



Cabinet Office

## CARBON REDUCTION PLAN GUIDANCE

### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

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<sup>1</sup>Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>2</sup>Technical Standard can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991625/PPN\\_0621\\_Technical\\_standard\\_for\\_the\\_Completion\\_of\\_Carbon\\_Reduction\\_Plans\\_\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf)

<sup>3</sup>Guidance can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991623/Guidance\\_on\\_adopting\\_and\\_applying\\_PPN\\_06\\_21\\_\\_Selection\\_Criteria\\_\\_3\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf)

# Carbon Reduction Plan Template

Supplier name: Infosys Limited

Publication date: 11/08/2022

## Commitment to achieving Net Zero

Infosys is a carbon neutral company for 3<sup>rd</sup> year in a row since FY20 in line with PAS 2060 standard. Our ambition is to achieve Net Zero by 2040 which is 10 years ahead of timelines of Paris agreement. .

## 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.

<b>Baseline Year: 2019-20</b>			
<b>Additional Details relating to the Baseline Emissions calculations.</b>			
Infosys Limited validated while validating its emission reduction target in line with SBTi under 'WB2DS' and has revised its baseline to FY20 which was the most recent year available for setting its future emission reduction targets. Previously, we had FY2008 as the baseline year. The baseline of FY20 is considered the most stringent in terms of GHG reduction considering the significant growth of the organisation and number of assets added for business operations and robust GHG accounting in line with the GHG Protocol. Also, our GHG accounting has evolved over the past decade, resulting in a robust disclosure across all Scope emission categories.			
<b>Baseline year emissions:</b>			
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>		
<b>Scope 1</b>	15,362		
<b>Scope 2</b>	124,063		
<b>Scope 3 (Included Sources)</b>	<b>Categories</b>	<b>Emissions (tCO<sub>2</sub>e)</b>	<b>Explanation</b>
	Purchased Goods and Services	0	Included under Capital Goods
	Capital Goods	196,342	-

Fuel and energy related activities (Transmission and Distribution Loss)	25,913	-
Upstream transportation and distribution	0	The emissions from Capital goods are already considers cradle to gate emissions and therefore not applicable
Waste generated in operations	202	-
Business travel	71,217	-
Employee Commuting	54,372	-
Upstream leased assets	23,556	-
Downstream transportation and distribution	0	Infosys is a service company dealing with technology, consulting, and outsourcing and our services are provided over digital /mobile networks which doesn't require physical transportation and distribution. The emissions produced because of electricity usage for delivering our services to our clients has already been accounted under scope 1 and scope 2 emissions. Hence this category is not applicable to us, and we have not calculated the GHG emissions associated with it.
Processing of sold products	0	Infosys is a service company dealing with technology, consulting, and outsourcing and our services are provided over digital/mobile networks to our clients in over 45 countries and we do not sell any physical products which requires processing. Hence this category is not

		applicable to us, and we have not estimated the GHG emissions associated with this category.
Use of sold products	0	Infosys is a service company dealing with technology, consulting, and outsourcing. We do not attribute emissions from the use of our consulting and outsourcing services at our client locations across the world. Our technology solutions provided for our clients from different sectors consume electricity when used by them and the resulting have been identified as part of our scope 3 emissions. We have evaluated and spoken to several standard setting bodies for guidance on the same. However, no standards/guidelines are readily available at this point to estimate the same. Furthermore, the overall product business (Edge verve, etc) did not significantly contribute to the business revenues and thus is a negligible %. Hence, we are unable to evaluate or state the emissions due to use of our software solutions.
End of life treatment of sold products	0	Infosys is a service company dealing with technology, consulting, and outsourcing and our services are provided over digital/mobile networks and we do not sell any physical products which require end of life treatment. Hence this

			category is not applicable to us, and we have not calculated the GHG emissions associated with it.
	Downstream leased assets	0	Infosys has not had any owned facilities which it has leased out to any 3rd party. Hence this category is not applicable to us, and we have not calculated the GHG emissions associated with it.
	Franchises	0	Infosys operates across US, India, China, Australia, Japan, Middle East, UK, Germany, France, Switzerland, Netherlands, Poland, Canada, and many other countries. However, we do not operate under any franchises. Hence this category is not applicable to us, and we have not calculated the GHG emissions associated with it.
<b>Total Emissions</b>	<b>511,028</b>		

