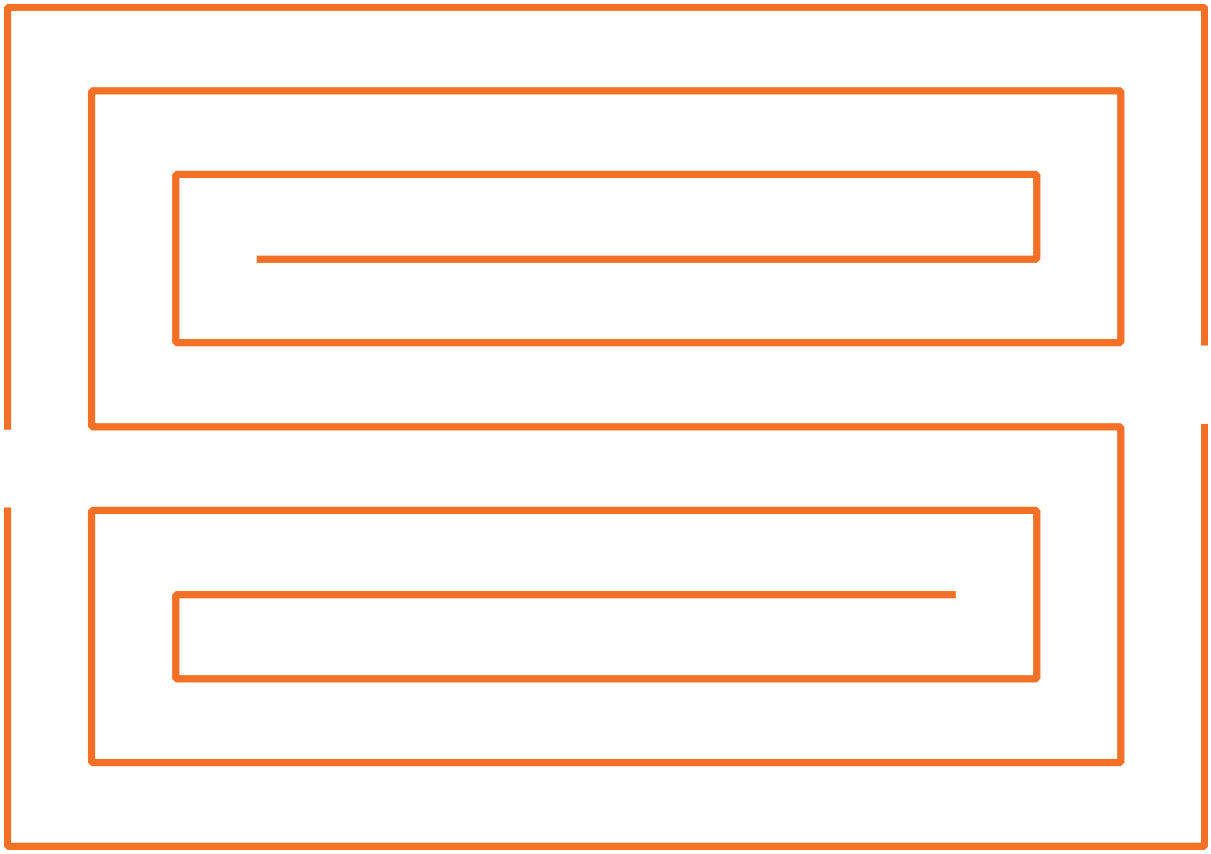

FairHeat

Carbon Reduction Plan - 2024

Version control

Revision	Author	Reviewer	Approved	Notes	Date
001	JDS	TPN		Final	26/03/25

1. Carbon Reporting

1.1. Commitment to achieving Net Zero

FairHeat is committed to achieving Net Zero emissions by 2050.

FairHeat is a consultancy company focused on ensuring the quality of heat networks. While we cannot take direct credit for the carbon savings our clients achieve through our work, we firmly believe that heat networks—and our contributions to their design, development, and optimisation—have had and will continue to have a positive overall impact on decarbonisation in the UK.

1.2. Baseline Emissions Footprint

FairHeat began the process of measuring annual emissions within the year 2021. Following carbon reporting within 2022, it was decided to re-baseline emissions due to the significant increase in travel emissions following the pandemic.

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 emission reduction can be measured.

