



Progress report CO₂ Emission Reduction ICT Group B.V.

YTD-2021

Classification: Public
Version: 1.0

Report title: Progress Report CO2 Emission Reduction – ICT Group B.V.

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Document code: CO2_Progress_Report_ICT_Group_BV_YTD_2021

Version: 1.0

Date: 08-04-2022

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Contents

Contents	3
History	4
1. Introduction	5
1.1. Responsible	5
1.2. Reference year	5
1.3. Organizational Boundary	6
1.4. Exclusions and verification	6
1.5. References	7
1.6. Changes based on CO ₂ performance ladder manual	7
1.7. Footprint development 2020 vs 2021	7
2. Reduction measures 2021-2026	9
3. CO₂ emission footprint ICT Group B.V.	12
4. Results and conclusions	13
4.1. Results	13
4.2. Conclusion	14

History

Version	Date	Author	Description
0.1	17-03-2022	M. Vrisekoop	Initial version
0.2	31-03-2022	M. Vrisekoop	Update
1.0	08-04-2022	P. Lamers	Final version

1. Introduction

ICT Group profile

ICT Group B.V. (hereafter: “ICT”) is a leading industrial technology solutions and services providers offering high quality technological solutions in the information and communication technology areas within various functional domains, especially within Automotive, Logistics, Machine & Systems, Industrial Automation, Energy and Healthcare. ICT is active within the Netherlands, Belgium, France, Bulgaria and Sweden.

The ICT solutions offered to clients involve software development, solutions on project basis, the secondment of experienced and highly educated staff as well as services to maintain IT systems.

Corporate social responsibility

For ICT sustainability is a natural and inevitable part of our daily work. In our day-to-day business we pay attention to the sustainable use of energy and materials. We separately collect our waste, and products we use are recycled as much as possible. Within ICT mobility has a very important share in the total CO₂ emissions. Therefore, ICT has started initiatives to make it possible to drive electric. Also, charging stations are or will be placed at the offices to extend the possibility electric driving and promote this.

Furthermore, within our Energy unit we touch on corporate social responsibility cases in our day-to-day business as the Energy unit is servicing energy management systems from an IT perspective.

Active sustainability policy

Related to corporate social responsibility ICT is executing an active sustainability policy. Part of this is the participation in the CO₂-Performance Ladder.

1.1. Responsible

For the sustainability policies the final responsibility lies with the Chief Financial Officer (CFO) of ICT Group B.V.

1.2. Reference year

Based on ICT’s energy management program the CO₂ Footprint is calculated at least twice a year. The reduction measures are part of the energy management program and described in the reduction plan 2021-2026. The reference year chosen is 2019.

On a semi-annual basis the progress of implementing the reduction measures relative to the reduction targets is reported. The main focus in this report is with the CO₂ reduction measures. The CO₂ footprint is part of this rapport. ICT Group B.V. is certified for level 4 of the CO₂ performance ladder.

1.3. Organizational Boundary

In paragraph 6.3 of the 'CO₂-Prestatieladder' manual is recorded that the organizational boundary should be chosen in such a way that no C-providers are amongst the A-providers. ICT has chosen for the 'control approach'. Under the control approach, a company accounts for 100 percent of the GHG emissions from operations over which it has control. It does not account for GHG emissions from operations in which it owns an interest but has no control. Control can be defined in either financial or operational terms. When using the control approach to consolidate GHG emissions, companies shall choose between either the operational or financial control criteria which are defined below:

Financial control

The company has financial control over the operation if the form has the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from its activities.

Operational control

A company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.

For a detailed description of the organizational boundary of ICT Group B.V. see the document Organizational boundary 2021 [ref 1].

1.4. Exclusions and verification

In paragraph 9.3 of ISO 14064-1:2018 a number of aspects are recorded which are irrelevant for ICT and therefore excluded. This applies to the following aspects:

	ISO 14064 topic	Explanation
g	a description of how biogenic CO ₂ emissions and removals are treated in the GHG inventory and the relevant biogenic CO ₂ emissions and removals quantified separately in tonnes of CO ₂ e (see Annex D);	Biomass is irrelevant within ICT
h	if quantified, direct GHG removals, in tonnes of CO ₂ e (5.2.2);	This is not relevant for ICT
i	explanation of the exclusion of any significant GHG sources or sinks from the quantification (5.2.3);	This is not relevant for ICT
l	explanation of any change to the reference year or other historical GHG data or categorization and any recalculation of the reference year or other historical GHG inventory (6.4.1), and documentation of any limitations to comparability resulting from such recalculation;	This is not relevant, as 2019 is the reference year.

n	explanation of any change to quantification approaches previously used (6.2);	This is not relevant, as 2019 is the reference year.
o	reference to, or documentation of, GHG emission or removal factors used (6.2);	The removal factors are not relevant for ICT

All other requirements with respect to ISO 14064-1:2018 are included in this report and all data is verified by the responsible CO₂ manager.

