

# PPN 06/21 Carbon Report



March 2023 - February 2024

Report Author: CBN Expert Direct

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Prepared By:



Powered By:





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This report has been produced by **CBN Expert** using CBN Expert accounting platform for **Bytes Software Services**

## Company Overview

Bytes Software Services (Bytes) is a leading provider of world-class IT solutions. Our 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 over 630 people in the UK and Ireland. Thanks to our passionate people and close partnerships, we've helped hundreds of top brands to transform, grow and adapt to the changing technology landscape.

Year Incorporated	1982
Industry	Other information technology service activities
No. of Staff	631
No. of Offices	4
No. of Production Sites	-
No. of Company Vehicles - Trucks	-
No. of Company Vehicles - Other	-

## Reporting Period

March 2023 - February 2024

from our suppliers, to work towards our Net Zero target of 2040 and an interim target of 50% reduction in these areas by 2030.

## Benchmark Year

Scope 1 and 2: March 2020 to February 2021

Scope 3: March 2022 to February 2023

## Net Zero Committed Date

2040

## 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.

Where they exist, CBN Expert 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 CBN Expert 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.

## 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:

- Upstream Transportation & Distribution - Upstream T&D
- Waste Generated From Operations - Water Treatment
- Waste Generated From Operations - Waste Disposal
- Waste Generated From Operations - General Waste (C&I) landfill
- Waste Generated From Operations - Waste - General
- Business Travel - Cars
- Business Travel - Rail
- Business Travel - Taxis
- Business Travel - Hotels
- Business Travel - Plane
- Business Travel - Hotel Stay
- Employee Commuting - Cars

## Net Zero History

Throughout 2023, we have been working with an external consultancy to focus on expanding our knowledge and reporting in Scope 3, which now covers all ten categories of Scope 3 relevant to the business, including purchased goods and services. Our Net Zero goal is aligned with science-based targets and our targets have been submitted to the Science Based Targets initiative (SBTi) for validation. Our core short term focus being on reducing emissions from transport, whether that be business, commuting and emissions

- Employee Commuting - Taxis
- Employee Commuting – Bus
- Employee Commuting - Rail
- Employee Commuting - Motorbike
- Employee Commuting - Cycling
- Employee Commuting – Home Working
- Employee Commuting - Walking



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## Baseline Emissions Footprint

Baseline Year: 2021/22 for Scopes 1 and 2. 2022/23 for Scope 3	
Additional Details relating to the Baseline Emissions calculations.	
<p>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.</p>	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	19.6
Scope 2	171.3
Scope 3 This includes Scopes as outlined by PPN 06/21: 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 as due to the nature of Bytes business model. All Bytes' transportation and distribution (category 4 and category 9) is captured in upstream.	832.7
Total Emissions	1023.6

## Current Emissions Reporting

Reporting Year: 2023/24	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	45.5
Scope 2	0
Scope 3  This includes Scopes as outlined by PPN 06/21: 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 as due to the nature of Bytes business model. All Bytes' transportation and distribution (category 4 and category 9) is captured in upstream.	845.9
Total Emissions	891.4



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## Emissions reduction targets

### Near-Term targets

To reduce absolute Scope 1 GHG emissions 50% by 2025/26 and 60% by 2030/31 from a 2020/21 base year  
To reduce absolute Scope 2 GHG emissions 50% by 2025/26 and maintain a 100% absolute reduction of scope 2 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

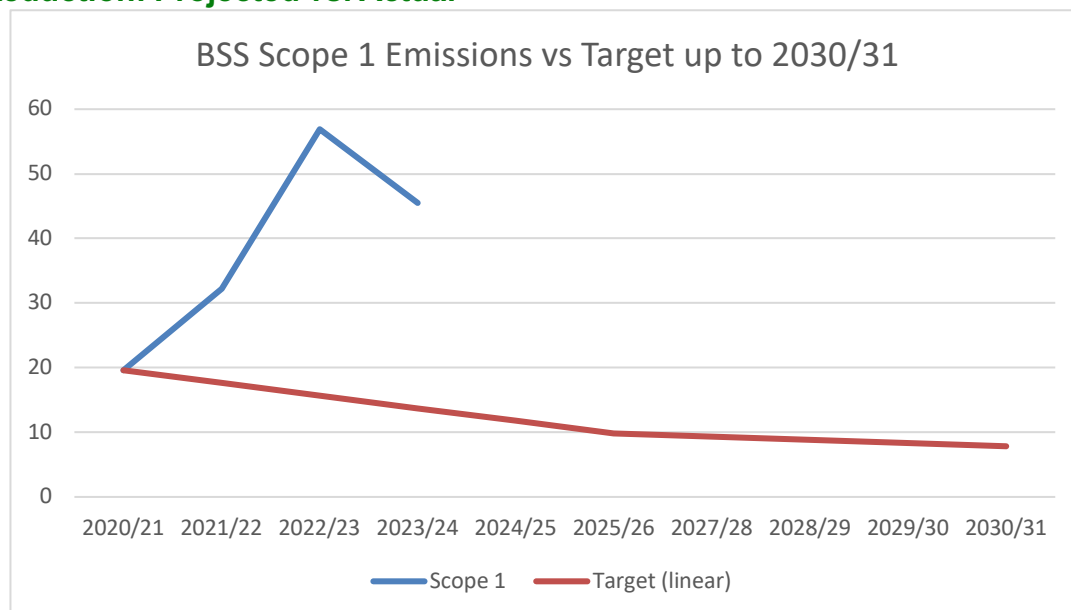
## Immediate Carbon Reduction Priorities

