



Progress report CO₂ Emission Reduction ICT Group B.V.

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History

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0.1	17-04-2023	M. Vrisekoop	Initial version
0.2	02-05-2023	M. Vrisekoop	Review input processed
1.0	03-05-2023	M. Vrisekoop	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, Germany, France, Bulgaria, Sweden and Portugal.

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

Final responsibility for the sustainability policy resides with ICT Group B.V.'s Chief Financial Officer (CFO).

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 the CO2-Performance Ladder handbook is described 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 V7.0 [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 CO2 emissions and removals are treated in the GHG inventory and the relevant biogenic CO2 emissions and removals quantified separately in tonnes of CO2e (see Annex D);	Biomass is irrelevant within ICT
h	if quantified, direct GHG removals, in tonnes of CO2e (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	23-08-2021	1.0	ICT Group N.V. - CO ₂ reduction plan 2021-2026
2	02-05-2023	7.0	ICT Group B.V. – Organizational Boundary

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 2021 vs 2022

Scope	2022 YTD CO ₂ -emission in ton	2021 YTD CO ₂ -emission in ton	Diff % CO ₂ -emission	2022 YTD % of total CO ₂ Footprint	2021 YTD % of total CO ₂ Footprint	Diff. % of % of total CO ₂ Footprint	CO ₂ emission in ton per FTE 2022	CO ₂ emission in ton per FTE 2021	Diff. % CO ₂ in ton per FTE
Scope 1, Lease cars	1.727,99	1.450,26	19,15%	68,02%	76,14%	-10,67%	1,01	0,98	2,31%
Scope 1, Gas	223,49	255,55	-12,55%	8,80%	13,42%	-34,43%	0,13	0,17	-24,91%
Scope 1, Total	1.951,48	1.705,81	14,40%	76,81%	89,55%	-14,23%	1,14	1,16	-1,77%
Scope 2, Electricity and e-mobility	-	-	-	-	-	-	-	-	-
Scope 2, Electricity	-	-	-	-	-	-	-	-	-
Scope 2, WKO heating	35,01	31,88	9,83%	1,38%	1,67%	-17,65%	0,02	0,02	-5,70%
Scope 2, Total	35,01	31,88	9,83%	1,38%	1,67%	-17,65%	0,02	0,02	-5,70%
Scope 3, Public transport	1,81	0,95	90,72%	0,07%	0,05%	43,00%	0,00	0,00	63,76%
Scope 3, Private cars	241,42	91,97	162,51%	9,50%	4,83%	96,82%	0,14	0,06	125,40%
Scope 3, Business flights	310,80	74,20	318,89%	12,23%	3,90%	214,07%	0,18	0,05	259,68%
Scope 3, Total	554,04	167,11	231,53%	21,81%	8,77%	148,57%	0,32	0,11	184,67%
Total CO₂ Footprint	2.540,53	1.904,80	33,37%	100,00%	100,00%	0,00%	1,48	1,29	14,52%

Historic CO₂ emissions

ICT Group B.V.

Year	2016	2017	2018	2019	2020	2021	2022
CO ₂ emission H1	-	-	2.398	2.371	1.466	894	1.222
CO ₂ emission H2	-	-	2.419	2.153	808	1.009	1.319
CO ₂ -emission total	4.220	4.579	4.817	4.524	2.274	1.903	2.541

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 and the assumption is that it will reduce with 78% compared to the reference year 2019. This will mean an average reduction of 11% per year.

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.

