Carbon Reduction Report 2025

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Owner:	Operations Director		

1 Commitment

Abbott Risk Consulting Ltd (ARC) is committed to achieving Net Zero Carbon by 2045.

This report sets out ARC's greenhouse gas emissions for the 2025 reporting year, establishes 2025 as ARC's revised carbon baseline, and outlines the targets and initiatives that ARC will take to reduce emissions and progress towards Net Zero.

ARC recognises the importance of reducing greenhouse gas emissions and is committed to reducing emissions, improving our understanding of our carbon footprint and embedding environmental considerations into our business decisions.

Carbon emissions will be calculated annually and will be monitored, reported and assessed against the emissions reduction target set out in this Carbon Reduction Plan, alongside absolute emissions, in order to support ARC's commitment to Net Zero Carbon by 2045.

2 Methodology and Scope

ARC's carbon reporting period is the calendar year, from 1st January to 31st December.

ARC reports Scope 1, Scope 2, and Scope 3 emissions using the Operational Control approach in accordance with the Green House Gas (GHG) Protocol Corporate Standard, the Corporate Value Chain (Scope 3) Standard[1], applying the appropriate UK Government greenhouse gas emission conversion factors[2] for 2025 reporting.

The scope of this report includes all ARC offices:

- UK - Edinburgh, Glasgow, Manchester, Bristol and Plymouth.
- Australia - Perth, Sydney and Melbourne.

ARC's emissions are consolidated on a company-wide basis using the Operational Control approach. Emissions are also analysed by locations and categories to identify carbon 'hotspots' and inform targeted reduction actions.

Some activity data is derived from directly measured sources, while other data is based on reasonable assumptions (which are clearly documented) and recognised industry benchmarks. ARC is committed to improving data quality where it is feasible and proportionate to do so.

ARC follows the GHG Protocol reporting principles of relevance, completeness, consistency, transparency and accuracy.

[1] Corporate Standard | GHG Protocol
[2] Government conversion factors for company reporting of greenhouse gas emissions - GOV.UK

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2.1 Baseline Recalculation

ARC has reviewed its carbon reporting methodology and established 2025 as its revised baseline year. This replaces the previous 2023 baseline.

The revised baseline provides a more complete and representative assessment of ARC's emissions, reflecting:

- Inclusion of all UK and Australian offices within the organisational boundary
- Improved activity data and calculation methods
- Inclusion of additional relevant Scope 3 emissions, including subcontractor business travel within Category 1: Purchased Goods and Services

The 2023 and 2024 emissions figures are retained for historical reference but are not directly comparable with the revised 2025 baseline. Future emissions performance will be measured against the 2025 baseline.

Therefore, the 2025 emissions report represent both the baseline and current emissions reporting (see Section 3).

3 Baseline Emissions Reporting

Baseline year emissions: 2025		
EMISSIONS		**TOTAL (tCO_2e)**
Scope 1	Direct emissions: Gas Combustion	19.84
Scope 2	Indirect Emissions (Market Based)	18.16
	Indirect Emissions (Location Based)	26.54
Scope 3	Category 1: Upstream purchased goods and services	90.65
	Category 4: Upstream transportation and distribution	0.51
	Category 5: Waste generated in operations	0.09
	Category 6: Business Travel	606.72
	Category 7: Employee Commuting	93.87
	Category 8: Upstream Leased Assets (Market Based)	11.76
	Category 8: Upstream Leased Assets (Location Based)	13.11
	Total Emissions (Market Based)	**841.59**
	Total Emissions (Location Based)	**851.31**

ARC's 2025 market-based baseline emissions are 841.59 tCO_2e.

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Business travel represents the largest contribution of ARC's emissions, accounting for approximately 72% of the market-based footprint. Employee commuting and purchased goods and services are the next largest contributions accounting for 11% each of overall emissions respectively. Cumulatively, these three emissions represent 94% of ARC's overall emissions.

3.1 Emissions Intensity Ratio

ARC uses an emissions intensity ratio based on annual turnover[3] to normalise environmental impact data and provide a measure of carbon performance that accounts for changes in the scale of the business. A declining ratio indicates an improvement in emissions intensity.

Absolute emissions will continue to be monitored alongside the intensity ratio to provide a complete view of ARC's carbon performance.

2025 Intensity Ratio: 15.59 tCO_2e per £1 million turnover.

4 Carbon Reduction Targets

ARC's carbon reduction targets have been developed against the 2025 market-based emissions baseline and support its commitment to achieving Net Zero Carbon by 2045.

As a growing consultancy operating across the UK and Australia, ARC recognises that absolute emissions may increase as business activity expands, particularly where emissions are associated with business travel, employee commuting and purchased goods and services.

