

# PPN 006 Carbon Reduction Plan



March 2025 - February 2026

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This report has been produced by **Lemonade** using the **notch** carbon accounting platform for **Bytes Software Services**.

## Company Overview

Bytes Software Services (Bytes) is a leading provider of world-class IT solutions. Their growing portfolio of services includes cloud, security, licensing, SAM, storage, virtualisation and managed services. Since being established in 1982, Bytes has grown rapidly and now employs nearly 800 people in the UK and Ireland. Thanks to their passionate people and close partnerships, they've helped hundreds of top brands to transform, grow and adapt to the changing technology landscape.

<b>Year Incorporated</b>	1982
<b>Industry</b>	<b>Other information technology service activities</b>
<b>No. of Staff</b>	795
<b>No. of Offices</b>	5
<b>No. of Owned Buildings</b>	3
<b>No. of Company Vehicles</b>	

## Reporting Period

March 2025 - February 2026

## Benchmark Year

Scope 1 and 2: March 2020 - February 2021

Scope 3: March 2022 - February 2023

Scope 3 Category 1 - purchased goods and services is by far BTG's largest emissions source and has led to greater work with suppliers, which will gain increasing focus to understand emissions and reductions plans in the supply chain. In addition, BTG continues to focus on initiatives that will drive down emissions they can directly impact, such as energy efficiency in buildings and green transportation. This is aligned with the target to achieve a 50% reduction by 2030 in Scope 3.

## Qualification & Reporting Methodology

This report has been created using the Environmental Reporting Guidelines, including Streamlined Energy & Carbon Reporting (SECR) guidance issued by the UK Government in April 2019.

Emissions have been calculated under the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and were later third-party-verified against the methodology of ISO 14064-1, which provides guidance at the organisational level for quantifying and reporting GHG emissions and removals. Where they exist, Lemonade uses the UK Government published carbon conversion factors relevant to the reporting period. Where emissions, without published conversion factors have been used, these have been determined by Lemonade in consultation with relevant stakeholders and any industry norms or standards that exist. The details of these are included in the Data Declaration section of this report.

## Net Zero History

As part of Bytes Technology Group (BTG), in 2023, Scope 3 emissions were calculated across all 10 categories, relevant to the business, for the first time. The baseline for Scope 3 was set at FY 2022/23 and at the end of 2023 BTG submitted GHG emissions reduction targets to the Science Based Targets initiative (SBTi). In June 2024, BTG received validation of their near-term and net zero targets (2040).

## Net Zero Committed Date

2040

## Reporting Boundary

Financial

## Optional Scope

Emissions from Scope 1 and 2 have been measured in accordance with SECR requirements. The Scope 3 emissions that have been included are:

- Category 4 - Upstream Transportation & Distribution
- Category 5 - Waste Generated From Operations
- Category 6 - Business Travel
- Category 7 - Employee Commuting (incl. working from home emissions)

### Baseline Emissions Footprint

<b>Baseline Year:</b> 2021/22 for Scopes 1 and 2 2022/23 for Scope 3	
Additional Details relating to the Baseline Emissions calculations.	
Bytes Software Services, has a baseline year of 2020/21 for Scopes 1 and 2, when these were fully reported and 2022/23 for Scope 3, as this was the first year that all relevant categories have been calculated. Due to this, the total emissions given below will not be reflective of a single reporting year for Bytes.	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
Scope 1	19.6
Scope 2	171.3
Scope 3 This includes Scopes as outlined by PPN 006: Category 4 – Upstream Transportation and Distribution Category 5 – Waste Category 6 – Business Travel Category 7 – Employee Commuting (includes the optional homeworking category)  Category 9 - Downstream transportation and distribution is considered not relevant due to the nature of Bytes’ business model. All Bytes’ transportation and distribution (category 4 and category 9) is captured in upstream.	831.7
<b>Total Emissions</b>	<b>1,022.6</b>

### Current Emissions Reporting

<b>Reporting Year: 2025/26</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
Scope 1	11.1
Scope 2	<0.1
Scope 3 This includes Scopes as outlined by PPN 006: Category 4 – Upstream Transportation and Distribution (1.6) Category 5 – Waste (0.4) Category 6 – Business Travel (289.3) Category 7 – Employee Commuting (946.6) (includes the optional homeworking category)  Category 9 - Downstream transportation and distribution is considered not relevant due to the nature of Bytes business model. All Bytes’ transportation and distribution (category 4 and category 9) is captured in upstream.	1,237.9
<b>Total Emissions</b>	<b>1,249.1</b>

## Emissions reduction targets

### *Near-Term targets*

To reduce absolute scope 1 GHG emissions 60% by 2030/31 from a 2020/21 base year.

To maintain a 100% absolute reduction of scope 2 (market-based) GHG emissions by 2028/29 from a 2020/21 base year.

To reduce absolute scope 3 GHG emissions 50% by 2030/31 from a 2022/23 base year.

### *Net Zero target*

To reach net-zero GHG emissions across the value chain by 2040/41.

## Immediate Carbon Reduction Priorities

The need for taking immediate and bold action on climate change is increasingly recognised by businesses, government and the general population. **Bytes Software Services** recognises that its activities have an impact on the environment and are committed to minimising any adverse impact wherever practical.

