Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Capita is a consulting, transformation and digital services business. We provide innovative solutions to help businesses and the public sector operate effectively and efficiently whilst transforming customer and citizen experience . Our 51,000 talented, committed and engaged employees are essential to delivering business critical services and solutions across all our markets. We work with clients across a range of sectors, including local government, central government, education, transport, health, life and pensions, insurance, and other private sector organisations.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2021	December 31, 2021	No

C0.3

(C0.3) Select the countries/areas in which you operate.

Germany
India
Ireland
Poland
South Africa
Switzerland
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

GBP

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	CPI
Yes, an ISIN code	GB00B23K0M20

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	CEO with ExCo sets strategy for Capita to address economic, social and environmental issues including climate change. CEO took the decision to commit to net zero targets in October 2021and apply for SBTi verification following approval from the Board
Other C-Suite Officer	Responsibility for climate change at Capita also sits with the Chief General Councel who sits on the Executive Committee and Co chairs the Responsible Business Committee wirh the CEO which recommends strategy for Capita to address economic, social and environmental issues including climate change risk,

	opportunities, strategy, targets and metrics, programs and initiatives.
Chief Financial Officer (CFO)	CFO is the Board member listed on Companies House who signs off ESOS evidence pack including all energy saving opportunities and surveys completed.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	In accordance with our operating model, accountability for our responsible business strategy sits with our Chief Executive Officer and the Executive Committee, who report biannually to the Board on progress against our strategy and goals. Our position on climate related issues with regard to Governance, Strategy, risks and opportunity, Targets and Metrics is that we comply fully with the recommendations of the Taskforce of Climate - related Financial Disclosures (TCFD). Our Board signed off our new net zero carbon targets as a Board Agenda item in Autumn 2021 and were extremely well informed about the importance of and issues around setting net zero targets. Progress against Capita's 1.5C science based greenhouse gas reduction targets and the strategies we are using to reduce emissions across our value chain is under periodic board review as part of our responsible business performance governance with reporting through Responsible business Committee and ExCo to the Board. Capita's board is also kept informed at board meetings of the status and any changes in our climate change risks and opportunities as part of the governance within our corporate risk management system for principal risks .

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Following presentation of our plan to set science based net zero targets at Board, the quality and range of questions coming from four board members prior to their approval of our proposed targets clearly indicated a deep understanding of climate related risks and opportunities, the importance of addressing them and the need to integrate carbon reduction plans into business as usual

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Corporate responsibility committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Other C-Suite Officer, please specify Chief Medical Officer who owns Capita's Climate Change Principal Risk	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Capita's Executive Committee is chaired by the company's Chief Executive Officer and comprises all C-Suite officers who are entirely accountable for their business or function. The Executive Committee is responsible for approving climate change strategy and to ensure that

climate change issues are considered in budgets, major strategic plans and programmes, investment, divestment and that the company is performing in line with climate change targets and objectives for climate change. It is regularly updated by the Responsible Business committee on new climate change initiatives and proposals, risks and opportunities e.g. following recommendations of TCFD as well as performance against targets and metrics, and the Group Audit and Risk Committee will feed in material climate change risks identified through the Executive Risk Committee. Climate change is reviewed at this level due to the strategic importance of climate change strategy to the business in areas such as cost, reputation, market opportunities and operational resilience.

The Responsible Business Committee is chaired by the Chief Executive Officer and attended by our Chief General Councel, Chief Medical Officer, Chief Growth Officer all reporting into ExCo, also Director of Legal, Director of Employee Engagement and Inclusivity, Heads of Responsible Business, Head of Environment, and External Comms Director. It is tasked with reviewing Responsible Business strategy including climate change and monitors risks and opportunities, recommends strategies and initiatives or programs of work, and will recommend targets and objectives. It will also report on metrics, progress against targets and peer review assessments as well as approving fees for external consultancy as deemed necessary.

Climate change management forms part of the Responsible Business Strategy and our environmental performance is monitored through our metrics. We report on energy use, business travel, fuel, waste and fugitive F Gas emissions in our annual report and the ExCo are increasingly looking for guidance as to how Capita can improve our performance and strategy with regard to climate related issues. We issued an updated TCFD disclosure in our 2021 annual report and accounts, our 1.5C GHG reduction targets were verified by Science Based Targets initiative (SBTi) in early 2021 and our net zero targets have already successfully passed the SBTi screening. We also continue to develop and update our climate change principal risk which igets quarterly oversight by Group Audit and Risk Committee, a committee of the Board.
Capita currently operates a number of ISO 14001 certifications in UK and India and these ensure certain climate-related issues are managed to a continually improvig standard e.g. legal and regulatory changes, targets for continual improvement in environmental performance, emergency preparedness etc.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Management group	Monetary reward	Emissions reduction target	Financial incentive for all 1500 board members, executives and management included in the company wide bonus scheme for achievement of a mandatory net zero linked bonus component.
Chief Executive Officer (CEO)	Monetary reward	Energy reduction target Behavior change related indicator	13.3% of total bonus award for completion, board sign off and public announcement of Capita's science based net zero targets

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	Short term climate risks are most likely to result from legislation changes, shifts in market preference and pressures, increased costs and external investment conditions. If we do not respond to these pressures reputational and financial damage is likely. In the short term Capita will align its business strategy to prepare for medium and long term change, and further planning to respond to the effects of climate change
Medium-term	3	10	Effective management of medium term climate risk both transitional and physical is expected to require broader shift in business strategy and challenging targets for deep de-carbonisation. Scenario planning is used in assessing these risks using 2C and 4C scenarios. Horizon scanning and ability to adapt to changes in risk are pre-requisites for Capita to be able to predict and manage medium term risks
Long-term	10	30	Longer term risks assessment looks at the likely outcome of transitional risk over time, also the more prevalent physical risks including more frequent and violent extreme weather events, global warming and associated physical risks. Scenario analysis plays a more critical role here. Longer term risks are challenging to assess.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Capita's risks and their evaluations are governed by three key layers of Risk Committee: Group Audit and Risk Committee, Executive Risk Committee and Divisional Risk Committee. Each of these committees determines the financial and strategic impact of risks at corporate, divisional and business level within the Group. Risks are evaluated against four levels of impact - Minor, (up to GBP 5 Million) Moderate (GBP 5 - 7 million), Major (GBP 7 - 10 million), Significant (over GBP 10 million). These measures are both qualitative and quantitative and reflect six key areas of impact: Financial, People, Legal & Regulatory, IT Systems, Customer and Strategy. The likelihood of risks materialising is also evaluated using four levels - Rare (less than 25% chance of occurrence), Possible (25% - 50% chance of occurrence), Likely (50% - 75% chance of occurrence), Certain (over 75% chance of occurrence). Transitional and physical risks associated with climate change are evaluated using the above approach to ensure consistency with both operational risk management and prioritisation against other business activities.

A substantive financial or strategic impact on our business is defined as a critical risk, determined as follows: either the impact on revenue is more than GBP 10 million and the chance of the risk materialising is above 50%, or the effect on revenue is more than GBP 7 million and the chance of the risk materialising is above 75%

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Tiered quarterly risk committees from Divisional to Board level. Risks are identified assessed and managed using company - wide risk framework. Annual deep dives into

corporate level risks look at horizons, causes, relevance, financial and strategic impacts, effectiveness of controls, plans to improve controls.

Capita identified climate change as a risk through initial company - wide climate risk workshops with senior operations people to understand risks and opportunities, physical and transitional risk and scenario analysis. The workshop was hosted and facilitated by Corporate Citizenship, a management consultancy specialising in sustainability and environmental-related issues. A corporate level risk was identified taking into account the key causes and consequences of the climate risks and opportunities and issues raised in the risk workshops.

In collaboration with Group Risk, Corporate Affairs and Divisional representatives the information was further refined and developed including initial measurements of substantive financial and strategic impacts and likelihood using Capita's risk management framework related to financial, legal, technology, workforce, customer delivery and reputation. The completed risk information was successfully presented to the Executive Risk Committee ERC and Group Audit and Risk Committee GARC (Board Committee) in late 2020 for approval and adoption as a principal risk.

In December2020 Climate change was escalated to a principal risk on the system. This gave the risk the highest level of governance ensuring quarterly review by the Group Audit and Risk Committee and Board, and ownership by a Function Executive Officer.

