

# lexica.

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## Carbon Reduction Plan

October 2024



# Contents

Contents .....2

Introduction to Emissions Accounting.....3

Our Net Zero Commitment.....3

Our Baseline Emissions Footprint.....3

Emissions Reduction Pathway .....5

    Scopes 1 and 2 .....6

    Scopes 1, 2 and 3 .....6

Carbon Reduction Projects .....7

Declaration and Sign Off.....8

## Introduction to Emissions Accounting

To help effectively measure progress in carbon emission reduction, setting appropriate operational boundaries and delineating between direct and indirect emissions is an important first step. Lexica uses the reporting boundary - 'operational control'. We consequently report against our scope 1, 2 and 3 emissions in alignment with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard<sup>1</sup> as defined below:

- Scope 1 – Direct greenhouse gas (GHG) emissions from combustion in company-owned or controlled sources e.g., boilers, furnaces, vehicles, etc.
- Scope 2 – Indirect GHG emissions from the generation of purchased electricity consumed by the company.
- Scope 3 – Other indirect GHG emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

## Our Net Zero Commitment

In 2021/22, Lexica Health and Life Sciences Consultancy Limited committed to achieving net zero emissions by 2040 at the latest. This commitment is broken down into two targets:

- For scopes 1 and 2 we will be net zero by **2030**
- For scopes 1, 2 and 3 we will be net zero by **2040\***

\*This currently excludes our homeworking emissions which are optional to report as per the Greenhouse Gas Protocol Scope 3 Calculation Guidance.

## Our Baseline Emissions Footprint

Our emissions baseline covers our scope 1, 2 and all relevant scope 3 emissions categories. It accounts for all seven Kyoto protocol greenhouse gases and reports emissions in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e).

### Baseline emissions year 2021/22:

2021/22 has been utilised as our emissions baseline year. However, following the collation in 2022/23 of additional data that improved the emissions calculation process for our scope 3 category 7 emissions through the use of a travel and homeworking survey which identified staff travel patterns and practices. A further amendment to our homeworking emission methodology has been made as part of our 2023/24 emissions reporting process which has improved the accuracy of this reporting by more accurately representing emissions from heating. This data has been incorporated into our baseline to reflect our organisation's starting point as accurately as possible. Where data collected outside of our baseline year has been incorporated into our baseline, this has been indicated using an \* below.

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

| Baseline emissions                              | Total tCO <sub>2</sub> e |
|---|--------------------------|
| Scope 1   | 0.00                     |
| Scope 2 (location based)                        | 15.18                    |
| Scope 3 (all relevant categories)               |                          |
| 1. Purchased Goods and Services                 | 154.33                   |
| 3. Fuel and Energy Related Activities           | 5.65                     |
| 4. Upstream Transportation and Distribution     | 0.00                     |
| 5. Waste Generated in Operations                | 0.135                    |
| 6. Business Travel                              | 18.49                    |
| 7. Employee Commuting* (including homeworking*) | 27.68 (39.13)            |
| 9. Downstream Transportation and Distribution   | 0.00                     |
| <b>Total (including homeworking)</b>            | <b>221.47 (232.91)</b>   |

## Current reporting year 2023/24:

Our current reporting year covers the 2023/24 financial year. The applicable scope 3 categories included within our emissions reporting for this year include:

- Category 1: Purchased Goods and Services
- Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2
- Category 5: Waste generated in company operations
- Category 6: Business Travel
- Category 7: Employee Commuting (including homeworking)

We additionally recognise that scope 3 category 4 emissions (Upstream Transportation and Distribution) are relevant to our organisation, however as an SME we do not operate a dedicated logistics team, and our main supplying organisations include companies like Amazon, UK Office Direct, and Nespresso who do not provide data on the miles travelled to deliver goods.

Our organisation does not report any scope 1 emissions (Direct GHG emissions) as we are not directly responsible for the combustion of fossil fuels as we do not operate a vehicle fleet, and our offices are electrically heated. We also do not report any scope 3 category 9 emissions (Downstream Transportation and Distribution) because as a consultancy firm we are service-based, and do not produce any goods that require transportation or distribution.

