

Bytes Software Services Ltd

Carbon Reduction Plan

Publication Date: 27th July 2022

Commitment to achieving Net Zero

Bytes Software Services' focus on sustainability starts at the top, remains core to our strategy and is underpinned by our values.

In 2021/22, as part of the Bytes Technology Group, we published our sustainability and ESG reporting manual at <https://www.bytesplc.com/sustainability/sustainability-esg-overview> and also our low carbon action plan (LCAP), through which we i) aim to reduce our scope 1, 2 and 3 emission by 50% by 2025/26, and ii) aim to be carbon net zero by 2040.

Our LCAP also set the near-term goal of carbon neutral operational emissions, using carbon credit approved offsetting schemes, which Bytes Software Services achieved in March 2022.

Baseline Emissions

Baseline Year	2021
Initial SECR report performed on 31 st March 2021 by Eshcon Ltd. These were an estimate for Bytes Software Services, since this report was produced for a group as a whole and did not break down emissions by individual company at the time. Our process has since matured, with emissions data for Bytes Software Services available from 2022 onwards (as set out below).	
Emissions	Total (tCO ₂ e)
Scope 1 – Direct Emissions	36
Scope 2 – Energy Indirect Emissions	171
Scope 3 Other indirect Emissions	52
Total Emissions	259

Current Emissions

Current Year	2022
Initial SECR report performed on 30 th March 2022 by Eshcon Ltd.	
Emissions	Total (tCO ₂ e)
Scope 1 – Direct Emissions	32.2
Scope 2 – Energy Indirect Emissions	161.6
Scope 3 Emissions	
Electricity Transport and Distribution	14.3
Directors Cars	8.8
Grey Fleet	22.6
Air Travel	9.3
Taxi/Trains	4.4

Hotel Stays	2.7
Waste	1.1
Paper	0.1
Water	0.3
Scope 3 Emissions Total	63.7
Total Emissions	257.5

Emissions reduction targets

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

- For scope 1,2 and 3 emissions we aim to reduce these by 50% by 2025-2026 from our 2021 baseline.
- Thereafter, further supply chain engagement.
- We aim to be Net Zero by 2040, covering our own operational emissions.
- The low carbon action plan will be updated annually.

Carbon Reduction Initiatives

A range of energy efficiency projects have been undertaken, including the installation of new boilers at one site and the removal of printers. A new electricity procurement contract specified renewable energy. Each company continues to run its ISO 14001 Environmental Management System.

Other environmental initiatives include installing electric vehicle charging points and encouraging staff to commute to work without the car (setting up a car share network and installing secure cycle parking).

Projects have been done to save water (e.g. hippo bags in toilet cisterns, rainfall harvesting feeding direct to a nearby pond), reduce waste (kitchen waste is composted and crisp packets etc are recycled), improve biodiversity (new hedgehog homes complement the existing bat and bird boxes) and encourage staff to save energy when working from home.

We continue to move services to the cloud where they are supported by less carbon intensive third-party datacentres rather than by our own servers.

Across the whole Group, an Environmental Steering Committee has been established to coordinate environmental activities and drive change.

A carbon offset provider has been appointed to ensure the group is carbon neutral each year, in addition to setting a challenging target to reduce carbon emissions by 50% by 2025/26.

Action Plan:

- Aim to direct up to the equivalent of 1% of profits after tax to corporate social responsibility activities
- Net Zero operational emissions by 2040
- 100% paper free by 2030
- Green Tariff now used for Energy Supply
- Ongoing – 500 Trees Planted, protecting 75 acres of green space. Partnered with Ecologi on future carbon reduction projects.

Further actions include:

Our main emissions come from business travel and through heating and cooling our offices. To cut our emissions, we will focus on such areas as:

- Reducing the need for, and increasing the efficiency of, our business travel by encouraging our people to contact customers and vendors by phone or videoconference whenever possible
- Supporting hybrid working and efficient working practices to reduce commuting
- Using materials, energy and water efficiently, mindful of the lifecycle of products and services
- Continuing to deliver good carbon and environmental management throughout the business
- Working with suppliers and partners to reduce their carbon footprints.

Declaration and Sign Off

This low carbon action plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

Additional information can be found in the 2021/22 Bytes Technology Group Annual Report and Accounts at:

[https://www.bytesplc.com/application/files/7316/5522/7064/Bytes Annual Report and Accounts 2022.pdf](https://www.bytesplc.com/application/files/7316/5522/7064/Bytes%20Annual%20Report%20and%20Accounts%202022.pdf)

This plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

A handwritten signature in black ink, appearing to be 'Jack Watson', written over a horizontal line.

Jack Watson, Managing Director

Date: 27/07/22