Climate risk workshops have taken place to investigate and understand in greater depth how those risks apply to the division, it's clients and markets, and to establish controls, actions and measures to manage the risk from inherent and residual levels down to acceptable target levels

Case study of physical risk:
Instances of extreme weather related property damage and flooding in areas where Capita has properties have been minimal but recent droughts and water shortages in South Africa would have caused more severe impacts to our workforce if they had been more prolonged. Our Group level assessment of threats from extreme weather, high temperatures, fire and flooding in the next 12 – 18 months is considered to be low but our divisional risk team in Capita Experience who have businesses in India and South Africa reported higher potential for business disruption and threats to people, assets, supply chain and infrastructure in these regions as an emerging issue and one they need to monitor closely and re-assess mitigations regularly as likelihood and severity are hard to predict but expected to be higher than U.K. The only opportunity identified is one where we have taken steps to mitigate these risks, for example use of mobile working platforms and technology, that enable us to continue to provide services where other businesses are not able to operate due to a climate related event.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We have a legal and other register in our Safety, Health and Environmental management system accessed through our People Hub platform for current regulation and an online compliance tool (CASPER) to monitor compliance with red, amber and green flags for reporting to ExCo. The legal register is kept up to date using Watermans to identify new and emerging regulations. Current regulations are reviewed if there is a relevant issue identified. e.g. Green Finance Initiative suggested recommendations of TCFD may become mandatory by 2022 if not sufficient uptake by UK businesses, and SECR compliance required reporting in 2020 Annual Report. These changes were identified and responded to accordingly.
Emerging regulation	Relevant, always included	Our arrangement with Watermans keeps us advised of new and emerging health, safety and environmental regulations and this is regularly reviewed as part of our environmental management system. Any new identified risks for example the new Cabinet Office PPN 06/21 requiring us to publish Carbon Reduction Plans and net zero targets on our corporate website, where failure to comply will exclude us from business with an annual average value above £5M, will be added to the legal register and new risks flagged through our company wide risk management process.
Technology	Relevant, always included	Capita is a technology - led business process outsourcing business providing back office support services to private and public sector. Identification and assessment of risk focusses on technology required to maintain our provision of services, and our ability to continue operations. An example could be prolonged power outages and the associated risks with reliance on back-up power systems, or additional power associated with cooling as global temperatures rise. Technology will also feature in the transition to a lower carbon economy. An example of this is transition to EV's and hybrid cars, and the related requirements for electric vehicle charging, and what we will be able to provide in our city hubs where there is limited or no parking, and regional properties where we have more parking facilities. We predict that technology will be advanced enough for all new fleet vehicles to be EV from 2028. We have a proposal for Solar PV for our call centre in Mumbai where there is currently no reasonably affordable grid renewable power available, and our options migration to low carbon heat for our buildings will remain under review as available technology develops.

Legal	Relevant, always included	Failure to comply with our legal obligations in relation to climate change is a key risk to our business. For example, failure to deliver our obligations under ESOS to measure energy use for the required period, undertake audits covering all main areas of energy use and reporting compliance to the Environment Agency by the compliance date could lead to enforcement action, including fines up to £50,000 which escalate by £500 per day until the non compliance is resolved.
Market	Relevant, always included	e.g. shifts in demand for lower-carbon products and association with responsible suppliers. U.K. Government requires us to post a Carbon Reduction Plan on our UK website including a commitment to net zero by 2050 to qualify for work with an average annual contract value in excess of £5M for Central Government Departments. In a recent PQQ we were asked if we have committed to net carbon zero by 2030. Risks related to changing market are assessed and the divisional risk teams work to adapt and respond to the identified risks and opportunities from a changing market to future proof the business as far as possible from the worst effects of climate change. The significant areas of short term climate - related market risk are in our Capita Experience division and our Public Service division but we are seeing a shift in framework, bid and supplier questionnaire expectation across all sectors
Reputation	Relevant, always included	Risk of losing reputation if we don't keep up with changing expectation for our contribution to mitigation of climate change e.g. Science based targets were seen as best practice, now expected and 2C target upgraded to WB2C with 1.5C becoming the norm. TCFD disclosures with robust approach to climate risk governance, strategy, risk management, targets and metrics etc seen as significant issues by Capita investors, and our employee surveys and customer questionnaires increasingly indicate the importance of climate change as an employee value proposition and also for us to win new business with suppliers in our sector particularly financial sector and Cabinet Office. We are facing more questions about our response to climate change at our AGM, in bids, in supplier questionnaires, and our ratings on ESG indices such as CDP, DJSI and Ecovadis are increasingly important.
Acute physical	Relevant, always included	Physical risks have been evaluated using a 2C and 4C pathway in scenario analysis. Our risk registers cover acute physical risk e.g. extreme weather events, flooding, windstorms etc. and our business continuity plans include recovery actions for loss of operational capability in whole or parts of buildings - predominantly offices and call centres. Damage to our property and IT infrastructure could have significant cost implications up to the threshold of our insurance

		excess value and be disruptive to our call centre operations but likelihood difficult to predict with large operations in UK, India and mainland Europe as well as smaller operations in South Africa, U.S.A. and U.A.E. The risk is higher where impacts are more likely whilst in U.K, we have not experienced any loss due to climate change to date despite extreme weather events and a large property portfolio and the risk is deemed low.
Chronic physical	Relevant, sometimes included	Physical and transitional risks have been evaluated using a 2C and 4C pathway in scenario analysis at a pan Capita workshop and subsequent work with Capita Group Risk and Compliance to develop a establish our company wide principal climate risk. Material increase in global temperatures will impact our business with particular emphasis on certain geographies e.g. India and South Africa and will be under regular review by divisions in relation to their specific businesses, markets and operating models. Our long term strategy will need review if global warming is not on track to being limited to 1.5C / 2C as longer term risk is likely to increase in a material way particularly if our operations grow in regions at greater risk resulting from the outcomes of higher temperatures

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Increased energy and carbon taxes and legislation as a result of measures to reduce climate change impacts accelerated by COP26 will increase our operating costs particularly our scope 1 and scope 2 emissions because predominantly Capita's technology enabled business services are delivered from offices and call centres with associated energy use. The commitment by the Government to achieve zero net carbon by 2050 and indications that recovery from Covid19 will almost certainly result in incentives and legislation aimed at reducing emissions, immediately accelerates our need to deliver against science - based targets and reduce emissions. We have already set a 1.5C science based GHG reduction target and our response to those targets will focus on investment in plant and controls in properties, renewable energy and reducing business travel with engagement targets for our suppliers to protect ourselves against rising carbon pricing. We also anticipate increased costs around decarbonisation of heat but are unable to quantify these as emerging technology costs have not stabilised or are not yet known

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

51,615

Potential financial impact figure – maximum (currency)

793,782

Explanation of financial impact figure

As part of our analysis of the business case for net zero calculated the impact of an external and internal carbon price on Capita's residual emissions out until 2050. Our analysis was based upon carbon price projections from 2019 - 2050 from four different sources.

The financial impact figures above show what the potential costs to Capita from a verified nature based carbon credit price would be in 2030. The range in the figures reflects the differences in the carbon price projection in £ per tonne and the quantity of residual GHG emissions under two different carbon emission projections.

The low range financial impact figure is based upon a 2030 carbon price per tonne of £45. In the best case scenario, there will be 1147 tco2e scope 1 and 2 emissions

remaining unabated in 2030.

The high range impact figure is based upon a 2030 carbon price per tonne of £114. In the worst case scenario, there will be 6963 tco2e scope 1 and 2 emissions remaining unabated in 2030.

Minimum figure:
1147 tco2 @ £45 / tonne = £51,515

Maximum figure:
6963 tco2 @ £114 / tonne = £793,782

Cost of response to risk

165,000

Description of response and explanation of cost calculation

The estimated cost to manage is approx. 3 additional FTE @£ 55k each to manage SECR and TCFD, SBT action, carbon reduction through energy, travel reduction schemes and supply chain engagement, business level granular carbon reporting quarterly and bi-annually, and working with Capita businesses to ensure their business strategies are focused on reduced property footprint and lower carbon products and services. Most of this work is already or could be managed by existing resource so cost to manage is low with no start-up costs. cost of response is £55k * 3 = £165,000

Capita's response that is managed within business as usual and therefore attracts no additional cost are listed below. Our largest emissions are from supply chain, building energy use and business travel as a result we have tried to reduce emissions in these areas.

Building energy example
Situation: Capita identified that much of it's building and controls could be replaced with higher efficiency solutions
Task: Appraisal of opportunities - inefficient plant near end of life or unreliable and not cost effective to maintain
Action: Business case approval for replacement in early 2021
Result: £0.5M spend in 2021 on lighting, boiler, chiller, HVAC controls, AHU, pumps and lift controls reducing emissions by 378 tonnes co2e annually

Our net zero project has allocated approx. £1M annually to replace building M&E equipment that is inefficient or in poor condition, advancing replacement with new energy efficient options and upgrading control systems and strategies to gain energy efficiencies and carbon reduction.
An energy analysis and reduction plan operates in parallel regularly reviewing the energy use of our 35 largest properties (90% of consumption), targeting, identifying and

controlling excess energy use and opportunities, with action plans to drive efficiency, highlighting anomalies, repair and upgrade requirements, and keeping energy waste to a minimum

Our property team are delivering a hub and spoke accommodation model in UK, disposing of inefficient properties replacing with fewer, more efficient properties designed for current working practices. This model will reduce business travel from all regions to Head Office replacing with regional meetings in regional hubs but is resulting in capital projects to refurb and restack a number of key properties.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Storm (including blizzards, dust, and sandstorms)

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Capita is a technology led business process outsourcing business providing back office support services to private and public sector. The risk from extreme weather events extends through operational disruption causing short term impact to services with potential service credits, failure to provide services, reputational loss that follows, also problems with people being able to get to work, risk of injury to staff through flooding, building damage, trees falling, debris being blown around in high winds etc. and technology services being disrupted because primary services and back-up systems are all rendered inoperative due to extreme weather events. The impacts would be on customer service, financial due to business continuity activity and costs relating to damage repair and recovery, with additional reputational risk and employee and visitor safety risks.