## Current Emissions Reporting

Reporting Year: 2021-22			
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2e</sub>)</b>		
<b>Scope 1</b>	8,965		
<b>Scope 2</b>	51,717		
<b>Scope 3</b>	<b>Categories</b>	<b>Emissions (tCO<sub>2e</sub>)</b>	<b>Explanation</b>

<b>(Included Sources)</b>	Capital Goods	66,558	-
	Fuel and energy related activities (Transmission and Distribution Loss)	9,253	-
	Waste generated in operations	207	-
	Business travel	19,695	-
	Employee Commuting	3,517	-
	Upstream leased assets	12,863	-
	Work From Home emissions (Others)	71,503	
<b>Total Emissions</b>	<b>244,277</b>		

## Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

Our ambitious ESG 2030 vision highlights the following emission reduction targets,

1. Maintain Carbon Neutrality across Scope 1, 2 and 3 (all relevant category excluding Capital goods emissions)
2. Reducing absolute Scope 1 and 2 GHG emission by 75% against Business-As-Usual (BAU)
3. Reducing absolute Scope 3 emissions by 30% against 2020 baseline year.

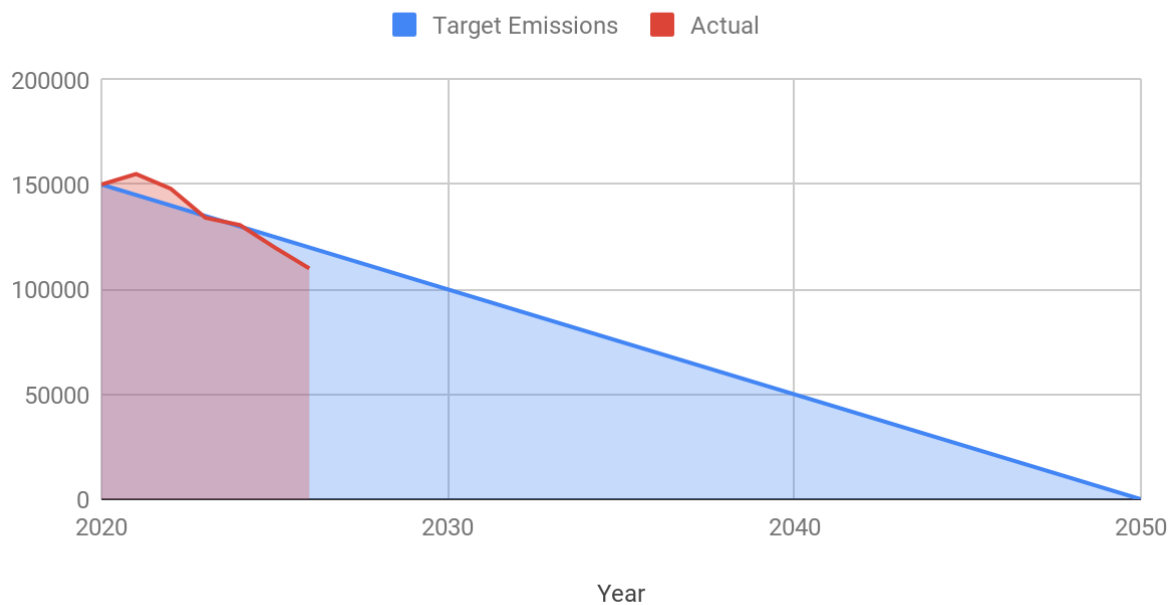
In addition to the above target, our SBTi target for mid-term (2025) and long-term (2035) are listed below,

1. Absolute mid-terms Scope 1+2 and 3 emission reduction of 12.5% by 2025 against the 2020 baseline
2. Absolute long-term Scope 1+2 and 3 emission reduction of 37.5% by 2035 against the 2020 baseline

We project that carbon emissions will decrease over the next five years to 447,000 tCO<sub>2</sub>e by 2025. This is a reduction of 12.5% from the baseline year 2020.

