INTRODUCTION CARBON REDUCTION TARGET

Setting a Paris aligned reduction target

The setting of a best-in-class target is guided by the Science-based Target Standard released by the Science Based Targets initiative. The standard outlines the setting of a science-based target (SBT) as follows:

1) **Near-term SBTs**: 5–10 year emission reduction targets in line with the 1.5°C as a minimum for Scope 1 and 2 emissions and a well below 2 degrees scenario as a minimum for Scope 3 emissions.

2) **Long-term SBTs**: Target to reduce emissions to a residual level in line with 1.5°C scenarios by no later than 2050

3) **Neutralization of residual emissions**: GHGs released into the atmosphere when the company has achieved their long-term SBT must be counterbalanced through the permanent removal and storage of carbon from the atmosphere.

Pre Baseline: 2019 - 2022

Achieved a 32% reduction of Scope 1 and 2 Emissions due to Facility Reductions. Reduced Scope 3 Emissions by 8%

2022 Baseline	kgCO$_2$e	MtCO$_2$e
SCOPE 1 EMISSIONS		
Natural gas and other fuels	3,593,626	3,594
SCOPE 2 EMISSIONS		
Electricity consumption	8,496,592	8,497
SCOPE 3 EMISSIONS		
Purchased goods and services	163,557,575	163,558
Fuel-and-energy-related activities	3,251,908	3,252
Business travel	4,671,170	4,671
Employee commuting	14,800,200	14,800
Upstream leased assets	42,963	43
Use of sold products	264,107	264
End-of-life treatment of sold products	135	0.1
Downstream leased assets	838,044	838

SCOPE 1 – all direct emissions from the activities of an organisation or under their control. i.e. fuel combustion on site in gas boilers, fleet vehicles and refrigerant leaks.
SCOPE 2 – indirect emissions from electricity purchased and consumed by the organisation.
SCOPE 3 – All other indirect emissions from activities of the organisation, occurring from sources that they do not own or control.
WB2D – Well-below two degrees climate scenario – the level of decarbonisation to sustain a 66% chance of limiting peak warming between present and 2100 to below 2°C.
1.5D – 1.5 degrees climate scenario – the level of decarbonisation needed to sustain a 50% chance of limiting peak warming between present and 2100 to below 1.5°C.

NEAR-TERM & LONG-TERM TARGET

5-10 Year Target

Near-term science-based targets include what Peraton will need to do now and over the next 5-10 years to reduce their emissions. As a minimum Peraton would need to reduce its Scope 1 and 2 emissions in line with the 1.5 degree scenario. The Scope 3 emissions can be reduced in line with the well below 2 degrees pathway as a minimum. The total reduction required for to meet a near-term science-based target is therefore 31.26% by 2032 across Scope 1, 2 and 3 from a 2022 baseline.

	2023	2032
Scope 1, 2 (1.5D), Scope 3 (WB2D)	-3.65%	-31.26%

Long Term Target

A long term target can set for no later than 2050 and would require a reduction of 90% of Peraton's Scope 1, 2 and 3 emissions.

Peraton reduction target

Scope 1, 2 (1.5D) & 100% Scope 3 (WB2D)