Capita has experienced increasingly frequent and severe high winds and storms in UK. In 2020, a property in Sheffield that houses 1% of Capita employees suffered minor damage with some cladding being ripped off but more extensive damage could mean closing the property (or indeed others in UK) for extended periods. In South Africa the recent drought heavily impacted water supplies at our Cape Town offices (7% of workforce), and heat waves in India in 2022 has highlighted the level of climate risk and associated impacts we may be facing annually in our Mumbai and Pune offices (12% of workforce). Whilst no financial impact resulted from any of these incident the risk is

clear.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2,900,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Type of incident would determine financial impact and we have not yet carried out any analysis or modelling beyond standard business continuity planning. Our insurance claims from storm or flood related issues in the last 2 years have been very low and we have only had one incident in 2019 where high winds damaged cladding. This did not affect our operation but work is required to develop our assessment of this risk from climate change. These figures allow from no damage to significant widespread disruption but in there is no reliable way to predict or quantify damage from extreme weather events. Financial impact is estimated as a worst case scenario as follows £1,400,000 property repair costs, £1,500,000 business lost due to disruption caused from loss of infrastructure, i.e. max potential financial impact £2,900,000

Cost of response to risk

150,000

Description of response and explanation of cost calculation

Divisional risk teams are holding workshops to identify and fully explore climate related risks to our business. Our solution includes explanation of requirements and setting of objectives, working group members at senior levels of the organisation have been tasked with developing and quantifying climate related risks and making their businesses aware of the threat and the likely consequences (supported by our Group Risk team). These risks are included on the group wide risk management system and the response co-ordinated at divisional level in line with the governance process. Cost is estimated at 2.5 FTE @£60K per FTE to manage the additional risk assessment, mitigation and management from risk of damage from extreme weather events on top of existing risk activity, BCP plans etc.

Situation: Capita has identified some properties in the global portfolio will be vulnerable to physical climate risks
Task: Carry out quantitative scenario analysis on all climate risk in 2022 including physical risk
Action: Proposals received for quantative analysis including Moodys (or equivalent) asset analysis for physical risk at 10 selected properties spread across our global estate and to use data to update our risk management plan
Result: Financial approval for proposal pending. Approval expected Q3 2022 which will result in quantification of climate risks and opportunities in line with recommendations of TCFD to be published in our 2022 Annual Report

Comment

The cost of management includes management time and effort to fully explore the risk including data capture and analysis, trend forecasting using scenario analysis, and to develop and implement strategies to mitigate the risk and incorporate into business strategy

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Other, please specify

Reduced market based emissions from 100% renewable UK grid electricity (backed by REGO's) directly purchased from Utility co's which will reduce the cost of verified carbon credits for electricity use we cannot eliminate

Company-specific description

Capita identified that we could reduce our emissions significantly by switching to renewable powerIn 2021 we purchased 100% renewable electricity from Haven Power generated from wind, hydro and solar. Our anticipated annual volume is 70gWh. We are also pressurising landlords who supply power to managed properties to switch to renewable power. In addition we have a proposal to install solar pv at our Mumbai call centre, India for an installed cost of approx. £300K with payback in 3 years, and reducing grid electricity emissions by 667 TCO2e per annum

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

810,271

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Our energy contract was uplifted to renewable electricity by Haven Power from 2018 at no additional cost. There are no financial benefits, but the reduced emissions will help us reputationally and a good performance in carbon reduction will make us more attractive as an employer and may result in us winning more business. We have not included a calculation for this benefit. In 2021 80% of our global electricity use was from renewable sources and we continue to drive towards 100%

Also included is a conservative estimate of potential savings from proposed and potential solar PV installation on the roof of our call centre at Vikhroli. Estimated payback of solar installation is 3 years due to lower project cost in India, high grid emissions and good sunshine. Over 10 years the installation would yield £347,259 (installation cost) /3 (years ROI) *7 (remaining years in 10 - year period after installation has paid for itself) = £810,271.00

Cost to realize opportunity

349,029

Strategy to realize opportunity and explanation of cost calculation

We have a contract in place for supply of 100% renewable electricity for all the supplies fed by our Group Energy Contract with Haven Power until winter 2022. We are

requesting renewable power for properties where power is supplied by landlords, but we estimate this part at less than 10% of our total electricity use. The estimate is a reduction in emissions of 23736 tonnes CO2e per annum. We are not expecting to pay any premium for this change.

Situation: A call centre property in Mumbai, India does not have access to grid supplied 100% renewable power but the roof structure is suitable for a large installation of solar PV

Task: Complete and submit proposal for consultancy, supply and install of solar pv for our Mumbai offices in India for financial approval. The proposed solar PV project in India will also demonstrate the potential to make further moves to low emission energy sources and reduce our global emissions further.

Action: Landlord consent and structural loading survey in place, full appraisal with cost and return on investment presented to Group Property Director.

Result: for Mumbai Vikhroli call centre which would provide 28% of the total annual power requirement for Capita India, 804,083 kWh per annum from solar PV out of the total electricity consumption in India in 2021 of 2,819,091 kWh, (804,083/2,891,091*100 = 27.812)

The total cost to realise the opportunity is made up of supply and installation costs of £347,259, and consultancy costs of £1,770 to reduce emissions in our Indian Operations . £347,259 + £1,770 = £349,029

Comment

Increased power costs globally will reduce the ROI perhaps by 50% making the investment much more attractive

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Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify

Implement Energy Conservation Measures at York Biotech Campus

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

We identified an opportunity to reduce operating costs and carbon emissions, protecting us from future carbon taxation and reputational risk. Some aging assets and operating practices were not fully focused on energy efficiency. We have identified an opportunity to replace older building plant assets including chillers, air conditioning units, pumps and motors, lighting, boilers, control systems and control strategies with more efficient alternatives, where possible reducing specification to overcome the over-engineering when the properties were constructed. A number of initiatives have been completed in 2021 or are in train to be completed in 2022. The program is expected to extend into 2023 and is already yielding significant energy savings.

Our Energy reduction program that began in 2016 has resulted in a 14% reduction in building energy use., mainly focused on driving efficiency from existing plant and controls, identifying energy waste, linking plant run times to occupancy periods and setting comfort standards applicable across the business.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,822,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We have benchmarked the efficiency of some of our operation, we know that they have potential to run more efficiently and have identified the solutions and potential savings. We have a series of quotes from contractors and our technical team has calculated energy savings
Sand Hutton project saving per annum
AHU £124,200
Chillers £40,000
Boilers £10,000
Sub metering £8,000

Total project savings per annum £182,200. Savings over 10 years, £182,200*10=£1,822,000

Cost to realize opportunity

1,331,000

Strategy to realize opportunity and explanation of cost calculation

Situation: There is an opportunity to upgrade building plant at York Biotech Campus, UK with more efficient replacements for air handling fan motors, chilled and hot water pumps, air conditioning and chillers, lighting and building energy management systems.

Task: The project management and budget to be managed by Capita Group Property and FM team, building a rolling programme of works. These projects are directly linked to our 2O25 milestone to be net zero across scopes 1 and 2

Action. Ongoing identification of plant replacement opportunities to deliver energy efficiency and decarbonisation of assets currently using fossil fuels

Result: Capita replaced building plant assets in 2021 saving 378.2 tonnes CO2e per annum as listed in section 4.3b and continues to identify further opportunities including those listed below as an example

York Biotech Campus, UK plant replacement project costs to realise the opportunity
AHU £521,000
Chillers £430,000
Boilers £300,000
Sub metering £80,000

Total cost £1,331,000

Comment

We have part of the required budget already allocated in 2022 and 2023 for a major uplift to mechanical and electrical plant which is in poor condition and inefficient We will analyse the energy savings achieved from the projects and use these to justify further investments beyond the approved value and bring forward asset replacement to secure energy efficiency before the plant reaches end of life. This is not just an energy opportunity cost, replacement will provide longer term resilience. N.B. the project costs above for 2022 and 2023 are within budget but not all expenditure approved.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify

Reduce property footprint, closing small inefficient properties and moving to hub and spoke model

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Capita has identified an opportunity to reduce the number of properties in its portfolio . These range from small offices, warehouses and storage facilities, data centres, call centres and campus facilities globally. That level of property portfolio is expensive to operate, high in energy use and some of this space is not effectively utilised. Our property strategy over 2021 to 2025, is to monitor and review how we use our property portfolio as we emerge from the pandemic and balance our footprint with our ways of working. Following the transition to homeworking during the pandemic, 35,000 colleagues who were previously office based are now working flexibly or in a hybrid pattern. We adapted our locations with network connectivity, agile desks, and a new desk booking system to accommodate the new hybrid working solution. Colleagues can plan how they balance their time between working from home and coming to our offices for collaboration and client engagement. This reduction results in removal of associated scope 1 and 2 emissions and reduced scope 3 business travel emissions

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

12,068,746

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

This potential savings figure from our Property Finance team is already included in budget forecast and includes rent, rates, service charge and insurance. This figure represents annual cost saving forecast from disposal of multiple properties / part

properties as part of a space utilisation efficiency plan. These costs have been extracted from the Property team's current budget forecast .