1.5. References

Ref.	Date	Version	Description
1	08-04-2022	6.0	ICT Group B.V. - Organizational Boundary 2021
2	23-08-2021	1.0	ICT Group N.V. - CO ₂ reduction plan 2021-2026

1.6. Changes based on CO₂ performance ladder manual

The conversion factors which are currently applicable are recorded in the Exsion consolidation tool in which all ICT Group B.V. entities have to report their energy consumption with respect to scope 1, scope 2 and scope 3 CO₂ emissions.

1.7. Footprint development 2020 vs 2021

Scope	Q4-2021 YTD CO ₂ emission in ton	Q4-2020YTD CO ₂ emission in ton	Diff. % CO ₂ emission	Q2-2021 YTD % of total CO ₂ Footprint	Q2-2020 YTD % of total CO ₂ Footprint	Diff. % of % of total CO ₂ Footprint	CO ₂ emission in ton per FTE 2021	CO ₂ emission in ton per FTE 2020	Diff. % CO ₂ in ton per FTE
Scope 1, Lease cars	1,445,18	1,893,47	-23,7%	76,7%	83,4%	-8,0%	0,915	1,406	-34,9%
Scope 1, Gas	242,39	179,70	34,9%	12,9%	7,9%	62,6%	0,152	0,120	25,8%
Scope 1, Total	1,687,57	2,073,17	-18,6%	89,6%	91,3%	-1,9%	1,067	1,526	-30,1%
Scope 2, Electricity and e-mobility	-	-	-	0,0%	0,0%	0,0%	0,000	-	0,0%
Scope 2, Electricity	-	-	-	0,0%	0,0%	0,0%	0,000	-	0,0%
Scope 2, WKO heating	29,68	29,68	0,0%	1,6%	1,3%	20,5%	0,019	0,022	-15,5%
Scope 2, Total	29,68	29,68	0,0%	1,6%	1,3%	20,5%	0,019	0,022	-15,5%
Scope 3, Public transport	2,28	13,22	-82,7%	0,1%	0,6%	-79,2%	0,001	0,004	-67,3%
Scope 3, Private cars	91,83	83,60	9,8%	4,9%	3,7%	32,4%	0,058	0,063	-7,6%
Scope 3, Business flights	71,80	70,22	2,2%	3,8%	3,1%	23,2%	0,046	0,053	-13,6%
Scope 3, Total	165,91	167,04	-0,7%	8,8%	7,4%	19,7%	0,105	0,120	-12,4%
Total CO₂ Footprint	1,883,17	2,269,90	-17,0%	100,0%	100,0%	0,0%	1,190	1,668	-28,6%

Historic CO₂ emissions

ICT Group B.V.

Year	2016	2017	2018	2019	2020	2021
CO ₂ emission H1	-	-	2.398	2.371	1.466	894
CO ₂ emission H2	-	-	2.419	2.153	808	990
CO₂-emission total	4.220	4.579	4.817	4.524	2.274	1.883

In all CO₂ emission calculations the CO₂ emissions are based on version 3.1 of the performance ladder manual and the related conversions.

2. Reduction measures 2021-2026

For the period 2021-2026 the following reduction measures are recorded on ICT Group B.V. level. The reduction measures per subsidiary are recorded in the reduction measures plan 2021-2026.

Because of ICT Group's buy-and-build strategy, it's likely that ICT Group will grow further the years ahead. Therefore it's more suitable to use a relative KPI to set reduction targets and for monitoring carbon emissions. The reduction KPI will be set relative to the number of FTE. Compared to the reference year 2019 in 2026 the estimated reduction will be 79,3% per FTE.

For the buildings, the reduction program is now being developed. The main focus is on mobility, as the fossil fuelled leased cars are the main contributors to CO2 emissions. In order to reduce fossil fuelled lease cars, a new lease policy has been introduced. The schedule of implementation is shown in Figure 1 Roadmap leased car policy.

