PPN 006 Carbon Reduction Plan

March 2024 - February 2025

Report Author: **notch**

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Prepared By:

Powered By:

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This report has been produced by **notch** 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. 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 760 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	760
No. of Offices	5
No. of Owned Buildings	3
No. of Production Sites	-
No. of Company Vehicles - Trucks	-
No. of Company Vehicles - Other	-

Reporting Period

March 2024 - February 2025

Benchmark Year

Scope 1 and 2: March 2020 to February 2021

Scope 3: March 2022 to February 2023

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.

Net Zero History

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

Scope 3 Category 1 - purchased goods and services is by far our largest emissions source and has led to greater work with our suppliers, which will gain increasing focus to understand their emissions and reductions plans. In addition we continue to focus on initiatives that will drive down emissions we can direct impact such as energy efficiency in buildings and green transportation. This supports our work to achieve a 50% reduction by 2030 in Scope 3.

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:

- Upstream Transportation & Distribution
- Waste Generated From Operations
- Business Travel
- Employee Commuting and working from home emission

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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.	
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.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO$_2$e)
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 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: 2024/25	
EMISSIONS	TOTAL (tCO$_2$e)
Scope 1	91.6
Scope 2	5.3
Scope 3 This includes Scopes as outlined by PPN 006: Category 4 - Upstream Transportation and Distribution (1.4) Category 5 - Waste (0.3) Category 6 – Business Travel (211.7) Category 7 – Employee Commuting (711.0) (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.	924.4
Total Emissions	1,021.3

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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 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, 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 owned offices, will be still be in effect when performing the contract.

Scope 1 emissions have increased from 19.6 tCO_2e to 91.6 tCO_2e from the baseline year 2020/21, due to a an increase in headcount, office expansion and increased maintenance required on an aging HVAC system (due to be replaced in FY26).

Scope 2 emissions have decreased 95% from 171.3 tCO_2e to 5.3 tCO_2e from the baseline year of 2020/21 due to the use of renewable electricity at our head office. There has been a slight increase since 2023/24 due to the acquisition of new office buildings (Cassini Court and Pascal Place) where it is unconfirmed whether the premises are supplied with renewable electricity, and as such this has been calculated as non-renewable.

Scope 3 emissions have increased from the baseline year of 2022/23 by 11% from 832.7 tCO_2e to 924.4 tCO_2e, which is due mostly to an increase in business travel emissions and employee commuting as a result of the continuing growth of the company.

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Energy & Other Efficiency Projects

Completed projects

Site	Country	Project	Emissions Impacted
Leatherhead	UK	PIR installed	Scope 2
Leatherhead	UK	Switch from diesel to HVO for backup generator	Scope 1
Leatherhead	UK	Installation of EV charger in head office car park	Scope 3 - Cat. 6 and 7 - Business Travel and Commuting
Leatherhead	UK	Vape recycling bins added	Scope 3 - Cat. 5 - Waste
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
Leatherhead	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
All	UK	Data collected on home working emissions	Scope 3 - Cat. 7 - teleworking
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

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	Carbon literacy and sustainability training for all employees. Delivered to non-sales in FY25 to be expanded to sales and further non-sales in FY26	All Emissions
All	UK	Net zero transition plan	All Emissions
Leatherhead	UK	Replacement of HVAC system with more modern and more efficient system.	Scopes 1 and 2 - fugitive emissions and electricity usage

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

Item	Description	Action Type	Emissions Impacted	Target	Time frame
1	Create waste and water policy with annual usage metrics and targets for reduction	Carbon reduction	Scope 3 - Cat. 1 (water) Scope 3 - Cat. 5 Waste	Appropriate target creation for reduction in usage	Q3 2025
2	Develop supply chain engagement strategy and risk assessment	Stakeholder engagement	Scope 3 - Cat. 1 Purchased goods and services	Better understanding of supplier emissions	Q2 2025
3	Engage with hardware distributors for better data on upstream transportation emissions	Data Improvement	Scope 3 - Cat. 3 Upstream transportation	Better understanding of supplier emissions	Q2 2025
4	Develop carbon data checklist and methodology to aid governance of data collection and reduce any errors	Data Improvement	All emissions	Better understanding of all emissions	Q2 2025
5	Refurbishment of new leatherhead building with LED lighting	Carbon reduction	Scope 2	Improvement in energy efficiency relating to lighting	Q3 2025
6	Explore options for a new expenses system	Data Improvement	Scope 3 - Cat.6 – Business Travel	Data improvement would lead to greater accuracy in emissions reporting, reducing the use of averages and assumptions.	Q3 2025

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:

Jack Watson   Managing Director

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       20 June 2025

Date : ....