Table 1 below shows the emissions recorded within our baseline year 2022:

GHG emissions data for period 01/01/2022 – 31/12/2022	
	Tonnes of CO_2e
Scope 1	0.000
Scope 2	4.816
Scope 3	10.229
Total gross emissions	**15.045**
Carbon offsets	0.000
Total annual net emissions	**15.045**
Average no. FTE throughout 2022	27.1
Intensity measurement (per FTE)	**0.555**

Table 1: Baseline emissions recorded within 2022

1.3. Operational Scopes

Table 2 below shows the emissions recorded within 2024:

GHG emissions data for period 01/01/2024 – 31/12/2024	
	Tonnes of CO_2e
Scope 1	0.000
Scope 2	7.410
Scope 3	32.1181
Total gross emissions	**39.591**
Carbon offsets	0.000
Total annual net emissions	**39.591**
Average no. FTE throughout 2022	67.2
Intensity measurement (per FTE)	**0.589**

Table 2: Emissions recorded within 2024

Where possible, we have measured our scope 2 and scope 3 emissions. We are a consultancy company who currently possess no company owned vehicles and operate within leased offices within which we do not generate any heat or electricity. Heat is provided via a communal heat network, we therefore do not currently produce any scope 1 emissions.

GHG emissions data for period 01/01/2024 – 31/12/2024		
	Tonnes of CO_2e	**Comments**
Scope 2		
Electricity consumption	5.321	Location-based assessment, please see Table 5 for a Market-based breakdown.
Gas/heat consumption	2.089	
Total Scope 2	**7.410**	
Scope 3		
Business travel	24.250	
Employee commuting	7.780	
Water consumption	0.103	Assumption based on proportion of FairHeat office space within total communal office space.
Waste generated in operations	0.048	Assumption based on proportion of FairHeat office space within total communal office space.
Downstream transportation and distribution	0.000	FairHeat do not currently sell products to end consumers which require transportation or distribution.
Upstream transportation and distribution	0.000	FairHeat do not currently have the means to measure the environmental impact of the transportation and distribution of purchased products. Although the quantity of these products is minimal, FairHeat are currently reviewing how to measure the impact of purchased products and aim to be able to report on this within 2025.
Total Scope 3	**32.181**	

Table 3: Break down of emissions in 2024

Total emissions produced has increased in 2024 when compared to 2023, as expected. As a rapidly expanding consultancy company, in order to better reflect our carbon impact, we instead chose to monitor our carbon impact through an intensity metric (GHG emissions per FTE), which saw a reduction for the first time within 2024. A comparison in our carbon intensity between 2024 and 2023:

Carbon intensity		
	2024	2023
Average FTE	67.2	46.1
	Tonnes CO_2e/FTE	Tonnes CO_2e/FTE
Electricity	0.079	0.085
Gas/heat	0.031	0.073
Water	0.002	Not measured
Waste	0.001	Not measured
Business travel	0.361	0.297
Employee commuting	0.116	0.144
Total	0.589	0.598

Table 4: Intensity comparison 2024 vs 2023

Table 4 also shows a significant decrease in our Scope 2 (utility consumption) emissions, this is explored further within Section 2.1.4.

Table 4 shows that within 2024 FairHeat saw an increase in Carbon intensity associated with business travel. Within 2024 business travel outside of London, where we are based, increased as a result of an expanded client base. As a heat network consultancy we are reliant on our ability to travel to various sites across the country in order to provide input toward improving the design and operation of efficient heat networks, which will play a pivotal role in the decarbonisation of heat within the UK and abroad. Although as a consultancy we are unable to take credit in the carbon savings achieved through our work, we fundamentally believe that our work will have a positive overall impact on decarbonisation within the UK.

1.4. Targets

We have chosen the intensity measurement (GHG emissions per FTE employee) as it best reflects the environmental impact of our expanding company that provides consultancy services.

Our emissions reduction target is to reduce our GHG emissions intensity by 23% by 2030. A 23% reduction on baseline emissions equates to a 0.137 tCO_2e/FTE reduction.

Figure 1 below shows our tracked emissions recorded from our baseline year of 2022 to 2024, as well as the new emission reduction targets of the company to become Net Zero by 2050.