Progress against these targets can be seen in the graph below:

## Carbon Reduction: Projected vs. Actual



## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The COVID scenario has presented different challenges during FY21 and FY22. Considering safety, the Company switched its working, to work from home (WFH) mode, wherever possible. Hence, other than a few energy efficiency initiatives and green power procurement, Infosys hasn't implemented any major carbon reduction initiatives. However, to keep maintaining our carbon-neutral commitment going forward, we have added three new carbon offset projects in FY22. This adds up to a total of 12 carbon offset projects which are fully funded and managed by Infosys Limited.

The following environmental management measures and projects have been completed or implemented since 2008. While the number of employees increased by 166% between 2008 and 2020, there was only a 20% increase in absolute electricity consumption over the same period. Some of the initiatives are listed below for each of the scope emissions,

Our strategy for carbon neutrality remains the same viz., continue to reduce our Scope 1, 2, and 3 emissions and offset the remaining emissions.

### Scope 1

- Better operational efficiency of our DG sets
- Better management of fugitive emissions from HVAC units
- Transition to EVs for company-owned vehicles

### Scope 2

- Design and build or lease new offices with low Energy Performance Index (EPI)
- Retrofit old buildings to improve EPI
- Source renewable power

### Scope 3

- Include a hybrid working model
- Promote EVs among employees
- Transition to EV for our owned vehicles and hired cabs
- Promote carpooling, public transport, and low to zero-emission modes of commute among employees
- Optimise business travel
- Focus on leased offices that are efficient
- Adopt a life cycle approach for capital goods

Infosys has well-established robust monitoring systems certified in line with ISO to manage its operations and risks related to Health, Safety & Environment (HSE), and climate change-related areas on a regular basis. Our Enterprise Risk Management (ERM) framework is developed by incorporating the best practices based on the Committee of Sponsoring Organisations of the Treadway Commission (COSO) and ISO 31000 and then tailored to suit our unique business requirements. Infosys continues to be certified for ISO 22301:2012, ISO 9001:2015, ISO 14001:2015, and ISO45001:2018, which help the organisation to act smartly on climate-related issues and provide best practices in the sector. Our Scope 1, 2, and 3 emission reduction targets are aligned to well below the 2-degree scenario (WB2DS) and validated by SBTi during April 2021.

Infosys became the first company in India to certify its carbon neutrality against PAS 2060:2014, the highest standard for carbon neutrality certification worldwide.

As of fiscal 2022, through a series of energy efficiency projects and green buildings, Infosys has been able to considerably reduce its dependency on the grid. Today, the total green buildings (LEED Platinum, GRIHA, IGBC) for Infosys stand at 28.61 million sq. ft, while the overall energy consumption per million-dollar revenue dropped by over 51% against fiscal 2020.

Infosys is the first signatory to the RE100 campaign and its transition to renewable energy for all its electricity needs. In FY22, nearly 52% of the company's electricity across geographies came from renewable energy sources. We have also invested in 60 MW of Solar PV capacity.



## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards 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>4</sup> and use the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>5</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>6</sup>.

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:

Peter Gill, Head of UK Public Sector



Date: 11/08/2022

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<sup>4</sup><https://ghgprotocol.org/corporate-standard>

<sup>5</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>6</sup><https://ghgprotocol.org/standards/scope-3-standard>