The need for taking immediate and bold action on climate change is being 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 submitted its targets to the Science Based Targets initiative (SBTi) for validation. 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:

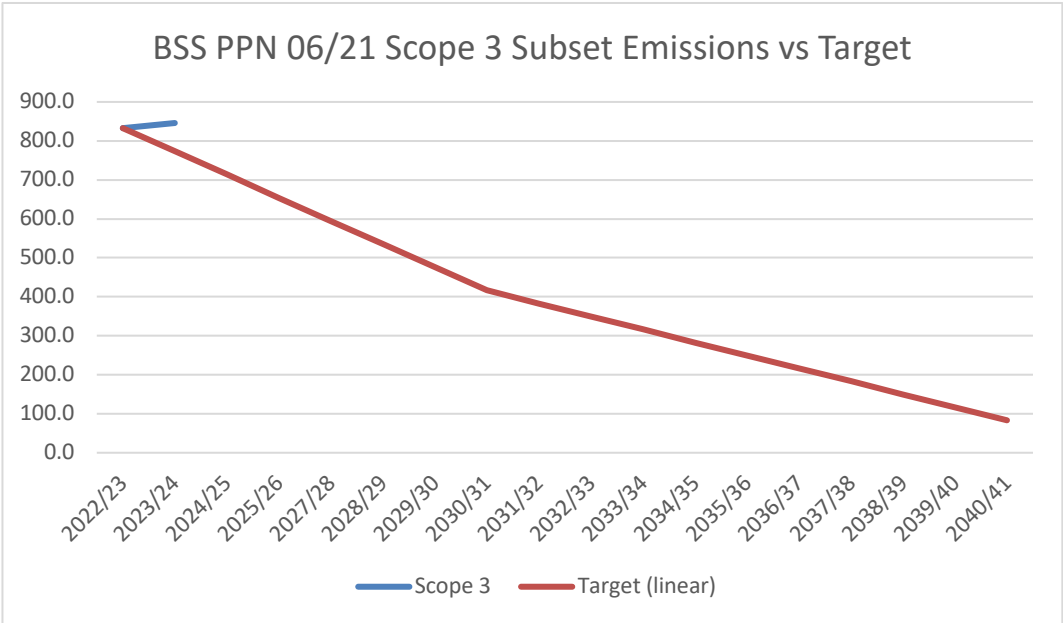
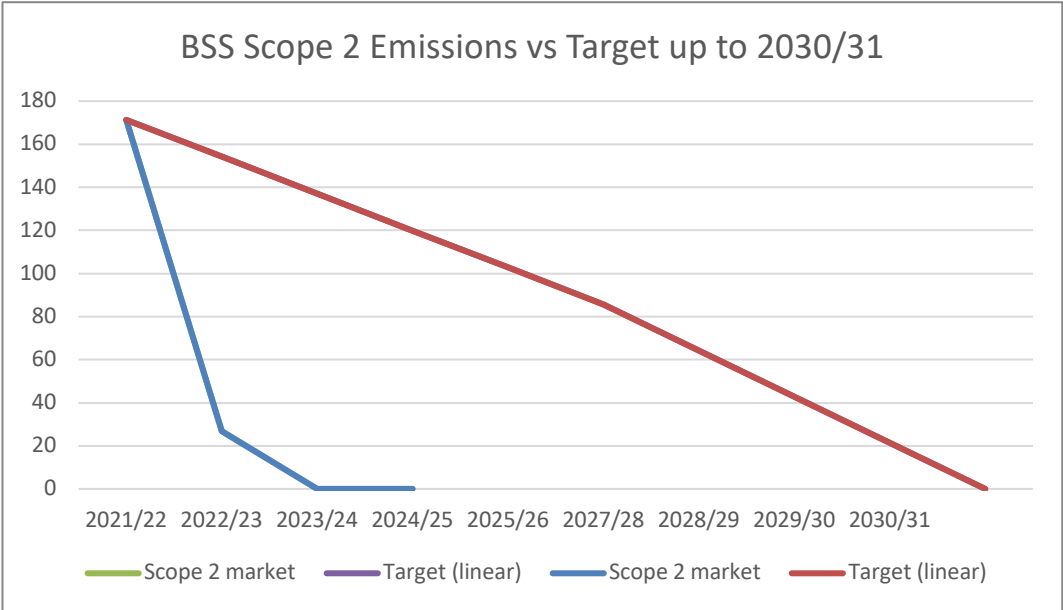
- Supply chain engagement
- Business travel and commuting
- Waste reduction