Breakdown of annual savings in GBP

UK call centres	£3,304,482
UK offices	£8,570,014
Ireland offices	£154,082
Germany offices	£32,768
Switzerland offices	£7,400
Total Impact	£12,068,746

Cost to realize opportunity

5,124,210

Strategy to realize opportunity and explanation of cost calculation

Situation: Since the pandemic Capita's workforce has embraced the benefits of agile working and virtual meeting technology. This is resulted in a change of use for our buildings and a transition to a desk booking system. As a result this long term change in work patterns has resulted in under utilisation of space across the board

Task: Planned property strategy that takes advantage of contract terminations, lease breaks, lease end, assignment and surrender opportunities to dispose of low-grade properties. Taking into account current space utilisation and locations, complete hub and spoke strategy, provide more efficient, better places to work and align our accommodation to achieve a more efficient utilisation and distribution of space that improves the business' efficiency and carbon emissions, reducing operating costs without compromising our colleagues' ability to meet in person in Capita locations. Manage exits and budget for all site clearance, dilapidtions costs, surrender fees and other exit costs Figures below represent opportunity identified between 2022 and 2025

Action: Move to main building hubs in London, Manchester, Sheffield and Leeds will reduce the requirement for travel to Head Office in London and reduce our travel footprint. Our ambition in UK is to acquire properties that are EPC of 'C' or better and dispose of as many 'D' rated and worse as we can,

Result: Exit plan approved and budgeted forin 2022 to secure saving. Cost calculation is based on the square ft of property represented in the opportunity (944,793 sq. ft.) multiplied by a cost of £7 per square ft for exit project management and dilapidations. (current exit costs @<£8 per sq. ft. projected to decrease to approx. £7 per sq. ft.). These are one off costs. 732,030 x £7 = £5,124,210

Comment

These costs and exit plans have come from the Property Strategy which is the blueprint to restructure our property portfolio making it representative of a large business with mature remote meeting technology and culture, suitable for all current working practices such as fully office based, agile working and activity based working.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

Yes, we have a transition plan which aligns with a 1.5°C world

Publicly available transition plan

Yes

Mechanism by which feedback is collected from shareholders on your transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

Shareholders are welcome to feed back on our carbon reduction plans and science based targets (and indeed any investor interests) detailed on our external website and accessed through the "why invest in Capita" section of the investors page. There is a "get in touch" option on the investor relations section where our investor relations team members and contact details are listed

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your transition plan (optional)

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Customized publicly available transition scenario	Company-wide	1.5ºC	Climate scenarios analysis Climate risks have been assessed across short-term (0-3 years), medium-term (4-9 years), and long-term (10+ years) time horizons to reflect the longer-term impacts from climate change. Climate risks and opportunities are also assessed across a set of hypothetical climate scenarios developed by Network for Greening the Financial System (NGFS). These include three categories within which six scenarios are ordered: • Orderly Transition: Early, ambitious action to support the transition to a net zero CO2 emissions economy. This includes a Net Zero 2050 scenario and a Below 2°C scenario, reflecting a policy ambition to limit temperature increase to between 1.5°C and 1.7°C respectively. Scoring methodology:- Climate risks have been scored by assessing a combination of Capita's vulnerability, and the likelihood and magnitude of impacts occurring as an outcome of the risk, as shown below. Risks have been scored separately in these terms across Capita's 3 different time horizons, and the 3 climate categories outlined by NGFS. Climate opportunities have been scored as a combination of two metrics: Size of opportunity, and Ability to Execute, across the three different climate categories outlined by NGFS, and without a specific time horizon; the variability of opportunities over different time horizons may be explored in future work. This results in a combined Opportunity score.
Transition scenarios Customized publicly available transition scenario	Company-wide	1.6ºC – 2ºC	Climate scenarios analysis Climate risks have been assessed across short-term (0-3 years), medium-term (4-9 years), and long-term (10+ years) time horizons to reflect the longer-term impacts from climate change. Climate risks and opportunities are also assessed across a set of hypothetical climate scenarios developed by Network for Greening the Financial System (NGFS). These include three categories within

			which six scenarios are ordered: • Disorderly Transition: Late, disruptive, sudden and / or unanticipated action no earlier than 2030. This includes a Divergent Net Zero 2050 scenario and a Delayed Transition scenario, reflecting a policy ambition to limit temperature increase to between 1.5°C and 1.8°C respectively. Scoring methodology:- Climate risks have been scored by assessing a combination of Capita's vulnerability, and the likelihood and magnitude of impacts occurring as an outcome of the risk, as shown below. Risks have been scored separately in these terms across Capita's 3 different time horizons, and the 3 climate categories outlined by NGFS. Climate opportunities have been scored as a combination of two metrics: Size of opportunity, and Ability to Execute, across the three different climate categories outlined by NGFS, and without a specific time horizon; the variability of opportunities over different time horizons may be explored in future work. This results in a combined Opportunity score.
Transition scenarios Customized publicly available transition scenario	Company-wide	2.1ºC - 3ºC	Climate scenarios analysis Climate risks have been assessed across short-term (0-3 years), medium-term (4-9 years), and long-term (10+ years) time horizons to reflect the longer-term impacts from climate change. Climate risks and opportunities are also assessed across a set of hypothetical climate scenarios developed by Network for Greening the Financial System (NGFS). These include three categories within which six scenarios are ordered. The2.5C - 3C category is: • Hot House World: Limited action resulting in continued global warming and significant increases in exposure to physical risks. This includes a Nationally Determined Contributions scenario and Current Policies scenario, reflecting a policy ambition to limit temperature increase to between ~2.5°C and 3°C+ respectively.

			Scoring methodology:- Climate risks have been scored by assessing a combination of Capita's vulnerability, and the likelihood and magnitude of impacts occurring as an outcome of the risk, as shown below. Risks have been scored separately in these terms across Capita's 3 different time horizons, and the 3 climate categories outlined by NGFS. Climate opportunities have been scored as a combination of two metrics: Size of opportunity, and Ability to Execute, across the three different climate categories outlined by NGFS, and without a specific time horizon; the variability of opportunities over different time horizons may be explored in future work. This results in a combined Opportunity score.
Physical climate scenarios Customized publicly available physical scenario	Company-wide	1.5ºC	Climate scenarios analysis Climate risks have been assessed across short-term (0-3 years), medium-term (4-9 years), and long-term (10+ years) time horizons to reflect the longer-term impacts from climate change. Climate risks and opportunities are also assessed across a set of hypothetical climate scenarios developed by Network for Greening the Financial System (NGFS). These include three categories within which six scenarios are ordered. The 1.5C - 1.7C category is: • Orderly Transition: Early, ambitious action to support the transition to a net zero CO2 emissions economy. This includes a Net Zero 2050 scenario and a Below 2°C scenario, reflecting a policy ambition to limit temperature increase to between 1.5°C and 1.7°C respectively. Scoring methodology:- Climate risks have been scored by assessing a combination of Capita's vulnerability, and the likelihood and magnitude of impacts occurring as an outcome of the risk, as shown below. Risks have been scored separately in these terms across Capita's 3 different time horizons, and the 3 climate categories outlined by NGFS. Climate opportunities have been scored as a combination of two metrics: Size of opportunity, and Ability to Execute, across the three different climate categories outlined by NGFS, and without a specific

			time horizon; the variability of opportunities over different time horizons may be explored in future work. This results in a combined Opportunity score.
Physical climate scenarios Customized publicly available physical scenario	Company-wide	1.6ºC – 2ºC	Climate scenarios analysis Climate risks have been assessed across short-term (0-3 years), medium-term (4-9 years), and long-term (10+ years) time horizons to reflect the longer-term impacts from climate change. Climate risks and opportunities are also assessed across a set of hypothetical climate scenarios developed by Network for Greening the Financial System (NGFS). These include three categories within which six scenarios are ordered. The 1.5C to 1.8C category is: • Disorderly Transition: Late, disruptive, sudden and / or unanticipated action no earlier than 2030. This includes a Divergent Net Zero 2050 scenario and a Delayed Transition scenario, reflecting a policy ambition to limit temperature increase to between 1.5°C and 1.8°C respectively. Scoring methodology:- Climate risks have been scored by assessing a combination of Capita's vulnerability, and the likelihood and magnitude of impacts occurring as an outcome of the risk, as shown below. Risks have been scored separately in these terms across Capita's 3 different time horizons, and the 3 climate categories outlined by NGFS. Climate opportunities have been scored as a combination of two metrics: Size of opportunity, and Ability to Execute, across the three different climate categories outlined by NGFS, and without a specific time horizon; the variability of opportunities over different time horizons may be explored in future work. This results in a combined Opportunity score.
Physical climate scenarios Customized publicly available physical scenario	Company-wide	2.1ºC - 3ºC	Climate scenarios analysis Climate risks have been assessed across short-term (0-3 years), medium-term (4-9 years), and long-term (10+ years) time horizons to reflect the longer-term impacts from climate change. Climate risks and opportunities are also assessed across a set of hypothetical climate scenarios developed by Network for Greening the Financial System

			(NGFS). These include three categories within which six scenarios are ordered: • Hot House World: Limited action resulting in continued global warming and significant increases in exposure to physical risks. This includes a Nationally Determined Contributions scenario and Current Policies scenario, reflecting a policy ambition to limit temperature increase to between ~2.5°C and 3°C+ respectively. Scoring methodology:- Climate risks have been scored by assessing a combination of Capita's vulnerability, and the likelihood and magnitude of impacts occurring as an outcome of the risk, as shown below. Risks have been scored separately in these terms across Capita's 3 different time horizons, and the 3 climate categories outlined by NGFS. Climate opportunities have been scored as a combination of two metrics: Size of opportunity, and Ability to Execute, across the three different climate categories outlined by NGFS, and without a specific time horizon; the variability of opportunities over different time horizons may be explored in future work. This results in a combined Opportunity score.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

In 2021, Capita conducted a qualitative assessment to rank and prioritise identified transition risks and opportunities. In 2022, we will continue climate scenario analysis to quantify the potential financial impact of our priority risks and opportunities. This will inform
Capita's understanding of the resilience of its business strategy under different timeframes and forward-looking scenarios, including a well-below 2°C scenario.

