Carbon Reduction Plan FY 2024

Supplier name: Shared Services Connected Ltd ("SSCL")
Publication date: March 2025

SSCL

Commitment to Achieving Net Zero

Shared Services Connected Limited (SSCL) are proud to be considered as early adopters of climate change standards since 2017 where we aligned our science-based targets well below 2°C which were validated by the Science Based Targets initiative (SBTi). Later in 2019 these targets were updated to be 1.5°C aligned.

In 2020, we adopted the UN Climate Neutral Now definition of Net Zero as "the state where a balance between anthropogenic greenhouse gas (GHG) emissions and removals is achieved", by taking the following actions:

1. Measure 100% of the organisation's GHG emissions;
2. Reduce GHG emissions as far as possible; and
3. Offset remaining emissions through projects that remove carbon from the atmosphere in the long term.

A Net Zero target date of 2028 was set under the UN Climate Neutral NOW programme.

A Net Zero target date of 2028 was set under the UN Climate Neutral NOW programme. As the effects of offsetting continue to evolve, we decided as an organisation to move towards a more ambitious Net Zero target with a greater focus on reduction and less on sequestration through offsetting and carbon credits.

In 2022, Sopra Steria Group/ SSCL committed to the SBTi Net-Zero Standard (hereafter referred to as 'The Standard') which has become the globally accepted best practice standard for organisations setting Net Zero targets.

The definition of Net Zero under The Standard requires SSCL to strive towards achieving a 90% reduction in absolute emissions from a baseline measurement by no later than 2050.

Consequently, Sopra Steria Group/ SSCL proposed a revised net zero target achievement date of 2040. In July 2023, the SBTi validated the following net zero targets, using an updated baseline year of 2019.

Near-Term Targets

1. SSCL commits to reduce absolute scope 1 and 2 GHG emissions by 54% by 2030 from a 2019 base year.
2. SSCL also commits to reduce absolute scope 3 GHG emissions by 37.5% by 2030 from a 2019 base year.

Long-Term Targets

1. SSCL commits to reduce absolute scope 1 and 2 GHG emissions by 90% by 2040 from a 2019 base year.
2. SSCL also commits to reduce absolute scope 3 GHG emissions by 90% by 2040 from a 2019 base year.

Baseline and Current Emissions Footprint

Baseline emissions are a record of the GHGs that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions.

The Reporting Year is the calendar year 2024 and the Baseline Year is the calendar year 2019.

In 2024, our total absolute Scope 1 and 2 (market-based emissions) decreased by 34%; whilst total Scope 3 emissions increased by 60.9% compared with the baseline year of 2019. In 2024, supplier spend increased by 141.7% whilst emissions from purchased goods and services increased by 93.3% compared with the 2019 baseline year. Thus, in terms of the impact on our overall emissions, this caused our total absolute emissions (i.e Scope 1 + Scope 2 -market based + Scope 3) to increase by 55.9% in 2024. All other scope categories of GHG emissions, with the exception of Scope 2 (market-based emissions), decreased in 2024. Therefore, without accounting for supply chain emissions SSCL's total GHG emissions figures in 2024 would have shown a 32.7% decrease.

Previous year figures (2023) have been restated in the 2024 disclosures for the following reasons:

- Scope 1 emissions: In 2023, this figure was reported as 282 tCO2(e). In this disclosure this figure has been restated as 285 tCO2(e). The reason for the change is the accidental omission of an F-gas leak. Consequently, the figures for Total GHG emissions and related % changes have also been corrected.

- Scope 2 (market based) emissions: In 2023, this figure was reported as 47 tCO2(e). In following OFGEM guidance, we interpreted their guidelines as stating that the UK business could not use Guarantee of Origins (GoOs) purchased by an EU Parent Group to claim zero market-based emissions where electricity supplies were not backed by Renewable Energy Guarantee of Origin (REGO) certificates.