To reflect this, ARC has modelled a Business-as-Usual (BAU) scenario assuming annual emissions growth of 5% over the five-year period to 2030, in the absence of additional emissions reduction measures. This results in forecast emissions of 1,074.12 tCO_2e by 2030.

ARC's reduction targets are applied to this BAU forecast and are intended to limit the increase in emissions that would otherwise occur. The targets therefore represent reductions against the projected BAU position, rather than an absolute reduction against the 2025 baseline.

ARC aims to reduce Scope 1 emissions by 20% and market-based Scope 2 emissions by 90% against their respective 2030 BAU forecasts. For selected Scope 3 categories, ARC aims to achieve a 10% reduction against the 2030 BAU forecast, focusing on purchased goods and services, business travel, employee commuting and upstream leased assets.

On this basis, ARC's targeted 2030 market-based emissions are 945.70 tCO_2e, approximately 12% below the BAU forecast but approximately 12% above the 2025 baseline.

ARC will therefore monitor both absolute emissions and emissions intensity, measured against annual turnover, to assess whether carbon performance is improving as the business grows. The emissions intensity target is intended to demonstrate improvements in carbon efficiency, while absolute emissions will show the overall impact of ARC's activities.

[3] 2025 annual turnover of £54M

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The targets and underlying assumptions will be reviewed periodically to reflect changes in business activity, emissions performance, data quality and the effectiveness of reduction initiatives.

Carbon Reduction Targets					
Emission Scope	**Emission Category**	**2025 Baseline Emissions (tCO_2e)**	**2030 Forecast Emissions (BAU) (tCO_2e)**	**5 Year % Reduction Target**	**5 Year Target Emissions after Reductions (tCO_2e)**
Scope 1	Direct emissions: Stationary Combustion	19.84	25.32	20%	20.26
Scope 2	Indirect Energy (Market Based)	18.16	23.18	90%	2.32
Scope 3	Category 1: Upstream purchased goods and services	90.65	115.69	10%	104.13
	Category 4: Upstream transportation and distribution	0.51	0.65	0%	0.65
	Category 5: Waste generated in operations	0.09	0.11	0%	0.11
	Category 6: Business Travel	606.72	774.35	10%	696.91
	Category 7: Employee Commuting	93.87	119.8	10%	107.82
	Category 8: Upstream Leased Assets (Market Based)	11.76	15.01	10%	13.51
Total Emissions (Market Based)		**841.59**	**1074.12**	**12%**	**945.70**

Intensity Ratio Reduction Target: ARC aims to reduce its emissions intensity to 13.67 tCO_2e per £1 million turnover by 2030, representing a reduction of approximately 12% against the 2030 BAU forecast of 15.52 tCO_2e per £1 million turnover.

Intensity Ratio Targets	2025 Baseline Emissions (tCO_2e/£M)	2030 Forecast Emissions (BAU) (tCO_2e/£M)	5 Year Reduction against BAU (tCO_2e/£M)	5 Year Target Emission Reductions (tCO_2e/£M)
Intensity Ratio	15.59	15.52	1.85	13.67

5 Carbon Reduction Initiatives

ARC will prioritise the avoidance and reduction of greenhouse gas emissions over offsetting. As its carbon reduction measures develop, ARC will assess the potential for investing in independently verified carbon credits to address residual emissions that cannot reasonably be eliminated.

Any investment in carbon offsetting will be subject to appropriate due diligence, consideration of recognised standards, assessment of the credibility and permanence of the carbon benefits, and internal approval. Offsetting will not be treated as a substitute for delivering emissions reductions within ARC's operations and value chain.

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ARC has identified the following carbon reduction initiatives:

- Maintain ISO 14001: Environmental Management System certification
- Electric vehicle incentive scheme
- Cycle to work scheme
- Implement and promote 'Hierarchy of Travel' policy
- Undertake annual employee commuting surveys
- Maintain minimum ordering and use consolidated or bulk orders where practicable
- Implement and promote sustainable procurement principles from ISO 20400: Sustainable Procurement into existing procurement policies and procedures
- Source renewable electricity tariffs for ARC operated offices where applicable
- Reuse and recycling of IT equipment (in accordance with WEEE requirements)
- Deliver carbon awareness training for employees
- Continually improve the availability and accuracy of data
- Improve the capture of subcontractor travel data
- Engage with our stakeholders and supply chain to promote carbon reduction
- Work towards achieving EcoVadis Silver status
- Member of the Supply Chain Sustainability School

Where actual measured emissions differ from the forecast emissions, ARC will assess the reasons for the variance and consider whether additional/revised reduction initiatives are required.

6 Approval

This Carbon Reduction Plan has been reviewed and approved by the ARC Management Team and signed off by Zoe Sheavills, Operations Director, October 2026.

Signed: Z. Sheavills

Date: October, 2026

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