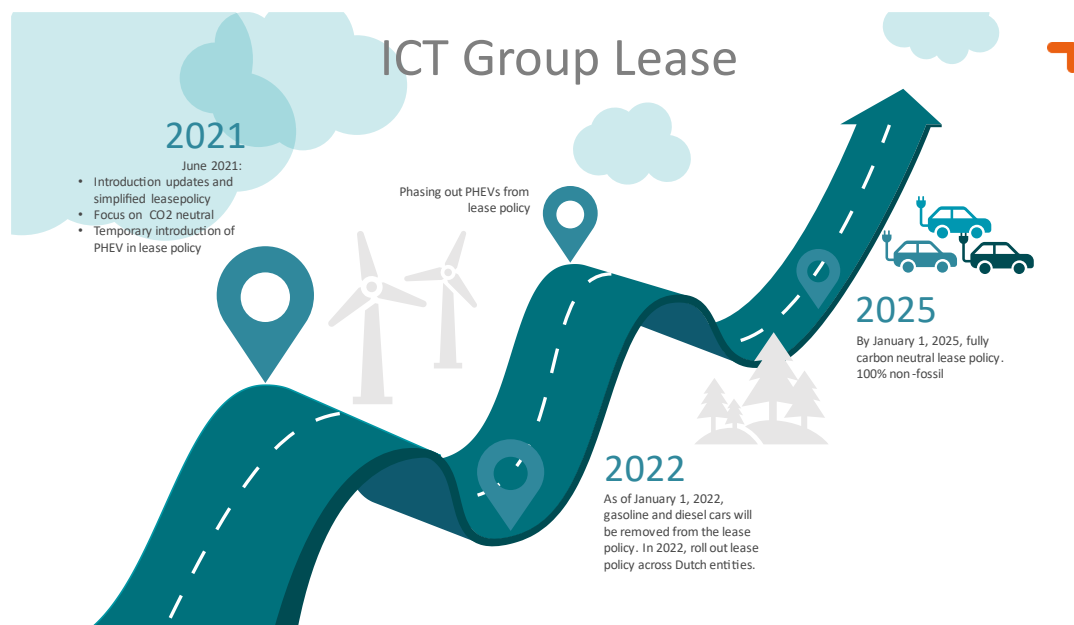


Figure 1 Roadmap leased car policy

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 of 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	2021-2025	Policy	Completed	See No. 3.2.1, As of Jan 1. 2022 only PHEV or full Electric cars can be leased.
3.2.5	Temporarily add Plug-in-Hybrid Electric Vehicles (PHEV) provided charging requirement and annual inspection	Start July 2021	Policy	Ongoing	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.

3. CO₂ emission footprint ICT Group B.V.

In February 2023 the CO₂ Footprint over 2022 is determined. This CO₂ footprint is compared to the previous year.

Direct and indirect CO ₂ -emissions (ton CO ₂)	2022	2021	Increase / decrease in %
Scope 1	1.951	1.688	15,6%
Scope 2	35	30	17,7%
Scope 3	554	166	233,9%
Total	2.540	1.883	34,9%
Average number of total FTE	1.708	1.575	8,4%
Total emission per FTE	1,49	1,20	24,4%
Buildings related emissions (ton CO₂)	2022	2021	Increase / decrease in %
Electricity	-	-	-
Heating + WKO	258	272	-5,0%
Total	258	272	-5,0%
Buildings related kWh	2022	2021	Increase / decrease in %
Number kWh (before the purchase of green power)	942.310	934.711	0,8%
Number m ²	22.790	18.923	20,4%
Number kWh per m ² (before the purchase of green power)	41	49	-16,3%
Number kWh per FTE (before the purchase of green power)	552	593	-7,0%
Mobility related emissions (ton CO₂)	2022	2021	Increase / decrease in %
Lease cars	1.728	1.445	19,6%
Electric vehicles (EV) (after purchase of green power)	-	-	-
Business travel with private cars	241	92	162,9%
Public transport	2	2	-20,6%
Business flights	311	72	332,9%
Total	2.282	1.611	41,6%
Number of electric vehicles	184	156	17,9%
Public transport kilometers	120.897	63.390	90,7%
Number kWh electric driving	2022	2021	Increase / decrease in %
Number kWh electric driving	1.080.343	849.342	27,2%
Electric cars/total Leasecars	2022	2021	Increase / decrease in %
Electric leasecars	184	156	17,9%
Total amount of leasecars	572	602	-5,0%
Percentage electric/rest	32,2%	25,9%	

4. Results and conclusions

4.1. Results

CO₂ emission per FTE

The relative CO₂ emission per FTE has increased with 24,4%. The increase of the relative CO₂ emission per FTE is mainly due to the removal of the COVID19 restrictions. People were allowed to return to the office and followed the advice of working 50% at the office and 50% at home. The building related energy usage (kWh/per FTE) has decreased with 7,0%.

The number of FTE increased in 2022 with 8,4% compared to 2021.

Mobility

The lease car related CO₂ emissions have increased with 19,6% compared to 2021. A new mobility policy was announced and has become effective from 1. July 2021 and only plug-in hybrid or electric cars can be leased. From then on, the number fossil fuelled lease cars will decrease. The percentage of electric cars have increased from 25,9% to 32,2%. The total amount of lease cars has decreased, despite of the increase of FTE.

The usage of public transport has increased with 90,7%. The CO₂ emissions due to business flights have increased with 332,9% in 2022 compared to 2021. This is due to the removal of the COVID19 travel restrictions. However, this is still less than in the period before COVID19.

Buildings

The number of offices increased from 25 in 2021 to 27 in 2022. The building-related emissions on 2022 are 5,0% less than 2021.

