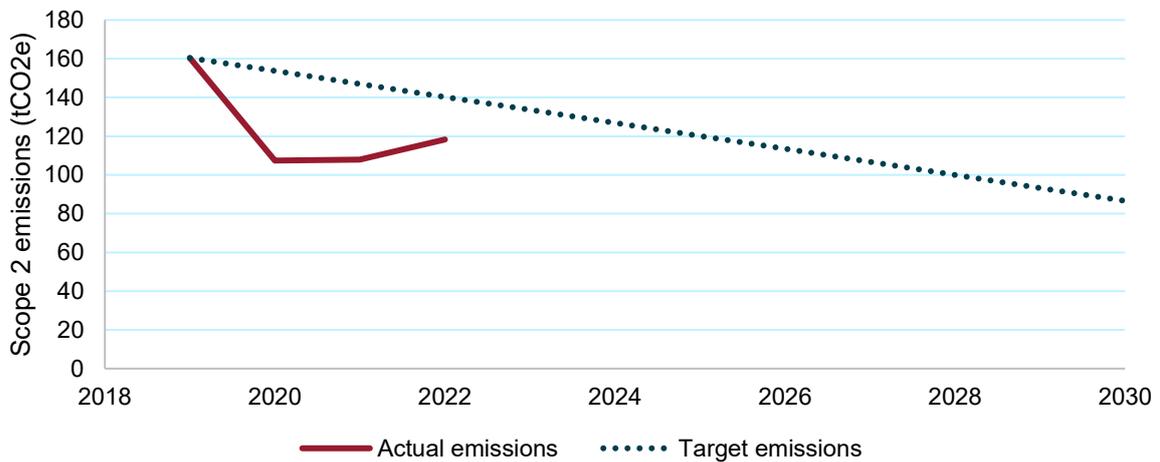
² Working from Home emissions classified as a Scope 3 emission.

1 and 2 targets set with a base year of 2020 or earlier, SBTi’s absolute reduction approach prescribes a 4.2% minimum linear annual rate of reduction.³

Base year selection

We have chosen 2019 as our base year against which to measure emissions reductions. We have committed to reducing our Scope 1 and Scope 2 carbon emissions over the next 7 years to **86.61 tCO₂e** by **2030**. This is a reduction of **46%** relative to the base year. On a per full-time equivalent employee (FTE) basis this equates to 0.1 tCO₂e per employee by 2030, which is a reduction of 77% on 2019 per FTE emissions.

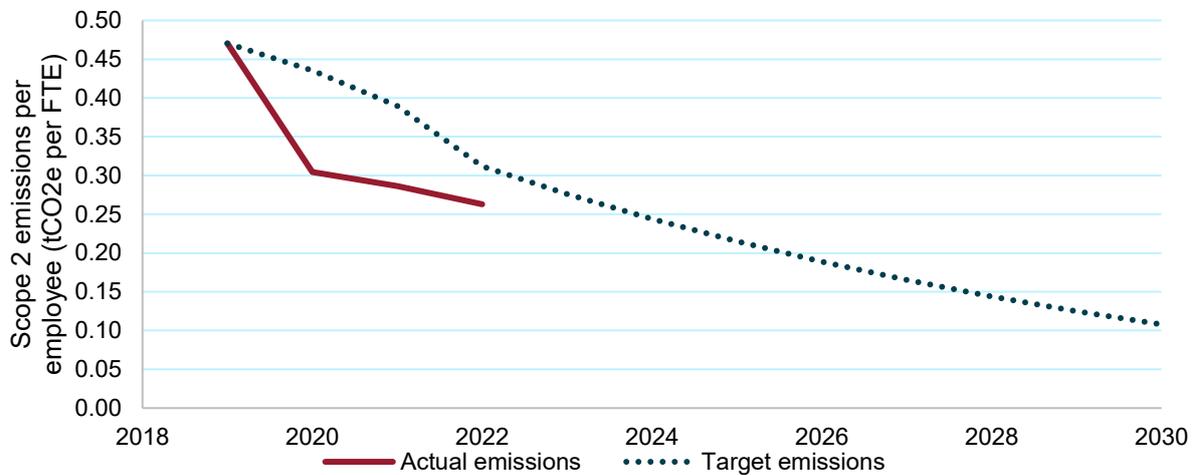
Figure 1 Frontier Economics Scope 2 emissions against target (46% reduction)



Source: Frontier Economics

³ <https://sciencebasedtargets.org/resources/files/SBTi-Corporate-Manual.pdf>

Figure 2 Frontier Economics emissions per FTE against target



Source: Frontier Economics

Note: The figure is consistent with a 46% reduction in absolute emissions. Emissions per FTE will fall by more than 46%, as we assume an increase of 7.5% per year in FTEs.

The emissions displayed in the charts are gross emissions, rather than net emissions. This is because Frontier has been carbon neutral since 2010 by offsetting all its emissions, including those from travel, by investing in carbon-reduction projects through our carbon auditor, CO2Balance, and certified to international standards.