Results of the climate-related scenario analysis with respect to the focal questions

Climate risks have been assessed across short-term (0-3 years), medium-term (4-9 years), and
long-term (10+ years) time horizons to reflect the longer-term impacts from climate change. Climate
risks and opportunities are also assessed across a set of hypothetical climate scenarios developed
by Network for Greening the Financial System (NGFS). These include three categories within which
six scenarios are ordered:
Climate opportunities have been scored as a combination of two metrics: Size of opportunity, and
Ability to Execute, across the three different climate categories outlined by NGFS, and without a
specific time horizon; the variability of opportunities over different time horizons may be explored in
future work. This results in a combined Opportunity score.
We have produced a summary of the key risks and opportunities that have been assessed
for Capita, along with drivers, potential financial impacts, and mitigation options. We have used colour-coded
grid sto show an aggregated risk score for each of the TCFD's risk and opportunity subcategories,
where the highest risk/opportunity score within that category determines the overall score and
associated colour coding

RISK SCORES, ranked highest to lowest

Acute physical
- Risks low, moving to high in long term hot house world

Technology
- Risks low, moving to moderate for orderly transition in short, medium and long term, and for disorderly transition medium and long term

Market
-Risks very low in short term, low in medium term for orderly and disorderly transition and long term hot house world, and moderate for orderly and disorderly transition long term

Chronic Physical
- Risks very low in short term, moving to low risk for disorderly transition medium and long term and hot house medium term, then to high risk in long term hot house world

Reputation
- Risks very low in short term moving to low in medium and long term for orderly and disorderly transition only

Policy and Legal
- Risks very low in short term moving to low in medium and long term for orderly and disorderly transition only

OPPORTUNITY SCORES ranked from highest to lowest

Markets, products and services
- Opportunity scores very high in orderly and disorderly transition, high / very high in hot house world

Energy source
- Opportunity scores high / very high

Resource efficiency
- Opportunity scores high in orderly and disorderly transition, high / very high in hot house world

Resilience
- Opportunity scores high in orderly and hot house world, moderate /high in disorderly transition

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Financial and reputational risks and opportunities associated with our ability to provide lower-carbon products and services have influenced strategic thinking around development of products and services, and how we can help our clients and customers towards carbon neutrality or net zero carbon. We have a strong focus on cloud computing services which is more energy efficient and uses renewable electricity,, services that allow businesses better remote access and reduced travel, and solutions for lower-carbon cities such as the ULEZ scheme in London designed and operated by Capita. If we do not realise these opportunities the risks will be diminishing market share and revenue. Both opportunities and risks have been identified

		in the short and medium term. Our scenario analysis indicates that legislation and regulation in a 1.5C or lower than 2C scenario will increase the opportunities associated with lower-carbon products and services whilst the risks may include legislation that significantly increases development and product and implementation costs , as well as the cost of running services from our offices and call centres as carbon taxes and regulations increase. We expect to see this in the short term but more significantly in the medium term
Supply chain and/or value chain	Yes	Our supply chain emissions have been evaluated as part of SBTi methodology for target setting, and our ongoing evaluation of material risks and opportunities have identified the need to work more with suppliers to reduce their carbon emissions and supply us with lower - carbon products and services e.g. switching to renewable energy, setting their own Science Based Targets, setting net zero targets.. This activity needs to begin in the short term but continue through medium and long term to achieve the cumulative reduction on emissions We have switched to renewable electricity in UK for all directly purchased power, are purchasing building assets that provide lower energy use such as LED lighting, efficient motors and controls, upgrades to building environment management systems (BEMS). Our strategy for engaging supply chain links our supplier charter to our proposed supplier engagement target under our forthcoming Science based targets, Supply chain emissions are higher than previously thought before our first Scope 3 screening exercise in 2019 and supply chain risks and opportunities are therefore of higher significance with emphasis on reduction of their emissions. Our scenario analysis has concluded that in a 4C scenario the risks to the resilience of supply chain are far greater with scarcity of resources, distribution issues and higher cooling requirement for our computing hardware solutions being additional risk factors
Investment in R&D	Yes	We have identified the opportunity to deliver lower - carbon products and services across our business and to help our clients and customers achieve net carbon zero through emission reduction strategies. The opportunities presented by the market for lower -carbon transport and the expected migration to hybrid and electric cars has resulted in significant effort and resource being directed into designing a consultancy - based solution to offer clients and customers a one stop shop for installation and project management of vehicle charging solutions to include power

		infrastructure, system architecture, charging systems, installation and operational management. This opportunity is expected to be short term with the potential to develop to meet the requirements of alternative low emission fuels or propulsion methods in the medium term. R&D costs will continue to be influenced by the requirement to develop lower carbon solutions in the short, medium and long term, much more in a 1.5C than a 4C scenario, and the demands and requirements ofexisting and potential clients and customers will favour businesses providing innovative lower-carbon solutions. The digitally enabled services we deliver must keep up with customer demand and latest developments in lower-carbon solutions and we must transition to net zero across our operations and full value chain at the earliest opportunity
Operations	Yes	Opportunities exist to reduce travel and energy consumption. Potential to reduce the number of properties we operate from with a focus on larger hub buildings and fully develop our capability and culture in the use of virtual meeting technology have been identified which can be implemented immediately. These can be realised in the short term and as our ways of working change our property requirements should continue to reduce in the medium and long term . The property portfolio has steadily reduced over 2020 in order to reduce energy emissions, and reduce the need for meetings in London as the regional hubs have opened. Business travel emissions have fallen from over 33K Tonnes CO2e in 2019 to under 10K Tonnes CO2e in 2020 but travel emissions were already 30% down before Covid19 lockdown commenced. We have commenced the transition from diesel business needs cars to electric vehicles and our internal fleet management team advise us that by 2028 all new leased vehicles except heavy commercials will be EV's. This is driven by carbon reduction but also provides significant cost savings. Extensive use of Microsoft Teams as the platform of choice for video calls, audio calls, document sharing and collaboration between groups has reduced the requirement for travel, enabled more mobile and home working and reduced commuting. We have identified increased operational risk in geographies such as India and South Africa particularly in a 4C scenario where it is likely to become increasingly difficult to operate in the long term due to increased global temperatures, increasingly extreme weather events and flood risk.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures Acquisitions and divestments Assets	Climate related risks particularly around physical risk of flooding, building damage and transition risk especially around climate change regulations. levies and increased taxes and indirect cost increases have strengthened the business case plan to reduce the property portfolio further. Climate change increases the risk that properties will cost more to operate, and Capita's plan to reduce the large number of smaller properties we operate from, which resulted from multiple business acquisitions and their associated properties, and move to a model where we operate from a smaller number of buildings, those being larger, more modern and more efficient to run reduces transitional and physical risk from climate change. The financial planning process includes capital expenditure to upgrade HVAC and control systems as well as improving building fabric, all of which includes prioritisation of optimum energy efficiency. Our Manchester and London hub buildings have already been transformed and upgrade projects are planned for properties in Sheffield, Leeds and Wath-upon-Dearne. The plan to upgrade hub and large properties to a more efficient standard is a 5 - year program which commenced in 2019. Adoption of cloud computing reduces the need for computer hardware and improves efficiency by up to 60% compared to on premises computing.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?

No, but we plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2
Scope 3

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Category 1: Purchased goods and services
Category 2: Capital goods
Category 6: Business travel

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

18,961

Base year Scope 2 emissions covered by target (metric tons CO2e)

27,651

Base year Scope 3 emissions covered by target (metric tons CO2e)

370,074

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

416,686

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

98

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

98

Target year

2030

Targeted reduction from base year (%)

46

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

225,010.44

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

15,021

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

10,328

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

312,976

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

338,325

% of target achieved relative to base year [auto-calculated]

40.8821030704

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

SBTi verified our 1.5C science bases GHG reduction targets in Feb 2021 as follows:-
Reduce total Scope 1, 2 and Scope 3 business travel emissions by 46%, by 2030 from a 2019 baseline.
Scope 3 Supply chain engagement target, 50% of suppliers (by spend) to set SBT's by 2025

Plan for achieving target, and progress made to the end of the reporting year

Plan
Scope 1 and 2 reduction targets to be achieved by reducing our property portfolio through a hybrid working and virtual meeting model, increasing the proportion of

renewable power consumed , energy efficiency iniatives and development of plans to decarbonise heat. Scope 3 business travel emissions to be reduced by virtual meetings being set as default, a progression of our fleet from diesel through hybrid and EV to total EV. Scope 3 supplier engagement target to be achieved through regular focus on carbon reduction and pressure for suppliers to set science based targets themselves at supplier review meetings and setting this expectation within our supplier charter. From 2022 as part of the budget planning process each division and function is required to set net zero emissions targets annually which will be in line with Capita's achievement of net zero by 2035, and performance against net zero objectives and targets will be linked to executive and management bonus payments.

