

Carbon Reduction Plan

Supplier name: The Divergent Group Limited (including subsidiaries)

Publication date: January 2025

Commitment to achieving Net Zero

Divergent Group Limited and all subsidiaries, including The Risk Factor Ltd and the Insurance Manager Ltd, have been carbon neutral since 2021. However, this is the start, rather than the end of our journey. We are committed to reducing all measurable business emissions to 'bare-minimum' and becoming a 'Net-Zero' business by 2035.

Our business is growing. As a small business, growth can lead to significant fluctuations in all our business metrics. Our carbon emissions will be no different and periods of increasing staff or onboarding major new client accounts could increase our headline emissions. So, our commitment is to understand the environmental impact of business decisions and focus on reducing 'per-employee emissions' to ensure that our growth is not at the expense of disproportional environmental impact.

We have tasked ourselves to identify every aspect of measurable emissions and then to be brave in challenging ourselves to adapt our ways of working until emissions are reduced as far as possible, without having a negative impact of our client and employee responsibilities.

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.

Baseline Year: 2020/21

Additional Details relating to the Baseline Emissions calculations.

At the point of first reporting, and therefore at the establishment of our baseline, The Divergent Group did not operate from a business premises as all staff work from home. Furthermore, the business had no vehicles. As such, the business has no Scope 1 or Scope 2 emissions data to report. Work from home data was included and measured within our Scope 3 data, along with all other source measurements not within Scope 1 and 2.

The baseline year, and reporting periods including data from 2020 and 2021, were impacted by the COVID-19 pandemic. We would expect these periods to show a temporary reduction in emissions which was extraordinary and unrepeatable as the business and our clients returned to normal operations.

From 2021/22 onwards, reporting is for the full Group, including subsidiaries (Rather than just for The Risk Factor Ltd which formed the basis for previous reporting).

Baseline Emissions Reporting

Baseline year emissions:	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	Nil
Scope 2	Nil
Scope 3 (Included Sources)	20.54
Total Emissions	20.54 (Which equated to 4.108 tCO ₂ e per employee)

Current Year Emissions Reporting

Reporting Year: 2024	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	Nil
Scope 2	0.24
Scope 3 (Included Sources)	12.68
Total Emissions	12.92 (Which equated to 0.861 tCO ₂ e per employee)

Emissions reduction targets

There is little guidance on what 'good' looks like for tCO₂e per employee for our business. And, in truth, achieving 'good' wouldn't be worth celebrating. We believe we can do more. Our aim is to reduce emissions to the minimum possible levels, whilst continuing to effectively operate our business and maintain best in class client service.

For the five year period 2021-2025, we will focus on measuring and understanding our total emission and 'per-employee' emissions. This learning with then be used as a basis for setting targets to achieve 'Net-Zero' by 2035

Carbon Reduction Initiatives

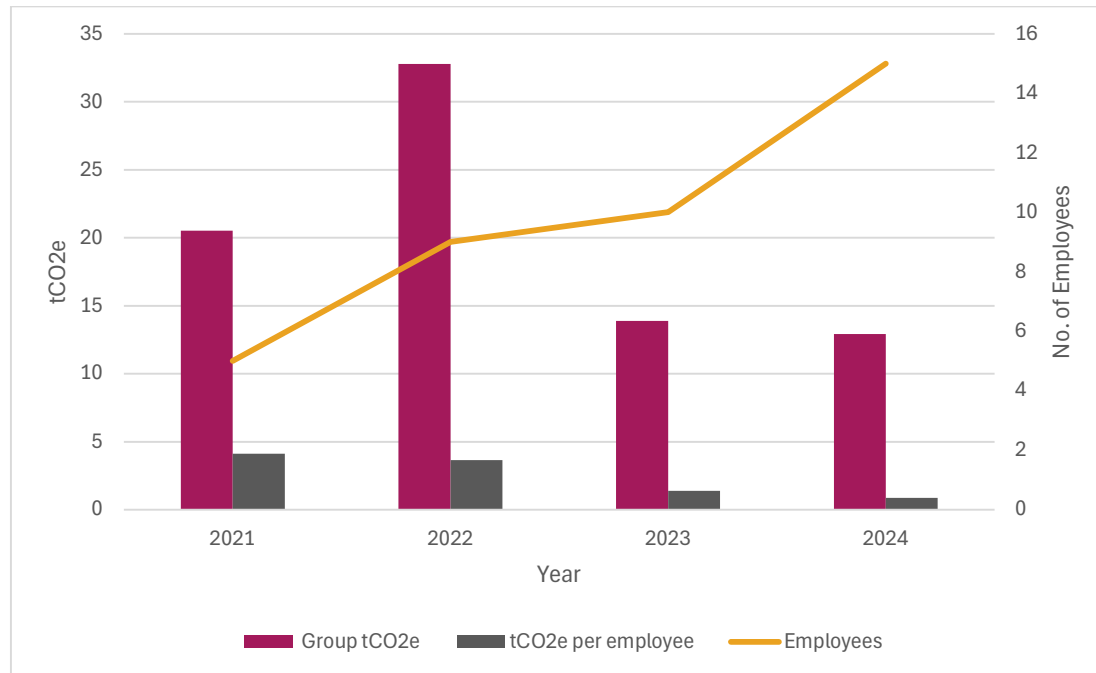
Our business is growing and evolving and so our efforts to reduce emissions to 'bare minimum' levels will focus on ensuring that we apply an environmental lens to all decision-making processes.