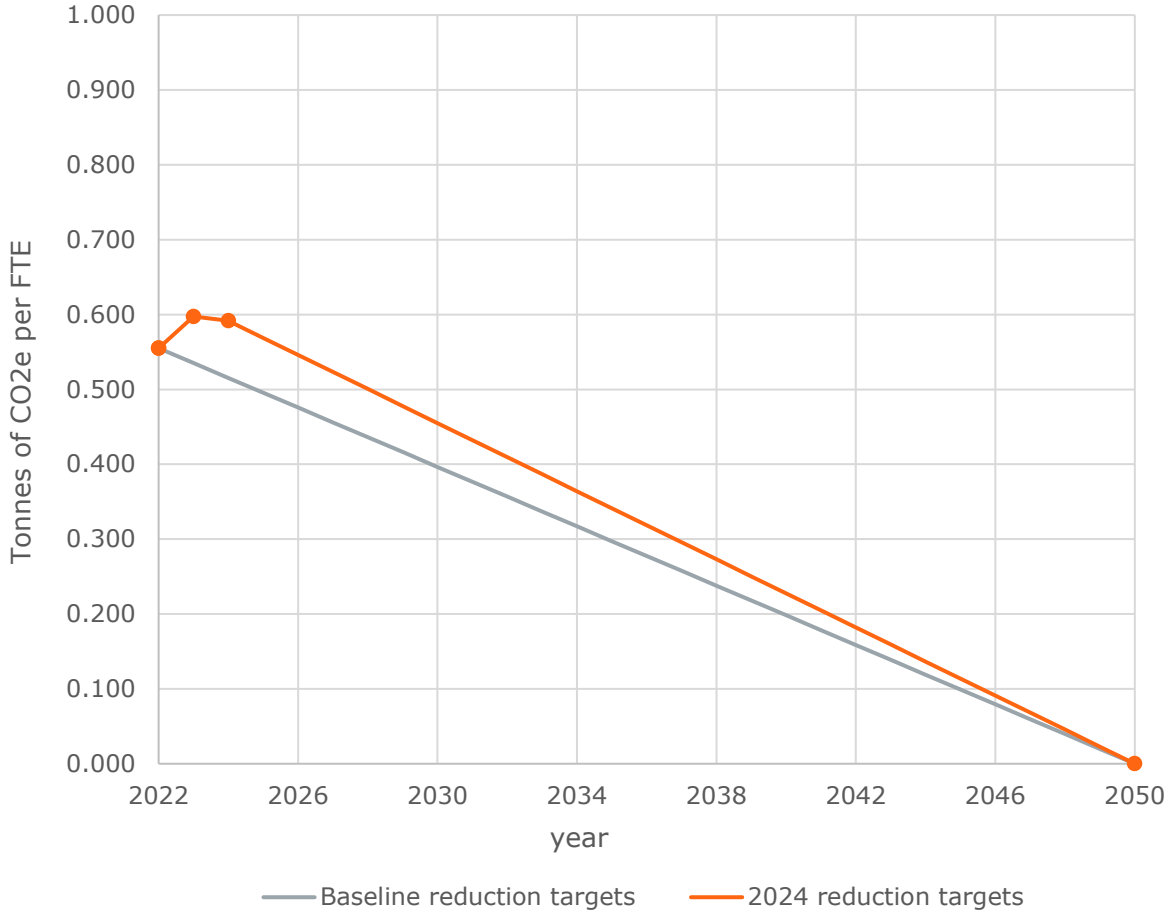

Figure 1: Actual tonnes of CO2e per FTE per year with net zero 2050 target

Gareth Jones, Managing Director and Tom Naughton, Chief Operations Officer are responsible for the achievement of the target.

2. Carbon Reduction Projects

2.1. Completed Carbon Reduction Projects.

2.1.1. Carbon offsets

No carbon offsets were purchased during 2024.

2.1.2. LED Lighting Installation (2024)

Within 2024, as planned, FairHeat installed LED lighting within our remaining leased office space. Through this project we estimate an electricity saving of approximately 2,700 kWh/annum, equating to a carbon saving of c.0.559 tonnesCO_2e/annum.

This project was conducted at the end of the 2024 and as such carbon savings associated with this installation have not yet been realised within this Carbon Reduction Report.

2.1.3. Renewable Electricity (2024)

Through increased collaboration with our office provider Workspace Group PLC, we are now aware that 100% of the electricity supplied to our office space is procured through a 100% renewable tariff supported by a REGO (Renewable Energy Guarantees of Origin) Certificate. This renewable electricity is supplied through a third-party.