4.2. Conclusion

The absolute CO₂ emissions in 2022 have increased with 34,9% compared to 2021. This is mainly due to the lifting of COVID19 restrictions and the new policy of hybrid working: 50% from home and 50% at the office/at the client's premises. The amount of kWh used for Electric driving has increased with 27,2%. The absolute CO₂ emissions have increased, but are still lower than the CO₂ emissions in 2019.

The CO₂ emissions per FTE have increased with 24,4%. Over 2022 the emission of 1,49 ton is lower than the target of 2,50 CO₂ emission per FTE (lower is better). This is the result of the new hybrid work and mobility policy.

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 2022.

Mobility

CO₂ emissions on lease cars per FTE increased from 0,92 to 1,01 ton CO₂ emissions. This is due to more traveling to the office and to customers.

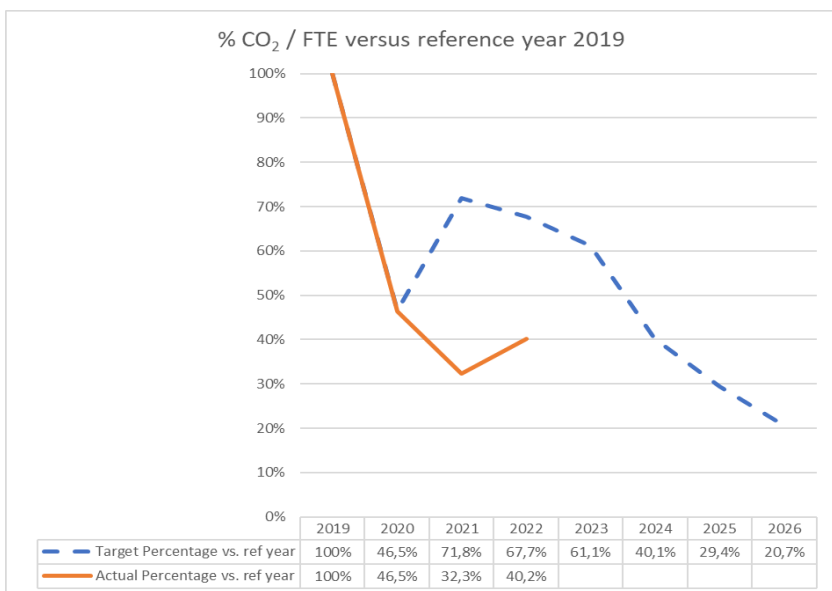
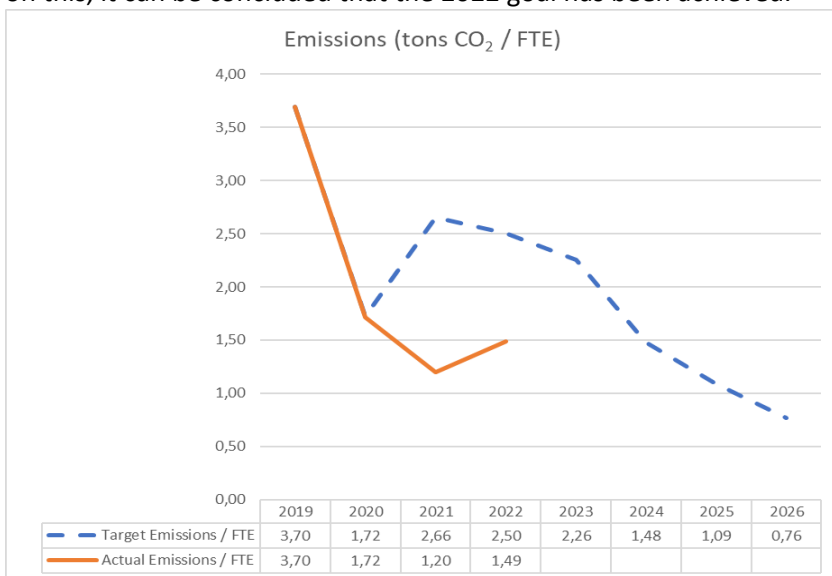
The CO₂ emissions related to business flights have increased 332,9%, but this is still lower than before the COVID19.

Buildings

The building related absolute CO₂ emissions have increased, but the number of office increased as well from 25 to 27 offices. The emphasis will be to reduce the electricity and gas consumption.

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 had stopped in Q2 2022. In contrast, the implementation of the new mobility policy and hybrid working contributed positively to carbon reduction as expected. This resulted in a 1,49 ton CO₂ emission per FTE which is ahead of the targeted of 2,50 ton CO₂ emission per FTE. Based on this, it can be concluded that the 2022 goal has been achieved.



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