Accurate waste and metered water consumption have not been available for the entirety of the financial year for one of our office buildings. As a result, these sources of emissions have been estimated for the current reporting year based on typical consumption in this building in previous reporting years.

| Current reporting year (2023/24)              | Total tCO <sub>2e</sub> |
|---|-------------------------|
| Scope 1                                       | 0                       |
| Scope 2 (location based)                      | 7.10                    |
| Scope 3 (all relevant categories)             |                         |
| 1. Purchased Goods and Services               | 74.95                   |
| 3. Fuel and Energy Related Activities         | 2.33                    |
| 4. Upstream Transportation and Distribution   | 0.00                    |
| 5. Waste Generated in Operations              | 0.041                   |
| 6. Business Travel                            | 81.89                   |
| 7. Employee Commuting (including homeworking) | 21.63 (33.08)           |
| 9. Downstream Transportation and Distribution | 0.00                    |
| <b>Total (including homeworking)</b>          | <b>187.95 (199.39)</b>  |

## Emissions Reduction Pathway

As a company wholly owned by Guy’s and St Thomas’ NHS Foundation Trust, our emissions reduction targets are aligned to the wider targets of the NHS. We will therefore ensure that we meet an 80% reduction in scope 1 and 2 emissions by 2028 and an 80% in scope 1, 2 and 3 emissions by 2036/37. Figures 1 and 2 below show the reduction pathways required to meet our targets, in addition to our current progress.

This reduction pathway demonstrates that our Scope 1 and 2 emissions have reduced year on year at a rate exceeding that which our target requires. This reduction in 2023/24 reflects the increased sharing of our office space, and thus reduced office presence and direct electricity consumption relative to previous reporting years. It is anticipated that this may increase in future as a result of policy changes encouraging staff to utilise our remaining office spaces more frequently.

Analysis of Lexica’s Scope 1, 2 and 3 emissions reduction pathway suggests that our greenhouse gas emissions have increased in our most recent reporting year. This is to some extent as a result of changes in our internal finance reporting processes during the 2022/23 year which resulted in uncomprehensive reporting of our scope 3 category 1 (purchased goods and services) carbon emissions. Consequently, data provided as part of our reporting year is expected to be a comparatively more accurate representation of our existing emissions. Furthermore, our scope 3 category 6 (business travel) carbon emissions have also increased relative to previous

reporting years because of a continued return to more typical travel practices following the COVID-19 pandemic, and an increasing demand for our services internationally.

## Scopes 1 and 2

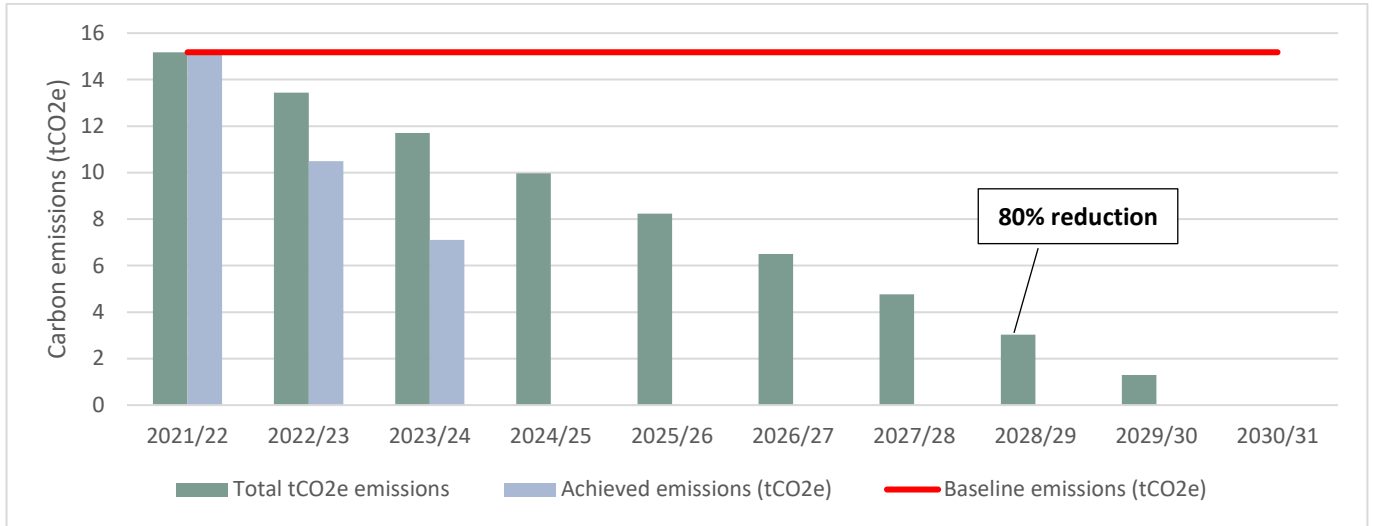


Figure 1: Emissions reduction pathway for Lexica scope 1 and 2 emissions, including current progress