This enables us to report on our scope 2 emissions through both a Location-based and Market-based approach as shown in Table 5 below:

Scope 2 GHG emissions data for reporting period 01/01/2024 – 31/12/2024		
	Tonnes of CO_2e	Comments
Scope 2 emissions "Location-based"		
Electricity consumption	5.321	
Gas/heat consumption	2.089	
Total Scope 2	**7.410**	
Scope 2 emissions "Market-based"		
Electricity consumption	0.000	100% electricity procured through REGO supported renewable tariff.
Gas/heat consumption	2.089	
Total Scope 2	**2.089**	

Table 5: "Location-based" and "Market-based" Scope 2 emissions

2.1.4. Electrification of Office Space

2024 saw a significant reduction in our Scope 2 emissions per FTE when compared to 2023, this is due to two reasons:

- Our second office space was purchased in advance of us reaching the required number of full-time employees to fill that office. Within 2024, through our increase in number of full-time employees, our total emissions per full-time employee has reduced as shown in Table 6
- Our second office space (lease beginning part way through 2023) utilises electric heating and therefore, the proportion of electricity utilised in our office space significantly increased when compared to 2023, as shown in Figure 2.

2023		
Number of FTE	46.1	
Scope 2 GHG emissions	Tonnes CO_2e	Tonnes CO_2e/FTE
Electricity consumption	3.907	0.085
Gas/Heat consumption	3.354	0.073
Total Scope 2	7.261	0.158
2024		
Number of FTE	66.8	
Scope 2 GHG emissions	Tonnes CO_2e	Tonnes CO_2e/FTE
Electricity consumption	5.321	0.079
Gas/Heat consumption	2.089	0.031
Total Scope 2	7.410	0.110

Table 6: Scope 2 emissions breakdown 2023 vs 2024

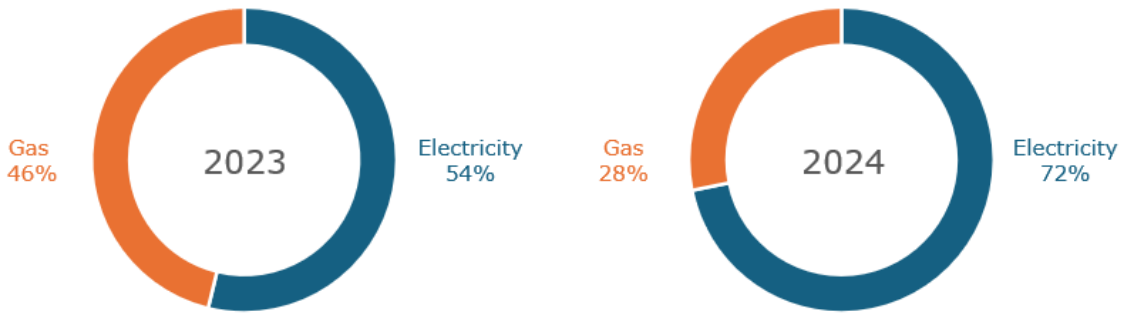

Figure 2: Scope 2 emissions breakdown 2023 vs 2024

2.1.5. Air Travel Policy (2022)

Within 2024, FairHeat maintained their policy, established in 2022, to minimise the use of air travel wherever possible. Air travel was only utilised for operational activities where an alternative mean of travel was not feasible due to excessive time and cost implications.

2.1.6. Bike to Work Scheme (2022)

FairHeat has maintained its Bike-to-Work scheme to promote greener commuting within the company. Currently, 18 full-time employees cycle for part or all of their commute to the office, up from 11 full-time employees reported in 2023.

2.2. Planned Carbon Reduction Projects

2.2.1. Office Expansion (2025)

Within 2025, FairHeat plan to expand their office space further to accommodate the increasing number of full-time employees. This new office space shall be on the same site as our currently leased offices and enable the same degree of visibility of the associated Scope 2 and Scope 3 emissions produced.

2.2.2. Electric Car Rental (2025)

On isolated occasions, FairHeat must travel to locations that are not well-served by public transport. Where car rental is required, the preference will be for electric car hire.

2.2.3. Electric Car Lease (2025)

As FairHeat is conducting more remote work that requires travel to locations that are not well served by public transport, a review of potential electric car leasing options will be investigated.

3. 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[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

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

…….

Gareth Jones, Managing Director

Date: ……..…….

[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