Softwire Carbon Reduction Plan

Supplier name: Softwire Technology Limited (and all associated trading companies)

Publication date: 1 November 2022

Commitment to achieving Net Zero

Softwire Technology Limited is committed to achieving Net Zero emissions by 2050.

We have eliminated all our 2021 emissions through permanent carbon removal projects, and we commit to continuing to do so from 2021 onwards. We are also adopting emissions reduction targets in order to achieve Net Zero.

See also our footprint report¹ and our removals statement² for 2021.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2018

Additional Details relating to the Baseline Emissions calculations

Our emissions reporting currently includes the following required scope 3 categories:

- Category 4 Upstream transportation and distribution
- Category 5 Waste generated in operations
- Category 6 Business travel
- Category 7 Employee commuting
- Category 9 Downstream transportation and distribution

From 2021, we calculated all scope 3 categories. We have included this below for information purposes, and plan to set a new baseline covering all categories in 2022.

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	6.21
Scope 2	112.03

¹ <u>https://www.softwire.com/wp-content/uploads/2022/11/Supercritical-footprint-report-Softwire-2021.pdf</u>

² https://www.softwire.com/wp-content/uploads/2022/11/Softwire-removal-statement.pdf

Scope 3	125.19
(included sources)	
Total Emissions	243.44

Current Emissions Reporting

Reporting Year: 2021			
EMISSIONS	TOTAL (tCO₂e)		
Scope 1	7.9		
Scope 2	27.5		
Scope 3 (included sources)	13.32	526.8 (all sources)	
Total Emissions	48.72	562.2 (all sources)	

Emissions reduction targets

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

As a growing company, we have set an emissions intensity target, i.e. our targets are based on emissions per unit of production and not on absolute emissions. We are a services company and have therefore used "billable person year" as our unit of production. In our baseline year we emitted 2.673 tCO2e per billable person year, covering Scope 1, Scope 2, and the above selected Scope 3 categories. We set the following specific milestones:

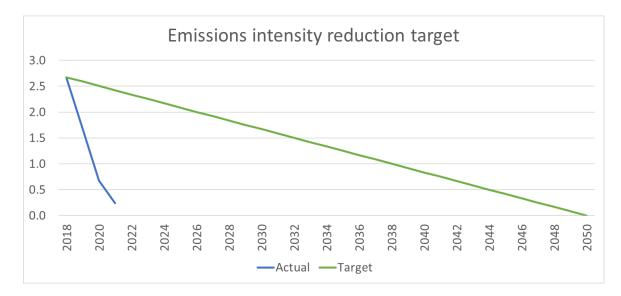
- . 21% reduction in emissions intensity by 2025
- . 40% reduction in emissions intensity by 2030
- . 50% reduction in emissions intensity by 2034

We have already achieved these targets, having emitted 0.240 tCO2e per billable person year within the selected scope in 2021. This is an emissions intensity reduction of 91% and an absolute reduction of 80%.

However, we are aware that these reductions are largely due to the effects of the pandemic on employee commuting, business travel, and office operations. This has meant that the spread of our emissions across Scope 3 categories changed drastically between 2018 and 2021, and some categories that were excluded from the baseline year, such as home working emissions, grew significantly. Therefore, our progress does not indicate proportional reductions made across all categories.

We are therefore creating a new baseline and new targets that include all scope 3 categories, using 2022 as our new baseline year, which will be more representative of our company operations going forward. We will publish these new targets in spring next year.

We will also continue to monitor our progress against the original milestones within the limited scope. We project that our emissions intensity will increase slightly over the next five years as employees return to the office post-pandemic. We are targeting a carbon emission intensity of 1.92 tCO2e by 2027. This is a reduction of 28% compared to 2018 levels.



Progress against these targets can be seen in the graph below:

Carbon Reduction Projects

The following environmental management measures and projects have been completed or implemented since the 2018 baseline. The carbon emission reduction achieved by these schemes, and other organic changes, equate to 194 tCO₂e, an 80% reduction against the 2018 baseline and the measures will be in effect when performing the contract.

- Switching to green energy tariffs throughout our London and Cambridge offices
- Reducing business travel and employee commuting through the employment of hybrid working practices
- Installing solar film on large windows and skylights to save energy
- Replacing inefficient office lighting with low energy alternatives
- Office fitted with sustainability at the forefront, for example by purchasing reusable modular furniture units
- Work phones and test devices are purchased second-hand whenever possible

We also have ongoing schemes implemented since before the 2018 baseline that help us keep our emissions low. These measures will continue to be in effect during the contract:

- A cycle-to-work scheme, and secure cycle storage and showers in our offices
- Electrified heating and cooking throughout our London office
- Keeping laptops in use for the maximum length of time allowed by our security policies, and then donating old hardware or auctioning them to employees with proceeds donated to charity
- Meat-free Mondays our canteen serves only vegetarian & vegan options on Mondays

• Variety of plant-based milk offered for free in our offices

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

- Installing more motion sensors to switch off lights in unused areas
- Commitment to choosing only suppliers with science-based net zero targets
- Supporting employees to switch to renewable energy providers and insulate their homes
- Supporting employees to switch to ethical pension funds and banking options

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 standard³ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁴.

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) Standard⁵.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

Signed on behalf of the Supplier:

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3rd November 2022 Date:

³<u>https://ghgprotocol.org/corporate-standard</u>

⁴<u>https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting</u>
⁵<u>https://ghgprotocol.org/standards/scope-3-standard</u>