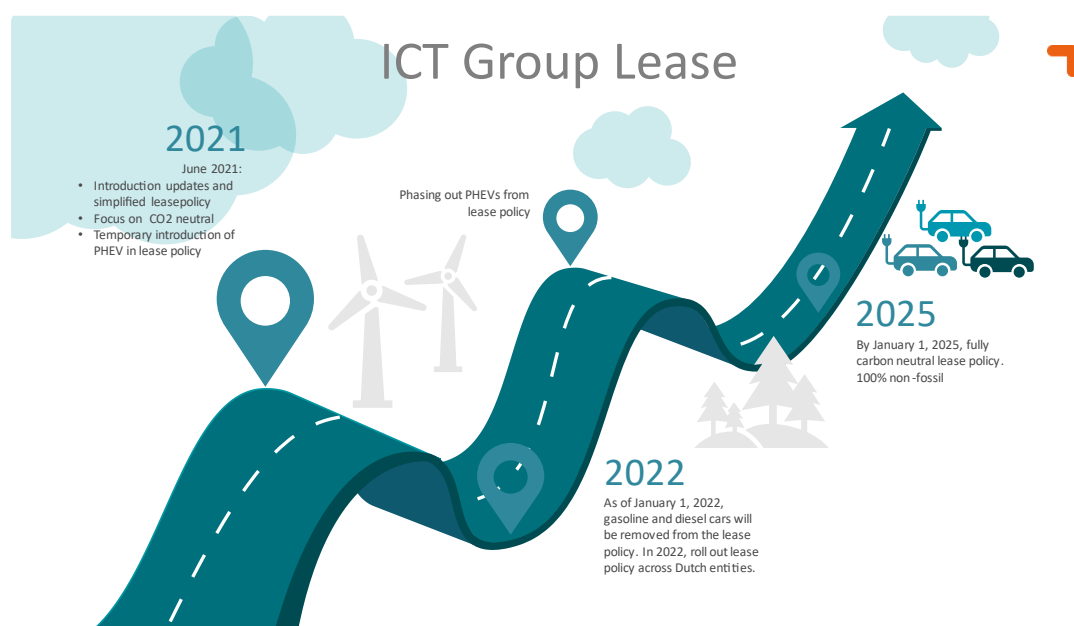


Figure 1 Roadmap leased car policy

Main changes will be:

- Reducing standard mileage
- Annual mileage restriction on private usage of lease car
- Simplification of maximum CO₂ emission limit: the same limit for everyone
- Phase out petrol & diesel fueled cars
- Temporarily add Plug-in Hybrid Electric Vehicles (PHEV) provided charging requirement and annual inspection
- ICT Group pays for charging station and monthly subscription.

Green electricity

ICT Group will continue its 100% green energy usage policy. Meaning all electricity used by the buildings and e-mobility will be 100% renewable energy, CertiQ Dutch Wind energy.

Reduction Measures Mobility

No.	Reduction Measures Mobility	Implementation year	Qualification	Status	Remarks
3.2.1	Reducing standard mileage	As off July 2021	Policy	Completed	Part of the new Lease Policy, will become effective 1. July 2021 Standard mileage is reduced to from 35.000 km to 30.000 km per year.
3.2.2	Annual mileage restriction on private use lease cars	July 2021	Policy	Completed	See No. 3.2.1
3.2.3	Simplification of maximum CO2 emission limit: the same limit for everyone	2021	Policy	Completed	See No. 3.2.1
3.2.4	Phase out Fossil fuelled cars	July 2021-2026	Policy	Completed	See No. 3.2.1
3.2.5	Temporarily add Plug-in-Hybrid Electric Vehicles (PHEV) provided charging requirement and annual inspection	During period: 1 July 2021 - 30 June 2022	Policy	Completed	See No. 3.2.1
3.2.6	ICT Group pays for charging station and monthly subscription		Policy	Completed	See No. 3.2.1
3.2.7	All energy used by e-mobility will be 100% renewable energy, CertiQ Dutch Wind energy	2021-2026	Policy	Completed	
3.2.8	Facilitate working from home and teleconferencing	2020		Completed	After COVID19 restrictions, new guidelines on hybrid working will be (if possible) home/office on 50/50 basis.
3.2.9	Stimulate more usage of electric cars by placing more load poles at the offices	2021-2026		Ongoing	

Reduction Measures Buildings

Nr.	Reduction Measures Building	Implementation Year	Qualification	Status	Remarks
1	Energy management: Energy registration- and controlling system	2022		Ongoing	All data will each quarter registered in the carbon manager.
2	Usage of 100% green energy	2021	policy	Completed	All electricity used by ICT will be 100% renewable energy, CertiQ Dutch wind energy.