Bytes Software Services, as part of Bytes Technology Group Plc, has had its near term and net zero targets validated by the Science Based Targets initiative (SBTi). Carbon reduction activities are aligned to these targets and will form part of a net zero transition plan. These steps for emissions reporting and transparent declarations are key parts of Bytes' strategy. The immediate priorities of the company to drive down its climate impact are:

- Supply chain engagement
- Business travel and commuting
- Waste reduction

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2020/21 baseline. The carbon emission reductions achieved by these schemes are difficult to quantify as Bytes continues to expand the coverage and quality of data collection activities. However, all current reduction measures, such as 100% renewable electricity at owned offices, will still be in effect when performing the contract.

Scope 1 emissions have reduced from 19.6 tCO<sub>2</sub>e to 11.1 tCO<sub>2</sub>e from the baseline year 2020/21, due to a purchase and consumption of RGGO-backed green gas, and the successful replacement of an HVAC system.

Scope 2 emissions have decreased by over 99% from 171.3 tCO<sub>2</sub>e to <0.1 tCO<sub>2</sub>e (on a market basis) from the baseline year of 2020/21 due to the use of REGO-backed renewable electricity at our head office and two recently acquired sites (Cassini Court and Pascal Place).

Scope 3 emissions have increased from the baseline year of 2022/23 by 48.8% from 831.7 tCO<sub>2</sub>e to 1,237.9 tCO<sub>2</sub>e, which is due mostly to an increase in business travel emissions and employee commuting as a result of the continuing growth of the company.

## Energy & Other Efficiency Projects

### Completed projects

Site	Country	Project	Emissions Impacted
All	UK	Data collected on home working emissions	Scope 3 - Cat. 7 - teleworking
Leatherhead	UK	PIR installed	Scope 2
Leatherhead	UK	Switch from diesel to HVO for back-up generator	Scope 1
Leatherhead	UK	Installation of EV chargers at head office	Scope 3 - Cat. 6 and 7 - Business Travel and Commuting
All	UK	Laptops from refresh programme donated to non-profit organisations nominated by employees	Scope 3 - Cat. 5 - Waste
Leatherhead	UK	Installed new bin system at head office following new regulations around food waste	Scope 3 - Cat. 5 - Waste
All	UK	EV salary sacrifice scheme implemented	Scope 3 - Cat. 6 - Business Travel and Cat. 7 - Employee commuting
Leatherhead	UK	Refurbishment at head office included transition to LED lighting and installation of sensor taps (saving 50-75% in water use)	Scope 2 - Electricity usage, Scope 3 - Cat. 1 and 5 - water use and wastewater
Leatherhead	UK	New water meters installed for new buildings to give more detailed reports on usage	Scope 3 - Cat. 1 and 5 - water use and wastewater
All	UK	SBTi validation of near-term and net zero targets	All emissions
Leatherhead	UK	Refurbishment of new leatherhead building with LED lighting	Scope 2
Leatherhead	UK	New buildings switched to a renewable electricity and biogas tariff	Scopes 1 and 2 – gas and electricity usage
Leatherhead	UK	Replacement of HVAC in Bytes House with more modern and more efficient system	Scopes 1 and 2 - fugitive emissions and electricity usage
All	UK	Created waste and water policy with annual usage metrics and targets for reduction	Scope 3 - Cat. 1 (water) Scope 3 - Cat. 5 Waste
Leatherhead	UK	Pascal Place refurbished with LED lighting	Scope 2

### In progress projects

Site	Country	Project	Emissions Impacted
Leatherhead	UK	Explore potential for car-sharing scheme	Scope 3 - Cat. 7 - Employee commuting
Leatherhead	UK	Explore options for installing solar panels at Leatherhead head office	Scope 2 - (location-based) Scope 3 - Cat. 3 - Fuel and Energy related activities
All	UK	Net zero transition plan	All Emissions

In the future we hope to implement further measures such as:

Site	Description	Action Type	Emissions Impacted	Target	Time frame
Bytes Technology Group	Engage with hardware distributors for better data on upstream transportation emissions	Data Improvement	Scope 3 - Cat. 3 Upstream transportation	Better understanding of supplier emissions	Q4 2027
Bytes Software Services	BTG transformation - understanding impact on BSS's baseline and future reporting	Reporting	All	Accurate reporting	Q4 2027
Bytes Technology Group	Building carbon literacy into onboarding and mandatory annual training	Behaviour change	Business related and outside value chain	Informed employees	Q3 2027
Bytes Software Services	Replacement of HVAC in Pascal Place with more modern and more efficient system	Carbon reduction	Scopes 1 and 2 - fugitive emissions and electricity usage	Emissions reduction	Q4 2028
Bytes Software Services	Develop supply chain engagement strategy and risk assessment	Stakeholder engagement	Scope 3 - Cat 1 Purchased goods and services	Better understanding of supplier emissions	Q3 2027



**Declaration and Sign Off**

This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standard for Carbon Reduction Plans.

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

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

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

**Signed on behalf of the Supplier:**

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Date : .....