Progress
In the reporting year our emissions fell in all target areas, and for the first time since the target was set, by year end Capita was ahead of target pathway in scope 1, scope 2, scope 3 business travel and scope 3 supply chain spend backed by science based targets

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Target year for achieving net zero

2035

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

Target includes all scope 1, 2 and 3 categories and our target is to achieve net zero by 2035. Our targets is to eliminate 90% of our emissions and only use carbon credits that count as neutralisation from 2035 but accepting we may use compensation measures before then to help protect nature and avoid further deforestation. Capita has already begun purchasing carbon credits and contributing to other nature based projects not yet covered under a carbon credits scheme

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

Net zero milestone 1 is to be net zero across scopes 1 and 2 by 2025. Milestone 2 is to become net zero across scopes 1, 2 and scope 3 business travel by 2030

Planned actions to mitigate emissions beyond your value chain (optional)

Full residual emissions strategy pending

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	1	44.1
Implementation commenced*	1	84
Implemented*	4	378.2
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

276.5

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

301,240

Investment required (unit currency – as specified in C0.4)

275,730

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Applied increased energy costs of £0.08 for gas and £0.25 for electricity to reflect current market rates

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Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

65.1

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

76,601

Investment required (unit currency – as specified in C0.4)

230,000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

used £0.08 /kWh for gas and £0.25 for electricity to reflect price increases in energy contract

Initiative category & Initiative type

Energy efficiency in buildings
Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)

0.4

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Mandatory

Annual monetary savings (unit currency – as specified in C0.4)

400

Investment required (unit currency – as specified in C0.4)

86,276

Payback period

>25 years

Estimated lifetime of the initiative

11-15 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings
Insulation

Estimated annual CO2e savings (metric tonnes CO2e)

36.2

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

15,816

Investment required (unit currency – as specified in C0.4)

124,300

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Other Budget for energy efficiency, resilience and reduced operating costs	The driver for investment in emissions reduction activities is to deliver opportunities to reduce carbon emissions across our business operations in Europe, South Africa, India, USA and UAE while also reducing operating costs , improving environmental conditions e.g. reducing waste heat, noise, pollution; improving resilience by replacing end of life or old mechanical devices, and reducing running costs through reduced maintenance liability and energy costs. From 2022, each division and function in Capita is required to set net zero targets for the following year, in line with Capita's net zero milestones, as an integral part of annual business planning to ensure necessary investment budget is captured as a part of the budget process. This was agreed by Executive Committee in Q1 2022

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Power

Other, please specify

Smart meters

Description of product(s) or service(s)

Smart meter install as part of Smart DCC rollout

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, a divestment

Yes, other structural change, please specify

Restructure to complete Capita's transformation program, divestment

Name of organization(s) acquired, divested from, or merged with

Secure Solutions and Services

Details of structural change(s), including completion dates

In August, we established our new, simplified divisional structure which will deliver significant benefits in the future: two core divisions that focus on public and private sector digital transformation and technology outsourcing services; clarity of focus on our markets and clients; benefits expected from greater operational efficiency; and a third division of non-core businesses that will be disposed of. The proceeds from these disposals will be used to continue to strengthen our balance sheet

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	No, because the impact does not meet	When significant structural changes occur during the middle of the year, the base year emissions should be recalculated for the entire year, rather than only for the remainder of the reporting period after the

	our significance threshold	structural change occurred. This avoids having to recalculate base year emissions again in the succeeding year. Similarly, current year emissions should be recalculated for the entire year to maintain consistency with the base year recalculation. If it is not possible to make a recalculation in the year of the structural change (e.g., due to lack of data for an acquired company or proximity to year end), the recalculation may be carried out in the following year. Significance is when cumulatively the emissions relating to divestments were more than 10% of base year, of for acquisitions when their last annual emissions for all scopes were more than 10% of Capita's emissions for the same accounting year. Base year emissions and any historic data are not recalculated for organic growth or decline. Organic growth/decline refers to increases or decreases in production output, changes in product mix, and closures and openings of operating units that are owned or controlled by Capita Plc. The rationale for this is that organic growth or decline results in a change of emissions to the atmosphere and therefore needs to be counted as an increase or decrease in the Capita Plc's emissions profile over time.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

18,961

Comment

Based on natural gas for heating, heating and generator oil, and fuel used in owned vehicles

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

41,984

Comment

Electricity, district heating networks

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

27,651

Comment

These emissions from our ISAE 3000 assurance statement

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

196,330

Comment

2019 Scope 3 assessment carried out by Corporate Citizenship Ltd

Scope 3 category 2: Capital goods

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

106,646

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

10,874

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

80

Comment

Scope 3 category 6: Business travel

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

30,922

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

15,301

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

25,302

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

not relevant

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

not relevant

Scope 3 category 13: Downstream leased assets

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

208

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

15,021

Comment

Data assured externally to ISAE 3000

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

24,088

Scope 2, market-based (if applicable)

10,328

Comment

Data assured externally to ISAE 3000

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

166,280

Emissions calculation methodology

Average spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

In 2019, analysis was conducted on Capita's full operational spend data, to calculate scope 3 emissions related to spend activities. This analysis had 2 stages:

1. Spend-based emission calculation using Quantis
Emissions associated with spend were first calculated using the GHG Protocol's Quantis calculator tool. The original emission factor categories used to analyse spend in the Quantis tool in 2019 are indicated in the "Spend data" tab of this spreadsheet. This enabled an initial overview of Capita's scope 3 spend-related emissions and hotspot areas.

2. Supplier-specific emissions data
To improve data quality and precision, the next stage of analysis was to analyse 181 of Capita's key suppliers by spend and by procurement category, and identify their company-wide reported emissions. Where publicly reported emissions data was available, each supplier's company-wide emissions were allocated to Capita's portion of spend with them, by the fraction that Capita's spend on the supplier represented of the supplier's overall company-wide revenue.

3. Estimating low-spend supplier emissions using weighted average
Since the supplier-specific analysis in stage 2 should provide a more sector- and

context-specific indicator of the emissions intensity of Capita's overall supply chain than generic Quantis factors, the remaining suppliers' emissions were subsequently calculated using an average emission factor derived from the supplier-specific data. For each of Capita's high-spend sectors (COE 1 descriptions: Professional Services, IT Software, IT services, Telecom), an average tCO2e / £GBP factor was derived, and used to estimate spend-based emissions from the reamining suppliers in that category. For lower-spend categories (e.g. HR, Unclassified, Office Equipment, supplies & services; marketing; government services; organisations & clubs), a weighted average of all the supplier-specific data was derived, and applied.

2021 emissions calculation
The calculations for 2021'soperational spend-based emissions have used the same emission factors derived from the 2019 supplier analysis, to calculate spend-based emissions based on updated annual spend quantities across the same COE Level 1 description categories, in the reporting years.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

78,223

Emissions calculation methodology

Average spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

18

Please explain

In 2019, analysis was conducted on Capita's full capital goods spend data, to calculate scope 3 emissions related to spend activities. This analysis had 2 stages:

1. Spend-based emission calculation using Quantis
Emissions associated with spend were first calculated using the GHG Protocol's Quantis calculator tool. The original emission factor categories used to analyse spend in the Quantis tool in 2019 are indicated in the "Spend data" tab of this spreadsheet. This enabled an initial overview of Capita's scope 3 spend-related emissions and hotspot areas.

2. Supplier-specific emissions data
To improve data quality and precision, the next stage of analysis was to analyse 181 of Capita's key suppliers by spend and by procurement category, and identify their company-wide reported emissions. Where publicly reported emissions data was available, each supplier's company-wide emissions were allocated to Capita's portion of spend with them, by the fraction that Capita's spend on the supplier represented of the supplier's overall company-wide revenue.

3. Estimating low-spend supplier emissions using weighted average
Since the supplier-specific analysis in stage 2 should provide a more sector- and context-specific indicator of the emissions intensity of Capita's overall supply chain than generic Quantis factors, the remaining suppliers' emissions were subsequently calculated using an average emission factor derived from the supplier-specific data. For each of Capita's high-spend sectors (COE 1 descriptions: Professional Services, IT Software, IT services, Telecom), an average tCO2e / £GBP factor was derived, and used to estimate spend-based emissions from the reamining suppliers in that category. For lower-spend categories (e.g. HR, Unclassified, Office Equipment, supplies & services; marketing; government services; organisations & clubs), a weighted average of all the supplier-specific data was derived, and applied.