3	Conduct energy audits on a selection of offices.	2021-2026	Policy	Completed	Energy audits have been conducted on a selection of offices to explore additional energy reduction possibilities.
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3. CO₂ emission footprint ICT Group B.V.

In March 2022 the CO₂ Footprint over 2021 is determined. This CO₂ footprint is compared to the previous year.

Direct and indirect CO ₂ -emissions (ton CO ₂)	2021	2020	Increase / decrease in %
Scope 1	1.688	2.072	-18,5%
Scope 2	30	30	0,0%
Scope 3	166	172	-3,5%
Total	1.883	2.274	-17,2%
Average number of total FTE	1.575	1.322	19,1%
Total emission per FTE	1,20	1,72	-30,5%
Buildings related emissions (ton CO ₂)	2021	2020	Increase / decrease in %
Electricity	-	-	-
Heating + WKO	272	208	30,8%
Total	272	208	30,8%
Buildings related kWh	2021	2020	Increase / decrease in %
Number kWh (before the purchase of green power)	934.711	868.239	7,7%
Number m ²	18.923	16.617	13,9%
Number kWh per m ² (before the purchase of green power)	49	52	-5,5%
Number kWh per FTE (before the purchase of green power)	593	657	-9,6%
Mobility related emissions (ton CO ₂)	2021	2020	Increase / decrease in %
Lease cars	1.445	1.893	-23,7%
Electric vehicles (EV) (after purchase of green power)	-	-	-
Business travel with private cars	92	88	3,9%
Public transport	2	13	-82,9%
Business flights	72	70	2,3%
Total	1.611	2.065	-22,0%
Number of electric vehicles	197	108	82,4%
Public transport kilometers	63.390	403.085	-84,3%
Number kWh electric driving	2021	2020	Increase / decrease in %
Number kWh electric driving	849.342	728.271	16,6%

Electric cars/total Leasecars	2021	2020	Increase / decrease in %
Electric leasecars	197	108	82,4%
Total amount of leasecars	615	447	37,6%
Percentage electric/rest	32,0%	24,2%	

4. Results and conclusions

4.1. Results

CO₂ emission per FTE

The relative CO₂ emission per FTE has decreased with 30,5%. The decrease of the relative CO₂ emission per FTE is mainly due to the COVID19 restrictions and the emphasis on working from home. This resulted in a decrease in mobility related emissions. The building related energy usage (kWh / per FTE) have also decreased with 9,6%. Furthermore there is an increase of the use of electric lease cars instead of diesel or gasoline cars.

The number of FTE increased in 2021 with 19,1% compared to 2020.

Mobility

The lease car related CO₂ emissions have decreased with 23,7% compared to 2020. At the beginning of 2021 the promotion of electric driving continued and a new mobility policy was discussed internally, targeting a more sustainable mobility policy. A new mobility policy was announced and has become effective from 1. July 2021. From then on, the number of electric lease cars should increase more rapidly and, subsequently, mean less fossil fuelled lease cars. Over 2021, the result of the increasing number of electric cars in relation to the total number of leased cars is apparent. This percentage has increased from 24.2% to 32.0%.

The usage of public transport has decreased with 82,9%. The CO₂ emissions due to business flights have increased with 2,3% in 2021 compared to 2020. This is still far less than in the period before COVID19.

Buildings

The number of offices increased from 20 in 2020 to 25 in 2021. The building-related emissions on 2021 are 30,8% higher than 2020. The electrical usage of Bulgaria is substantially higher than before. This will be further investigated.

4.2. Conclusion

The absolute CO₂ emissions in 2021 have decreased with 17,2% compared to 2020. This is mainly due to the COVID19 restrictions, but also promoting electric cars is beginning to have an impact. The amount of kWh used for Electric driving has increased with 16,6%.

The absolute CO₂ emissions have decreased, despite the fact that both the number of employees increased with 19,1% and the number of buildings and m² have increased.

The CO₂ emissions per FTE have decreased with 30,5%. Over 2021 the emission of 1,2 ton is lower than the target of 2,66 CO₂ emission per FTE (lower is better). When this target was set the assumption was made that in 2021 the COVID19 influence would decrease and more employees would be working at the office. However the impact of the pandemic persisted during the entire year 2021.

Currently no extra reduction measures are needed to reach the CO₂ emission reduction targets over the years 2021-2026 based on the CO₂ emissions developments over the year 2021.

Mobility

The CO₂ emissions on lease cars per FTE have decreased from 1,43 to 0.92 ton CO₂ emissions. This is mainly due to the implementation of the new mobility policy.

