

## Commitment to achieving Net Zero

IPS Group, UK (IPS) are committed to achieving Net Zero emissions by 2040.

Our published policy can be found  $\underline{\text{here}}$  or by visiting the brochures page of our website:-  $\underline{\text{Brochures}}$  -  $\underline{\text{IPS Group UK}}$ 

Baseline Emissions Footprint

Baseline Year: 2025

This is our first year and so is our Baseline

**Emissions** 

Scope 188.021 Total (tCO2e)

Scope 2 12.170 Total (tCO2e)

Scope 3 13.836 Total (tCO2e)

Total Emissions 114.027

# **Emissions Reduction Targets**

This is our first Carbon Reduction Plan and we therefore have no previous reduction commitment.

In order to continue our progress towards achieving Net Zero since the baseline year, 2025, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to 91.2216 tCO2e by 2030 which is a reduction of 20% from our 2025 Baseline.

# Carbon Reduction Projects

# Completed Carbon Reduction Initiatives

In all areas of our service, IPS have robust measures in place to reduce our carbon footprint and maximise sustainability, as demonstrated by our ISO 14001-certified Environmental Management System (EMS). We stay up to date with the latest legislation, best practice, and industry developments & innovations regarding carbon and sustainability via a range of avenues, including Human Focus (our elearning partner), our various memberships, and regular attendance at industry

events. We regularly update our EMS in response to new legislation, as well as incorporating other learnings and client feedback to ensure that it always reflects the latest best practice. We keep our workforce up to date with the latest carbon and sustainability best practice through comprehensive training delivered by Human Focus.

#### Our Offices

IPS have invested considerable time and money in improving energy efficiency and waste management in our offices. This has included the following initiatives:

- Air conditioning: In 2024, we replaced our air conditioning units with more energy efficient ones,
- Insulation: We have replaced the insulation in our building's four ceilings, which has improved temperature regulation and reduced the amount of energy needed to heat and cool the building to maintain an optimum temperature,
- LED & passive infrared (PIR) lighting: In 2023-2024, IPS replaced all fluorescent lighting across our offices and warehouse with LEDs. We have also installed PIR lighting in most areas of our building, including the toilets, kitchens, and stairwells. The only areas without PIR are the main offices, in which we have a strict employee policy not to leave equipment on standby and to turn off lights when leaving a room,
- Recycling: IPS utilise specialist waste management provider Biffa for our recycling, who separate it to ensure that all items that can be are recycled,
- Food waste: We have a separate bin for food waste and Biffa collect this for composting, which avoids the harmful methane emissions produced when organic waste is sent to landfill,
- Electronics: We understand that manufacturing equipment such as laptops, printers, etc. is highly resource intensive and, as such, have a policy of using electronics for as long as possible,
- **Printing**: IPS have a policy of being as paperless as possible and only printing when absolutely necessary to minimise resource usage.

## Hybrid & Homeworking

IPS understand that offering staff the ability to work from home, either permanently or as part of a hybrid arrangement, not only reduces the emissions associated with commuting, but can also improve employee wellbeing. As such, any staff whose role makes home or hybrid working feasible is able to do so, as detailed in our Flexible and Hybrid Working Policies. As such, over a third of IPS' employees (including our sales and management teams) work in a hybrid manner, with our middle management being primarily home-based.

#### Travel

IPS are currently assessing the feasibility of moving to an entirely hybrid fleet. As the first step in this trial, we purchased our first hybrid company vehicle in early 2025 and will closely monitor its performance. For all journeys, we utilise our BigChange fleet management software to monitor our emissions and plan journeys in the most economical way to reduce mileage.

#### Accommodation

IPS' management team and engineers often have to stay overnight in the areas in which we work in order to avoid the emissions and inefficiency associated with travelling to and from distant sites. As such, we prioritise accommodation with strong environmental credentials/commitments – for example, our staff mostly stay at Premier Inns, as, among other reasons, their owner, Whitbread, has a commitment to achieve Net Zero by 2040.

#### **Our Products**

IPS' model MS1™ terminal is solar powered as standard, which keeps approximately 100,000 batteries out of landfill sites each year worldwide. Under the correct circumstances (e.g., machines not being positioned close to large trees), our machines can operate solely on solar power. The design and development of our solar panels is rooted in IPS' extensive experience in low power systems and efficient power harvesting techniques.

The solar energy collection system maximises the collection surface area for the given unit footprint, reduces solar angle dependency, is less susceptible to the accumulation of dust & other debris, and houses high efficiency solar cells. The power budget is such that more energy is collected than required, so the surplus energy is stored in a power reservoir with adequate capacity to supply the system for extensive periods in times of low or no available solar energy. Energy demand is conserved by switching subsystems on only for the periods required. The parking terminal is powered by a fully integrated solar panel and combination rechargeable and back-up battery pack to maximise ongoing power. The battery pack consists of a rechargeable reservoir for storing solar energy and a smaller rechargeable battery to operate the machine electronics.