2021 emissions calculation
The calculations for 2021's capital goods spend-based emissions have used the same emission factors derived from the 2019 supplier analysis, to calculate spend-based emissions based on updated annual spend quantities across the same COE Level 1 description categroies, in the reporting years.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

11,522

Emissions calculation methodology

Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

94

Please explain

The emissions for this category were calculated from Capita's 2021 scope 1 and 2 data for energy and fuelled billed by utility companies or landlords. For each relevant activity area e.g. natural gas the transmission and distribution emission factors from DEFRA and the IEA were applied. 6% of scope 1 and 2 data is estimated due to lack of direct consumption data

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Whilst Capita will have emissions associated with upstream transportation & distribution, this is assumed to be included in the purchase price & therefore emissions associated

with upstream T&D are included in the "Purchased goods & Services" category (Category 1).
Any spend specifically on third transportation & distribution is assumed to be downstream (Category 9).

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

45

Emissions calculation methodology

Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

This category includes emissions from third-party disposal and treatment of waste generated in Capita's owned or controlled operations in 2021. This category includes emissions from disposal of both solid waste and wastewater. The relevant 2021 emissions factors were applied to the different waste types.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

4,451

Emissions calculation methodology

Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

31

Please explain

This category includes emissions from the transportation of employees for business related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars. 69% of emissions were from expensed mileage from employees. Data for air and rail used supplier distance data and carbon conversion factors. Data for public transport, taxis and hotels were calculated using supplier spend

data and carbon conversion factors. Travel emissions data and conversions factors used externally assured to ISAE 3000

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

28,410.5

Emissions calculation methodology

Average data method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Employee commuting emissions were calculated based on the number of FTEs that were estimated to be travelling to Capita's sites/offices throughout the year. Average transport modes were estimated using national travel survey data (see 'Commuting Emission Factors' tab for details). Average transport distances were estimated using an average distance provided by Capita, based on internal HR data. Emission factors for the various travel modes were calculated using the relevant BEIS 2021 travel emission factors for that travel mode and distance.

Homeworking emissions were calculated with reference to Capita's FTE headcount that were estimated to have been working from home throughout the year. Anthesis' homeworking emissions methodology published in Feb 2021 was used to estimate incremental energy consumption (electricity & natural gas) caused by homeworking: this refers to additional energy consumption in homes, beyond the typical expected energy use per person per home per year. Incremental energy consumption was calculated on the basis of all homeworking FTE's being relevant to the UK factors in Anthesis' methodology, and the incremental energy consumption was converted to emissions using BEIS 2021 factors for electricity & gas.
Commuting emissions: these were calculated on the assumption that both Capita's estimated average travel distance is representative of Capita's full workforce's commuting habits, and also that the national travel survey transport modes also provide a representative mixture of transport modes for Capita's workforce.

Teleworking emissions: these were calculated using UK average estimates provided in the Anthesis methodology, and will not necessarily take into account any specific factors such as some employees having their homes powered with renewable energy.

Both: both methods have applied UK-specific emission factors and assumptions around typical transport modes and incremental energy consumption from homeworking; this is based on the majority of Capita's workforce being based in the UK. However, some of

Capita's employees are based internationally and this diversity is not captured in the current calculations. This analysis assumes that the UK-specific factors offer a reasonable estimation of Capita's global employee commuting and homeworking behaviours.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Capita accounts for all leased assets within it's Scope 1 & 2 boundary, therefore there are no relevant Scope 3 emissions

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

28,260.3

Emissions calculation methodology

Average spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Capita's outbound logistics have been categorised as Downstream T&D since these are shipments for which the end-customer pays Capita for in turn.
The categorisation of spend on transport & distribution follows the same analysis logic as 2019's assessment, which is considering all spend in Capita's procurement COE Level 2 category of "Transportation & Logistics" to be relevant to this category of emissions.
Emissions from this activity are calculated using a spend-based emissions factor provided by Quantis' Scope 3 calculator tool.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Capita does not sell materials for ongoing processing, therefore there are no relevant emissions in this category.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Capita provides minimal amounts of physical products with use phase emissions, however these are negligible.
Capita also provides software services, the majority of the energy usage associated with this is within Capita owned/ operated data centres, and therefore captured in the Scope 1 & 2 footprint. The remaining emissions have been calculated to be insignificant.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

The emissions for this category make up less than 1% of Capita's total scope 3 footprint and are therefore not material

Downstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,232.2

Emissions calculation methodology

Supplier-specific method
Lessor-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Energy consumption and associated emissions from downstream leased assets were calculated based on a list of 4 properties in Capita's property portfolio, which were either being fully or partly leased to a third party during 2021. In cases where the property was partly leased to a 3rd party, the energy consumption of the property for the full 2021 year was allocated between Capita and the lessee based on the proportion of their lease (either using floor area where available, or their financial share of the overall building lease). For sites which were fully leased during 2021, their full energy consumption was used. Emissions were calculated from energy consumption using BEIS 2021 emission factors.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Capita does not operate any franchises

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Whilst Capita does have some small investment activities, they constitute less than 0.01% overall revenue and therefore have been excluded on materiality grounds.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

8.43

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

25,348.78

Metric denominator

unit total revenue

Metric denominator: Unit total

3,008.5

Scope 2 figure used

Market-based

% change from previous year

37

Direction of change

Decreased

Reason for change

The changes are due the following initiatives: Planned plant replacement with lower carbon equipment including chillers, boilers, new HVAC controls, LED lighting and energy management initiatives driven by hour energy data analysis. Also a number of landlords are now supplying us with 100% renewable energy which reduces our market based scope 2

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
HFCs	1,466	Other, please specify REGULATION (EU) No 517/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 April 2014 on fluorinated greenhouse gases and repealing Regulation (EC) No 842/2006 Annex 1
CO2	13,555	Other, please specify Defra conversion factors 2021

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)

United Kingdom of Great Britain and Northern Ireland	14,700.52
India	1.3
Germany	246.2
Ireland	50.5
United Arab Emirates	0
United States of America	0
Poland	0
South Africa	0.6
Switzerland	22

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Capita Experience	4,351.9
Capita Public Service	5,108.7
Capita Portfolio	177
Technology Solutions & Services	221.1
Group Support Services	5,162.3

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Ireland	427	627
Switzerland	70.2	24
United Kingdom of Great Britain and Northern Ireland	17,078	2,195
United States of America	6.3	5
Germany	1,281	2,240
India	2,024	2,024
Poland	349	357

South Africa	2,852.6	2,852.6

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Capita Experience	11,159.64	8,067
Capita Public Service	2,251.19	1,106
Capita Portfolio	581.81	411
Technology Solutions and Services (TSS)	4,561.34	253
Group Support Services (GSS)	5,534.31	487

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	3,777.3	Decreased	8	Capita reduced emissions by changing from non renewable electricity in 2020 to 100% renewable in 2021 in a number of properties. Last year in total 3777.3 tonnes of CO2e were reduced by switching to renewable electricity, and our total Scope 1 and Scope 2 location based emissions in the previous year were

				47,338 tCO2e, therefore we arrived at 8% through (-3777.3/47,338) * 100= -8% (i.e. an 8% decrease in emissions)
Other emissions reduction activities	378.1	Decreased	0.8	Capita reduced emissions through energy reduction projects during 2021 in UK. We reduced emissions by 65.1 TCO2e through LED replacement, 207.6 TCo2e through replacement chillers and air conditioning systems, 51.5 TCO2e through replacement pumps and ventilation fans, 12.4 TCO2e through upgrades to building energy management systems, 36.2 TCO2e through insulation, and 5.3 TCO2e through replacement boilers. Last year in total 371.8 tonnes of CO2e were reduced by our other emissions reduction projects, and our total Scope 1 and Scope 2 emissions in the previous year was 47,338 tCO 2e, therefore we arrived at -0.8% through (-378.1/47,338) * 100= -0.8% (i.e. a 0.8% decrease in emissions
Divestment				
Acquisitions				
Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	65,140	65,140

Consumption of purchased or acquired electricity		74,562	18,358	92,920
Consumption of purchased or acquired heat		235	922	1,157
Consumption of self-generated non-fuel renewable energy		57		57
Total energy consumption		74,854	84,420	159,274

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

858

MWh fuel consumed for self-generation of heat

858

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

64,282

MWh fuel consumed for self-generation of heat

61,008

MWh fuel consumed for self- cogeneration or self-trigeneration

3,274

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

65,140

MWh fuel consumed for self-generation of heat

61,866

MWh fuel consumed for self- cogeneration or self-trigeneration

3,274

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1,098	1,098	57	57
Heat	1,634.5	1,634.5	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Solar, Wind, Hydro

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

56,829

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Kingdom of Great Britain and Northern Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Purchased through Drax who source using multiple PPA's so no individual energy generation facility used

---

Sourcing method

Other, please specify

Energy provided by an energy supplier but we purchase through our landlords who hold the contract with the renewable energy supplier

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Multiple landlords providing renewable power from multiple energy suppliers using different renewable energy sources

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

17,790

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Kingdom of Great Britain and Northern Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Renewable energy for multiple properties billed by our landlord so no single energy generation facility

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

80,242

Consumption of heat, steam, and cooling (MWh)

235

Total non-fuel energy consumption (MWh) [Auto-calculated]

80,477

Country/area

Germany

Consumption of electricity (MWh)