Initially change will be driven through a mix of amending policies and procedures and educating staff. Whilst we collect data which will enable us to set meaningful emissions reduction targets, we are confident that a sharper focus on the figures should enable us to make some headway in our reduction efforts. So, to ensure that we make progress to achieving Net Zero, we have adopted some short-term carbon reduction targets

The following environmental management measures and projects have been implemented since the 2020 baseline. As a result of these projects and other ad-hoc initiatives. We project that carbon emissions will decrease over the next five years 2025. This would equate to a combined reduction of 8%.

Carbon Reduction Initiatives			
Activity	Target date	% tCO₂e reduction	Scope
Promote and implement core training schedules for employees and Green Team. Certified Carbon Literacy Training supports and encourages behaviour changes per individual. Training should be across the workforce at different levels.	2025	10%	2 & 3
Develop an environmentally sympathetic strategy for business travel and commuting. Set internal targets and monitor progress year on year. Aim to reduce travel to the minimum possible levels for effective business operation, and reduced emission options for all necessary travel. Cuts to commuting and car use to be prioritised. Aim for year-on-year reductions.	2025	4%	2 & 3
Implement an environmental aspect to the Procurement Policy based on survey data. Reduce procurement where possible; buying local and making informed decisions prior to spend. Aim to reduce by 5% year on year.	2025	10%	3

Carbon Reduction Progress



Carbon Reduction Projects

The following environmental management measures and initiatives have already been, or are soon to be, implemented.

- Appoint Carbon Neutral Britain to replace Positive Planet as our sustainability partner in an effort to improve reporting and gain greater confidence in the legitimacy of our offsetting projects.
- Commit to measurement and reduction year on year as aligned with Science Based Targets.
- Commit to Sustainability Audit or Survey to request further information regarding credentials – Plan to send these to the Top 5/10 suppliers by spend. This data collection will support reduction journey by gathering important data for future measurement & encourage supply chain integration towards Net Zero.
- Commit to exploring options to incentivise and support work from home employees with advice on Smart Meters, behaviour changes and guidance on efficient white goods to empower and encourage overall organisation behaviour change.

In the future we hope to implement further measures such as:

- We are wanting to explore the possibility of ISO 9001 / 14001.
- Working with our carbon reduction and scope provider, we are aiming to obtain more detail from the future year audits, breaking down the categories further, for better understanding of the environmental impact from our chosen providers and procurement.
- Conduct an annual carbon off-setting exercise using our sustainability partner.

- Produce training materials and guidance for the team, specifically for how to reduce our impact when working from home. Along with information around how to offset your personal emissions.
- All management/directors to enhance knowledge around effects of our emissions, how to reduce, manage and educate the team further. Obtaining a better understanding that not all offsetting is the same, using recognised local projects to protect the environment further.
- Investigate the possibility of partnering with a local community-based regeneration project which could give us the chance to run our own 'plant-a-tree' initiative funded by clients reinvesting an element of any savings we can secure on their insurance costs.

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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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) Standard³.

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:



Jason Rayner
Operations Director

Date: 31 January 2024

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

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

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