Our model MS1™ cabinets are constructed using stainless-steel as standard. As such, they are designed to resist corrosion from all-weather elements, as stainless steel 'machine hardens', which effectively means that the durability of the material improves. This increases not only the machine's security capability, but also its lifespan, thereby maximising the sustainability of our solution. Furthermore, in early 2025, IPS moved the fabrication of our machine cabinets and metalwork to Essex,

UK (from California, USA), which has significantly reduced the emissions

associated with shipping them, as well as creating local jobs.

# Ticketless & emissions-based parking solutions

We recently rolled out a ticketless parking solution, which negates the requirement for a physical ticket, thereby saving resources.

We have also rolled out an emissions-based parking solution which works within a flexible tariff model (see image). In this scenario, the user is prompted to input their vehicle registration number on the keypad. The MS1™ terminal 'dials in' to the DVLA database and the charge for parking is calculated based on the CO2 emitted from the car measured in grams per kilometre (g/km), which is considered to be a basic indication of a car's impact on the environment and air



quality. This provides users with the rate respective to the CO2 banding of their vehicle, allowing local authorities to increase charges for those vehicles based on fuel type against the CO2 emissions for the vehicle (in g/km).

## Battery recycling & upgrade kits

IPS partner with a battery recycling service that we use internally and recommend to our customers, and we are proud of the fact that we have never used environmentally toxic nickel-cadmium batteries. Moreover, our upgrade kits, which allow communities to reuse old meter and pay station hardware, help to reduce the demand for new materials and keep discarded equipment out of landfills.

#### Decommissioning

In instances where a client requires the removal and disposal of old pay & display terminals, IPS' approach prioritises efficiency and environmental responsibility. We carry out decommissioning swiftly and safely, recycling or repurposing materials wherever possible. Components such as metals, plastics, and electronic parts are sorted and directed to appropriate recycling facilities, and any hazardous materials (e.g., batteries) are disposed of following strict environmental guidelines to prevent pollution. Furthermore, whenever possible, we salvage components such as solar domes and lock-in systems for use in our own products, thereby maximising their lifespan and keeping them out of landfill.

#### Case study

IPS' solar machines offer a significantly less carbon intensive approach to Pay & Display parking without compromising durability and reliability. For example, we supply our MS1™ machines to Eilean Donan Castle (a remote site in North-West Scotland), where a robust & reliable communication to enable transactions to be processed is essential.

The client decided on three machines in their car park, which, since their installation, have processed 16,000+ transactions a month during busy periods. This equates to a transaction every 60 seconds (during operational hours) and 530+ transactions per day. The British Standard Institute indicates that a solar pay and display machine should be able to process 70 transactions per day. IPS' solution is operating at 7.5x this rate, illustrating the market leading performance, reliability, and efficiency of our solar powered machines.



## Planned carbon reduction initiatives

The measures set out above demonstrate IPS' firm commitment to sustainability and reducing our carbon emissions. In the future, IPS hope to implement further carbon-reducing measures, such as the following:

- **UK manufacturing**: We are currently assessing the feasibility of moving the manufacturing of all elements of our parking terminals to the UK to minimise the emissions associated with shipping them,
- **Hybrid fleet**: Subject to the success of the hybrid vehicle trial detailed earlier in this document, we aim to transition to an entirely hybrid fleet,
- Electronics: We are currently looking into routes to donate any old but still functioning electronics (laptops, monitors, etc.) to local schools or charitable organisations, thereby both maximising the life of the equipment and giving back to the local community,
- Single use plastic: IPS will work with our supplier/s to minimise the amount of single use plastic involved in any future in-office catering,
- PIR lighting: We are assessing the benefits of installing PIR lighting in all areas of our office building,
- SBTi target: IPS will look into the benefits of setting an SBTi target for our business.

Our Finance & Administration (F&A) Team will be responsible for maintaining, updating, and continuously improving our Carbon Reduction Plan, doing so in close collaboration with our Senior Leadership (SL) Team. The Plan will be signed off by a member of our SL Team, who our F&A Team will report to regularly

regarding IPS' progress with implementing the approved carbon reduction initiatives. Our F&A Team will manage the Plan's annual update and ensure Senior-Management-level sign off.

# 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<sup>[1]</sup> and uses the appropriate <u>Government emission conversion factors for greenhouse gas company reporting<sup>[2]</sup>.</u>

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>[3]</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:

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Date: .....14.04.2025.....

<sup>111</sup> https://ghgprotocol.org/corporate-standard

<sup>121</sup> https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

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