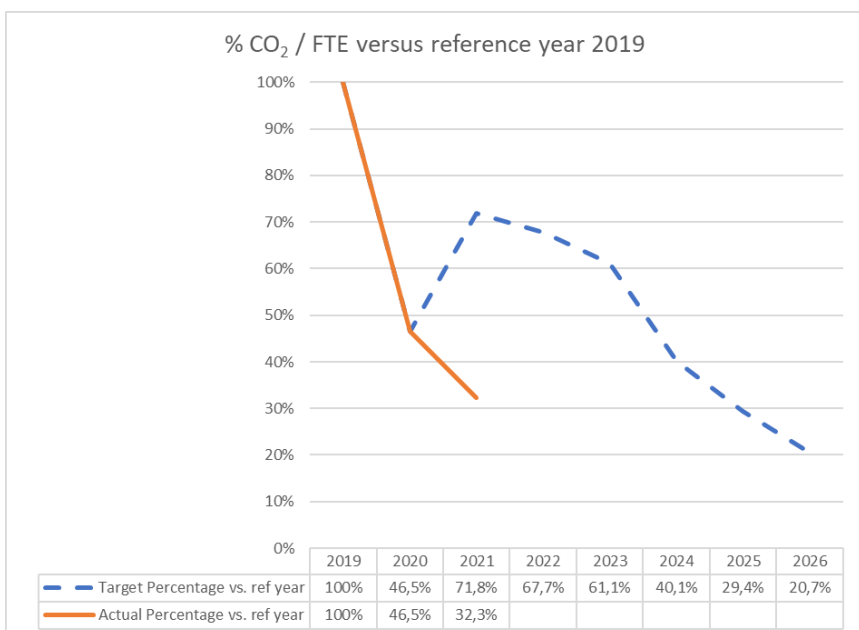
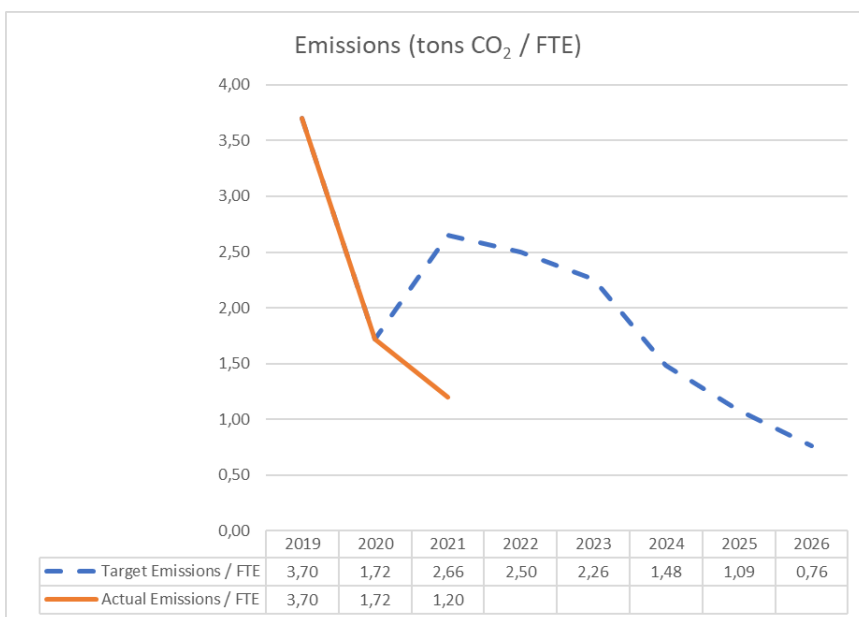
The CO₂ emissions related to business flights have increased 2,3%, but it was far less than before the COVID19. This is mainly due to the COVID19 travel restrictions.

Buildings

The building related absolute CO₂ emissions have increased but the number of office increased as well from 21 to 25 offices. The emphasis will be to reduce the electricity and gas consumption. Furthermore, we will actively follow up on the project to install smart meters in all offices, read these smart meters to acknowledge energy consumptions trends and take actions where needed.

Insights in CO₂ emissions target versus actual achieved

The target KPI set in the reduction plan (emissions tons CO₂ / FTE) is indicated by the blue dashed line in the figures below. The emissions per FTE were expected to rise assuming the impact of the COVID19 pandemic would diminish during 2021. However the pandemic persisted longer, causing less traveling and therefore less emissions. Also the implementation of the new mobility policy contributed positively to this KPI causing it to drop further than expected. The 2021 target has therefore been achieved by a wide margin.



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