  Since, we have been advised that Sopra Steria Group (our EU Parent Group company) is able to purchase unbundled REGO certificates from a third-party provider based in Northern Ireland (for electricity supplies that are not backed by a REGO certificate within a direct supply agreement with SSL or a landlord that purchases electricity on behalf of SSL) to allow UK subsidiaries to report zero Scope 2 (market-based emissions). Therefore, in this disclosure this figure has been restated to zero.

  Consequently, total GHG emissions, Black-Tariff electricity as well as related percentage change figures have also been amended.

SSCL began to measure its total value chain emissions, in 2021, to begin a credible transition towards net zero which involves the calculation of Scope 1, 2 and all relevant Scope 3 emissions. This includes emissions associated with purchased goods and services (Scope 3 Category 1) which accounted for 87.2% of SSCL's total carbon footprint in 2024.

SSCL has voluntarily incorporated good practice into GHG emissions reporting by incorporating supply chain emissions. Therefore, our figures would not be comparable with other organisations that don't report against their full set of value chain emissions. Performing this action is essential for positioning SSCL as being capable to make a credible transition towards net zero against long-term science-based targets.

Baseline emissions are the reference point against which emissions reduction can be measured. The Reporting Year is the calendar year 2024 and the Baseline Year is the calendar year 2019.

Table 1: SSCL's Emissions by Scope and Category for the Reporting Year (2024) and its Baseline Year (2019)

			Reporting Year	Previous Year	Baseline Year
	Year (January to December)		2024	2023	2019
Scope	Category (for Scope 3)	Definition / Reason for Exclusion	Emissions (tCO_2e)		
1		Oil consumption	16.0	21.4	0.0
		Gas consumption	281	260	398
		Fugitive emissions (measured)	27	4	93
		Scope 1 Total	**324**	**285**	**491**
2		Indirect emissions from the generation of purchased electricity, steam, heating and cooling	0	0	0
		Scope 2 (market-based) Total	**0**	**0**	**0**
3	Category 1: Purchased goods and services	Purchased goods and services	12,669	12,264	6,554
	Category 2: Capital Goods	Emissions due to capitalised purchases are included in Scope 3 Category 1	Not Applicable		
	Category 3: Fuel and Energy Related Activies (not included in Scope 1 or 2)	Upstream emissions of purchased Fuel (Well-to-tank)	8	8	52
		Upstream emissions of purchased Electricity (Well-to-tank)	89	97	160
		Transmission and distribution (T&D) losses for Electricity	35	38	85
	Category 4: Upstream Transportation and Distribution	Emissions due to capitalised purchases are included in Scope 3 Category 1	Not Applicable		
	Catergory 5: Waste Generated in Operations	Emissions from the treatment and disposal of solid waste	0.8	2.5	2.3
		Emissions from the treatment of wastewater	2.3	2.8	7.8
	Category 6: Business Travel	Air	57.6	81.0	65.4
		Rail	36.9	41.6	86.6
		Petrol	58.6	62.6	120.4
		Diesel	50.3	73.5	103.4
		Electric Cars	2.0	2.5	0.0
		Motorcycle (Petrol)	0.0	0.0	0.0
		Taxi	3.3	4.3	8.7
		Hotel	30.6	38.0	59.2
	Category 7: Employee Commuting	Employee commuting and working from home	1,165	1,439	1,526
	Category 8: Upstream Leased Assets	Off-site data centres (Market-based emissions from purchased electricity)	0	0	0
	Category 9: Downstream Transportation and Distribution	SSCL's business requires no material downstream transportation and distribution of goods	Not Applicable		
	Category 10: Processing of Sold Products	SSCL does not sell products subject to processing			
	Category 11: Use of Sold Products	Emissions from the use of products that SSCL sells are not material			
	Category 12: End-Of-Life Treatment of Sold Products	Emissions from the end-of-life treatment of products that SSCL sells are not material			
	Category 13: Downstream Leased Assets	Tenants	0	0	0
	Category 14: Franchises	SSCL neither sells franchising rights nor operates any franchises	Not Applicable		
	Category 15: Investments	SSCL has no material investments in other companies			
		Scope 3 Total	**14,208**	**14,155**	**8,831**
		Total (Scope 1 + 2 + 3)	**14,532**	**14,441**	**9,322**

Emissions reduction targets

SSCL will transition towards net zero emissions by the end of 2040 using a phased approach, ensuring that we commit to a steady decline in emissions using science-based targets to deliver positive outcomes through our climate action. Thereby, enabling Sopra Steria to support Paris Agreement goals.