Carbon reduction projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. Due to their varied nature and the complexities in measuring embedded carbon, the impact of all these initiatives cannot be fully measured at present.

- **Managing office floorspace:** We control lighting and HVAC operations per zone and restrict access on days that are usually quiet, such as Fridays, to save energy. (London only currently)
- **Updated Travel Policy:** We have updated our travel policy to raise awareness of our commitment to reducing travel-related CO2 emissions and encourage staff to actively consider this commitment when making choices about the mode of transport as well as the frequency of business travel. As part of this policy, we encourage opting for rail connections over air travel where reasonably possible, as this generally results in far fewer CO2 emissions.

- **Increased Availability of Plant-Based Milk Alternatives:** We have increased the availability of plant-based milk alternatives in our office fridges to reduce the carbon footprint associated with dairy consumption.
- **Battery Recycling:** Battery recycling is operated across all of our offices.
- **Motion Sensor LED Lighting:** All our offices operate motion sensor LED lighting to minimise energy consumption.
- **IT Infrastructure and other office equipment:** We have outsourced our IT infrastructure to a cloud computing provider, virtualising our server equipment to further reduce our energy consumption. We only operate laptop-based working across offices. We have also implemented a "follow-me" printing system to save paper waste, while also upgrading our colour printers to low-energy models. Further energy consumption reductions have been made through the purchase of low-energy computer and kitchen equipment.
- **Reduce Need or Impact of Travel:** We have implemented individual and firm-wide video-conferencing systems to reduce the need for travel and lower its environmental impact.
- **Waste Reduction Initiatives:** We have implemented initiatives to reduce waste, including re-use and recycling (no landfill).

Future Carbon Reduction Initiatives

In the future, Frontier Economics plans to implement the following carbon reduction measures:

- **London office move:** In 2024, our London office is moving to new premises at Worship Square. The new building is designed to be fully net-zero carbon in both construction and operation, targeting BREEAM Outstanding certification and a 5.5* NABERS rating. The new office will promote a circular economy, feature an in-house wormery for turning food waste into compost for the edible rooftop gardens, be free of single-use plastic, and fully electric. Operational energy use will be reduced through air source heat pumps, efficient heating and cooling systems, smart modelling, and photovoltaic cells on the roof to provide onsite renewable energy. The building will provide transparent data on its energy use, facilitating ESG reporting and encouraging energy efficiency. We will aim to match or exceed these sustainability standards in our future office moves in other locations, ensuring consistency in our approach across all office locations.
- **Hard-to-Recycle Item Recycling:** Frontier will actively explore options to responsibly recycle challenging materials like e-waste and hard plastics within its offices and make this available to employees, including their personal items. Drawing inspiration from successful initiatives, such as the implementation of battery recycling bins in the London office, the company will expand its efforts in collaboration with specialised recycling partners to effectively manage and dispose of such materials.
- Frontier will revise its **procurement policy for office supplies** to prioritise products that are recycled, recyclable, or certified as "eco-friendly". We will aim to partner with suppliers

that can demonstrate a strong commitment to net-zero. This shift will contribute to a reduction in the environmental impact associated with office supplies.

- **Issue guidance on in-person meeting best practice:** Frontier recognises the significance of in-person meetings while acknowledging the importance of reducing carbon emissions. To strike a balance, we will provide guidance on the optimal scenarios for conducting face-to-face meetings. Virtual meetings will be recommended for routine discussions and updates, preserving in-person interactions for moments such as cross-office team kick-offs and crucial deliberations. This approach aims to curtail unnecessary travel.
- **Change the catering mix** across office locations to embrace sustainability and reduce its carbon footprint. This initiative involves partnering with sustainably operated hospitality firms that incorporate environmentally sourced products and offer a greater share of plant-based alternatives, aligning with the goal of reducing the environmental impact of food consumption. By providing more plant-based choices, Frontier aims to promote healthier and more environmentally conscious dietary habits among its employees. This shift reflects the company's commitment to a greener and more sustainable workplace culture, while contributing to overall carbon reduction efforts.
- Frontier will set up a **programme of work to understand Scope 3 emissions reductions**. As a professional services company, business travel is our largest source of emissions. We will set up a team to understand the nature of these emissions to the extent possible – what share of these can be attributed to travel for internal purposes, contrasted against the share that can be attributed to client-related business travel. We will explore what would be needed to mitigate against potential growth in travel-related emissions.

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 standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.⁵

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.⁶

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:

A handwritten signature in blue ink, appearing to read "P. Burns", with a wavy underline.

Phil Burns

[Director/COO], Frontier Economics Ltd

Date: 20/02/2024

⁴ <https://ghgprotocol.org/corporate-standard>

⁵ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶ <https://ghgprotocol.org/standards/scope-3-standard>