3,679

Consumption of heat, steam, and cooling (MWh)

601

Total non-fuel energy consumption (MWh) [Auto-calculated]

4,280

Country/area

India

Consumption of electricity (MWh)

2,819

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,819

Country/area

Ireland

Consumption of electricity (MWh)

1,447

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,447

Country/area

Poland

Consumption of electricity (MWh)

441

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

441

Country/area

South Africa

Consumption of electricity (MWh)

3,045

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,045

Country/area
Switzerland

Consumption of electricity (MWh)
1,284

Consumption of heat, steam, and cooling (MWh)
321

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,605

Country/area
United States of America

Consumption of electricity (MWh)
19

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

19

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Other, please specify
Waste sent to landfill

Metric value
0

Metric numerator
Tonnes of waste

Metric denominator (intensity metric only)

% change from previous year

0

Direction of change

No change

Please explain

Metric to report adherence to Capita's zero to landfill waste target. Zero tonnes to landfill reported in 2020 and in the current year 2021 so no change.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Capita 2021 Assurance Statement_FINAL.pdf

Page/ section reference

2,3,4

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Capita 2021 Assurance Statement_FINAL.pdf

Page/ section reference
2,3,4

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Capita 2021 Assurance Statement_FINAL.pdf

Page/ section reference
2,3,4

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Capita 2021 Assurance Statement_FINAL.pdf

Page/section reference
2,3,4

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Financial or other base year data points used to set a science-based target	Science based targets initiative	SBTi have verified Capita's 1.5C GHG reduction targets using our energy and business travel data to set a 2019 baseline

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Energy distribution

Project identification

Carbon Footprint Ltd, credits originated from solar power generation in India

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

400

Number of credits (metric tonnes CO2e): Risk adjusted volume

400

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Directly work with suppliers on exploring corporate renewable energy sourcing mechanisms

Other, please specify

Collaborate with our third party partners and suppliers to achieve and evidence net zero carbon emissions for Capita, address the impact of our operations on the environment and nature, and excel in low carbon solution design for our customers.

% of suppliers by number

5

% total procurement spend (direct and indirect)

85

% of supplier-related Scope 3 emissions as reported in C6.5

82

Rationale for the coverage of your engagement

The emissions from Capita's suppliers account for 82% of Capita's overall emissions. Therefore reducing the emissions within Capita's supply chain is to critical to achieving net-zero. Capita's supplier engagement target is the principal vehicle for ensuring there are continual reductions to supplier emissions. Science Based Target figures come from current onboarding responses, refresh work completed across Top 500 suppliers and all Suppliers onboarded in last c.3 years.

Impact of engagement, including measures of success

Our measure of success is suppliers committing to SBTs, shown as the %age of total supply chain spend backed by SBT's.

We set a procurement target threshold of >40% of external supply chain to be covered by SBT's at end of 2021. Status at end of 2021 is that 52% of all external Capita spend is with suppliers that have Science Based Targets in place. This is a significant increase on the previous year. Having a regular agenda item in our key supplier review meetings (SRM) confirming our expectation that key suppliers will set SBT's (indicating that this is important factor in the decision as to who we do business with i.e. an incentive to set them) is considered successful for 2021 given the increase in suppliers with SBT's and that our interim target for 2025 has almost been achieved. Capita's interim net zero targets for supply chain are as below.

by 2025: 55% of supply chain spend will be with suppliers who have set science-based targets
by 2030: 85% of supply chain spend will be with suppliers who have set science-based targets

Due to nature of our business a high proportion of spend sits within the IT category, where we have observed the greatest number of suppliers setting new SBTs and full net zero approaches, which they have documented and shared. Capita's experience has been that some suppliers in the defence sector are less likely to respond to encouragement to take up science based targets, but this issue is not considered to be a material risk to achievement of our supply chain net zero interim targets above

Comment

Questions on our supplier onboarding as follows:
Does the supplier have Science Based Targets in place?
Are they backed by the SBTi?
Does the supplier have a Net Zero target?
Do they know their full material value/supply chain emissions? Do they know their scope 1 and 2 emissions?

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

1

% of customer - related Scope 3 emissions as reported in C6.5

20

Please explain the rationale for selecting this group of customers and scope of engagement

These customers are large organisations we supply services to who have targets to reduce their supply chain emissions and therefore are open to collaboration on ways to reduce emissions for example allowing us to provide services through agile working and virtual meetings, and reducing requirement for our staff to physically visit their premises. Some of these suppliers use the CDP supply chain program and engagement leads to shared benefit.

Impact of engagement, including measures of success

Our interim net zero milestone to become net zero for scope 1 and scope 2 emissions by 2025 was included as a result discussions and engagement with these customers who have committed to reducing supply chain emissions in one case by 50% by 2025 and our relationship with these suppliers is greatly improved through this engagement.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Setting a science-based emissions reduction target

Description of this climate related requirement

Suppliers are required to set science based targets and meet other climate initiatives set out in our Supplier Charter which they have to comply with as part of supplier onboarding. This is also a contractual clause in our purchase terms and conditions.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

52

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
First-party verification
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, we engage indirectly through trade associations
Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

As a strategic supplier, we regularly share a myriad of updates with HM Government and wider stakeholders regarding our climate change / net zero strategy. This is led by the Head of Public Affairs and Stakeholder Relations and is fed into by the Environment and wider Responsible Business teams. Over the past two years, we have, essentially, made Climate Change / Net Zero a regular agenda item as part of these engagements. As an example, following the launch of Capita's Net Zero strategy, in November 2021

our Director of Corporate Affairs presented to the Cabinet Office Market and Suppliers team with our Net Zero Strategy.

Moreover, Capita is a Strategic Supplier to HM's Government. As such, as part of the Strategic Supplier Annual Review we share updates with the Government vis a vis our progress against greenhouse gas emissions reduction target. Likewise, during the aforementioned Annual Review, we answered a myriad of questions on our Climate Change Strategy - these included descriptions of our Greenhouse Gas emissions (tonnes) for Scope 1, 2 and 3 along how we had made changes regarding Energy, Business Travel and Supply Chain to progress on our Net Zero pipeline. Additionally , on 4th May 2022, a senior Capita representative attended a joint BEIS / Cabinet Office roundtable on: Strategic Suppliers Business Leaders Decarbonising Supply Chains.

Similarly, when our senior management engage with Senior Stakeholders, Politicians and Trade bodies, Capita undertakes regular engagement regarding Net Zero / Climate Change

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate

Adaptation and/or resilience to climate change

Specify the policy, law, or regulation on which your organization is engaging with policy makers

During 2021, Capita continued to urge the UK Government to:

Pursue rapid transition to a zero emissions grid, and accelerating the transition to full EV will significantly reduce our UK supply chain emissions and ensure full transition to renewable energy in our UK properties, and reduce our remaining material scope 3 emissions including business travel, commuting and downstream transportation and distribution

Work with businesses and industry to deliver solutions to decarbonisation of heating without excessive burden of investment or operating costs.

Lock in many of the gains made during Covid-19 by ensuring departments (a) continue to allow home/remote working for programmes that have been shown to work successfully and (b) continue to engage with their partners using digital platforms

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

United Kingdom of Great Britain and Northern Ireland

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

As above, Capita is in daily contact with authorities across the UK to demonstrate our commitment to Net Zero / wider climate issues / Responsible Business. As noted, as a strategic supplier, we regularly share a myriad of updates with HM Government regarding our climate change / net zero strategy.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Confederation of British Industry (CBI)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

CBI initiative LEAD THE WAY: SHAPE OUR GLOBAL FUTURE quote from CBI website " It's time to tackle some of the biggest challenges of our age: climate change, inclusive growth in an era of rapid technological change, as well as ensuring sustainable and fair global trade. In collaboration, business and government must work to achieve meaningful progress on global issues that impact people, business and society alike". Capita is in complete agreement with this position

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization

Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding

Business in the community

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

15,000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Business in the Community engages with policymakers to address climate related issues

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

Capita-investors-annual-report-2021.pdf

Page/Section reference

tcfd page 50, 51 and 52, rb metrics page 48

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues
Row 1	No, but we plan to have both within the next two years

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to Net Positive Gain	SDG

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Education & awareness Other, please specify Planning to baseline our

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1		

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	Capita is a hugely diverse organisation and services can be provided virtually from many locations. Tracking the emissions associated with a single customer is prohibitively complex to attempt in most cases and we hope that our scope 1 and 2 information with our turnover is adequate to easily calculate emissions related to your business with Capita on an intensity basis. Predominantly our services operate in a similar way and variances should not cause undue inaccuracies. We fully understand the need to develop supply chain emissions data and net zero supply chain, so we are in the process of setting targets to become net zero, making scope 1 and 2 an absolute priority. We are designing our science based net zero target methodology across our material value chain and will apply to SBTi for net zero target verification when it goes live in late 2021.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

As Capita simplifies into 2 core divisions and divests non-core businesses it will become more straightforward to manage carbon emissions at contract level and consolidated sales date will be easier to use for the purposes of carbon emissions. We expect to be able to report operational emissions by cost centre and business next year so even if we must use some level of intensity measures it will be within a single business rather than across Capita.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options		Public

Please confirm below