## Scopes 1, 2 and 3

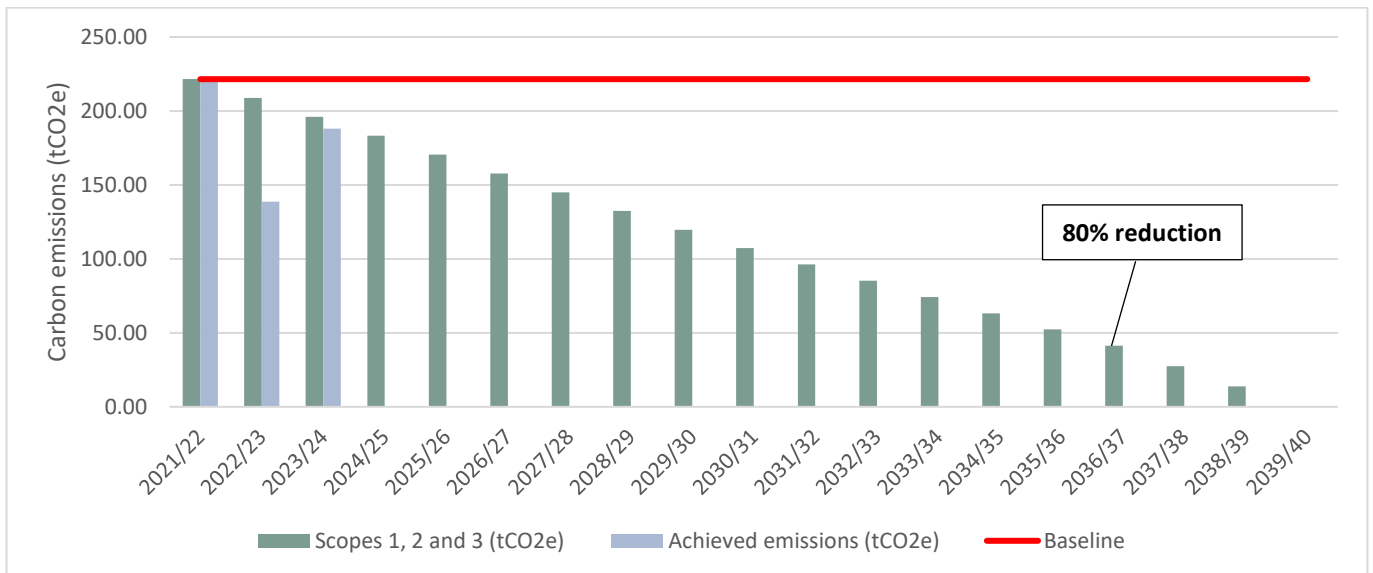


Figure 2: Emissions reduction pathway for Lexica scope 1,2 and 3 emissions, including current progress, and excluding homeworking carbon emissions.

## Carbon Reduction Projects

Sustainability is a core feature at Lexica, whether it's our own internal agenda or the outputs we deliver. Through the 'Pledge to Net zero', Lexica have publicly committed to achieving a greenhouse gas target in line with 1.5°C climate change scenario. We have already made substantial progress towards achieving our net zero targets. The following initiatives have already been undertaken:

- To ensure we meet the Intergovernmental Panel on Climate Change's (IPCC's) forewarned threshold of 1.5°C global warming, we have committed to the 'Pledge to Net Zero Campaign' ensuring our commitment to a net zero target that aligns with the Science Based Target Initiative.
- All offices are fitted with LED lighting and smart building controls.
- All offices are heated electrically to ensure we are not directly responsible for the use of any fossil fuels.
- We have implemented cycle and EV salary sacrifice schemes which have been well utilised by staff.
- Our company's sustainability leads have undergone [Orientate's](#) one-month coaching and training programme 'Inner Development for Sustainability'. The aim of this course being to facilitate the delivery of Lexica's own net zero strategy by providing us with the training required to accelerate meaningful organisational change.
- Lexica have launched our own internal Environmental Champions' Network to provide a conduit between environmentally orientated staff and the Executive Committee. Our environmental champions will act as an important forum for the dissemination of our sustainability strategy to the wider staff network, assist with raising awareness on key issues and provide feedback and suggestions on actions that can be taken to further reduce our environmental impact thereby minimising our emissions across scopes 1, 2 and 3.
- Whole company staff travel and homeworking surveys have been conducted to increase the accuracy and understanding of these sources of our carbon emissions. Surveys are to be conducted annually.
- To help us benchmark our environmental performance against our industry peers and identify emerging environmental risks and opportunities, we also ensure that we annually disclose our environmental performance to the Carbon Disclosure Project (CDP).
- Our Net Zero Team work alongside our clients to assist with the design and delivery of ambitious yet achievable sustainability strategies. Lexica hosts three independent net zero frameworks that facilitate the procurement of large-scale carbon reduction projects for the public sector. Since 2018, **over £115 million** worth of energy efficient and low carbon technologies have been procured through our frameworks.

## 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>2</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting Government emission conversion factors for greenhouse gas company reporting<sup>3</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>4</sup>.

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

*Signed on behalf of Lexica:*



Lucy Symons-Jones, Director of Net Zero

03/10/2024

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<sup>2</sup><https://ghgprotocol.org/corporate-standard>

<sup>3</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>4</sup><https://ghgprotocol.org/standards/scope-3-standard>