Table 3: Phases of SSCL's Approach to becoming Net Zero by 2040

Year	Scope of Net Zero
2019	Confirmed baseline year
2023	Target aligned with science-based targets methodology
2030	Against the baseline year achieve: • Reduction of absolute Scope 1 & 2 GHG emissions by 54% • Reduction of absolute Scope 3 GHG emissions by 37.5%
2040	Against the baseline year achieve: • Reduction of absolute Scope 1 & 2 GHG emissions by 90% • Reduction of absolute Scope 3 GHG emissions by 90%

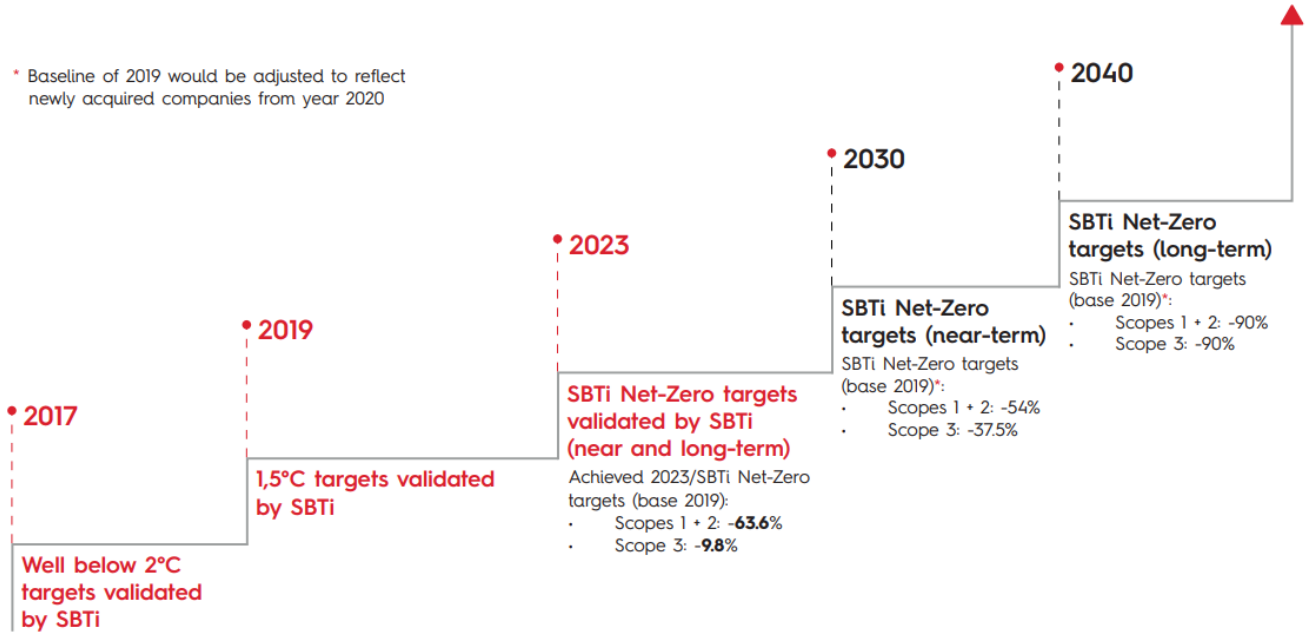
Science-Based Targets

To assist with achieving our validated long-term net zero targets, Sopra Steria Group has set near-term Science-Based Targets (SBTs) that also apply to SSCL in the UK. The following SBTs are aligned to the 1.5oC pathway and approved by the SBTi:

Figure 1: Sopra Steria Group and SSCL roadmap to achieving net zero by the end of 2040