## Carbon Reduction: Projected vs. Actual





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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, and makes significant advancement in the number of Scope 3 categories being measured and reported. However, all current reduction measures, such as 100% renewable electricity at our owned offices, will be still be in effect when performing the contract.

Scope 1 emissions have increased from 19.6 tCO<sub>2</sub>e to 45.5 tCO<sub>2</sub>e from the baseline year 2020/21, due to a return to work after the Covid pandemic and from an increase in headcount. However, there has been a reduction from the previous reporting year 2022/23 of 20% (from 56.9 tCO<sub>2</sub>e to 45.5 tCO<sub>2</sub>e).

Scope 2 emissions have decreased 100% from 171.3 tCO<sub>2</sub>e to 0 tCO<sub>2</sub>e from the baseline year of 2020/21 due to the use of renewable electricity at our head office.

Scope 3 emissions have increased from the baseline year of 2022/23 by 1.6% from 832.7 tCO<sub>2</sub>e to 845.9 tCO<sub>2</sub>e, which is due mostly to an increase in business travel emissions from the continuing growth of the company.



## Energy & Other Efficiency Projects

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### Completed projects

Site	Country	Project	Emissions Impacted
All	UK	Accredited to ISO 14001	All
Leatherhead	UK	Refurb of head office included LED lighting, PIR controls and smarter use of heating / air conditioning	Scope 2
All	UK	Submitted targets to SBTi for validation	All
Leatherhead	UK	Free for employee EV chargers to encourage a shift to lower impact travel (where active travel or public transport cannot be used)	Scope 3 Business Travel and Employee Commuting
Leatherhead	UK	Weight based data from suppliers – including distributors and waste carriers	Scope 3 Waste and Transport and Distribution
Leatherhead	UK	Switch from diesel to HVO for backup generator	Scope 1
All	UK	Cycle to work scheme	Scope 3 employee commuting

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

Site	Description	Action Type	Emissions Impacted	Target	Time frame
All	Review waste collection providers	Data Improvement	Scope 3 - Cat 5 - Waste	More streamlined, more sustainable and with data on quantities more accessible	Q2 2024
All	Explore options for additional waste streams, such as composting food waste	Carbon reduction	Scope 3 - Cat 5 - Waste	Dispose and re-use of waste in a more sustainable way	Q3 2024
All	Collate data through surveying employees on homeworking emissions	Data Improvement	Scope 3 – Cat 7 - Teleworkers	Greater understanding of emissions from homeworking	Q3 2024
All	Explore potential for car sharing scheme	Carbon reduction	Scope 3 - Cat 7 - Employee commuting	Reduce single occupancy car use	Q4 2024
All	Rollout of EV salary sacrifice scheme	Carbon reduction	Scope 3 – Cat 6 Business Travel and Cat 7 Employee Commuting	Increased replacement of ICE to electric vehicles	Q3 2024
Leatherhead	Explore options for installing solar panels at Leatherhead head office	Carbon reduction	Scope 2 - (location based) Scope 3 Cat 3 - Fuel and Energy related activities	On-site sustainable energy generation, supporting office use and charging of EVs	Q4 2024
All	Carbon literacy and sustainability training for all employees	Stakeholder engagement	All Emissions	Greater awareness of sustainability issues and employee led carbon reduction initiatives	TBC
All	Net zero transition plan	Net zero planning	All Emissions	Increasing detailed action plan to support net zero initiatives	TBC



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Declaration and Sign Off

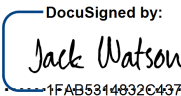
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard 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:

DocuSigned by:  
 Jack Watson      Managing Director  
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27 August 2024  
Date : .....