Trajectory Toward Net-zero Emissions

Key milestones on the way to achieving SBTi's long-term emission targets



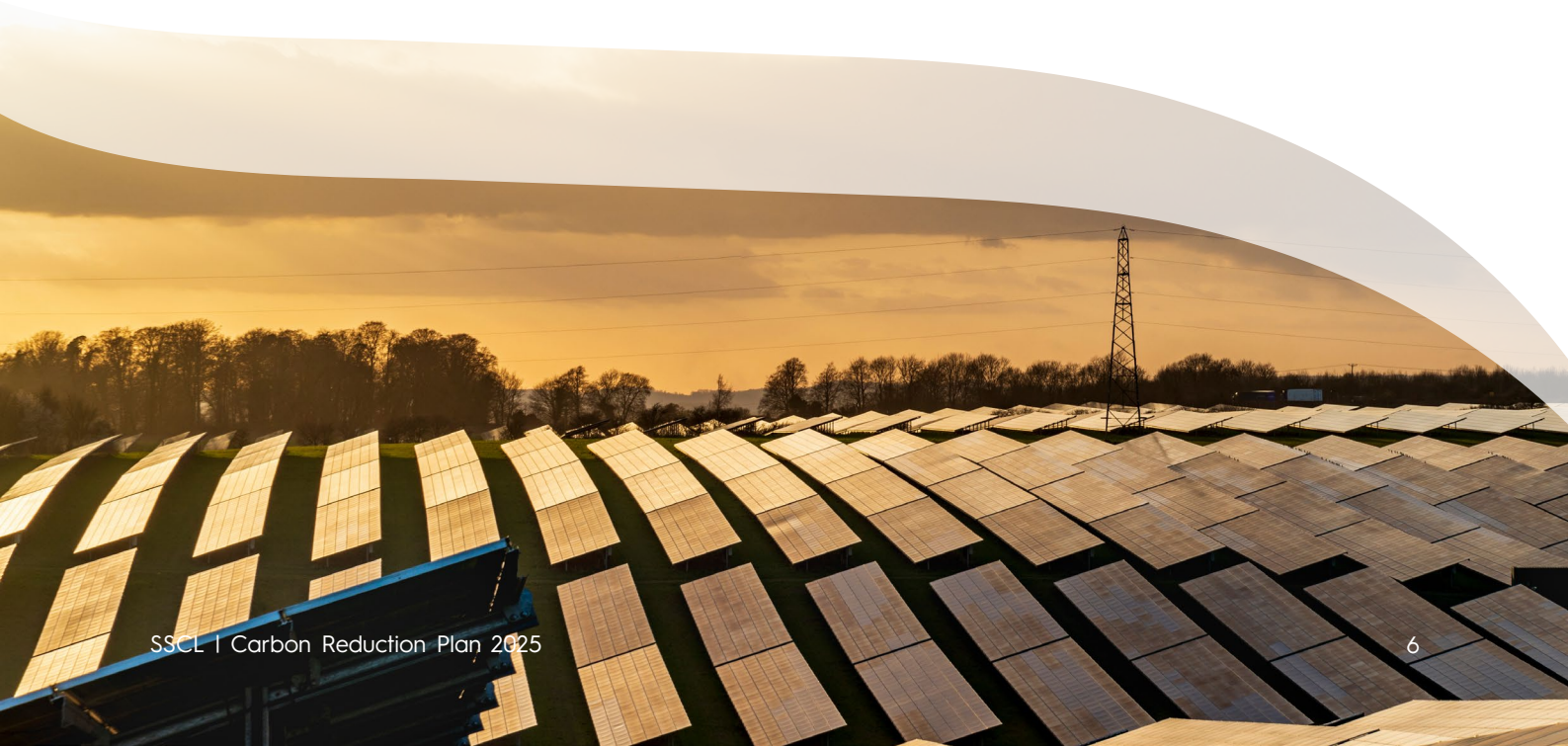


Figure 2: Historical Emissions Reductions

The graph in Figure 2 shows our historical emissions, a trajectory for rates of emissions reductions needed to achieve our targets and the current position of SSCL emissions in the reporting year (2024):

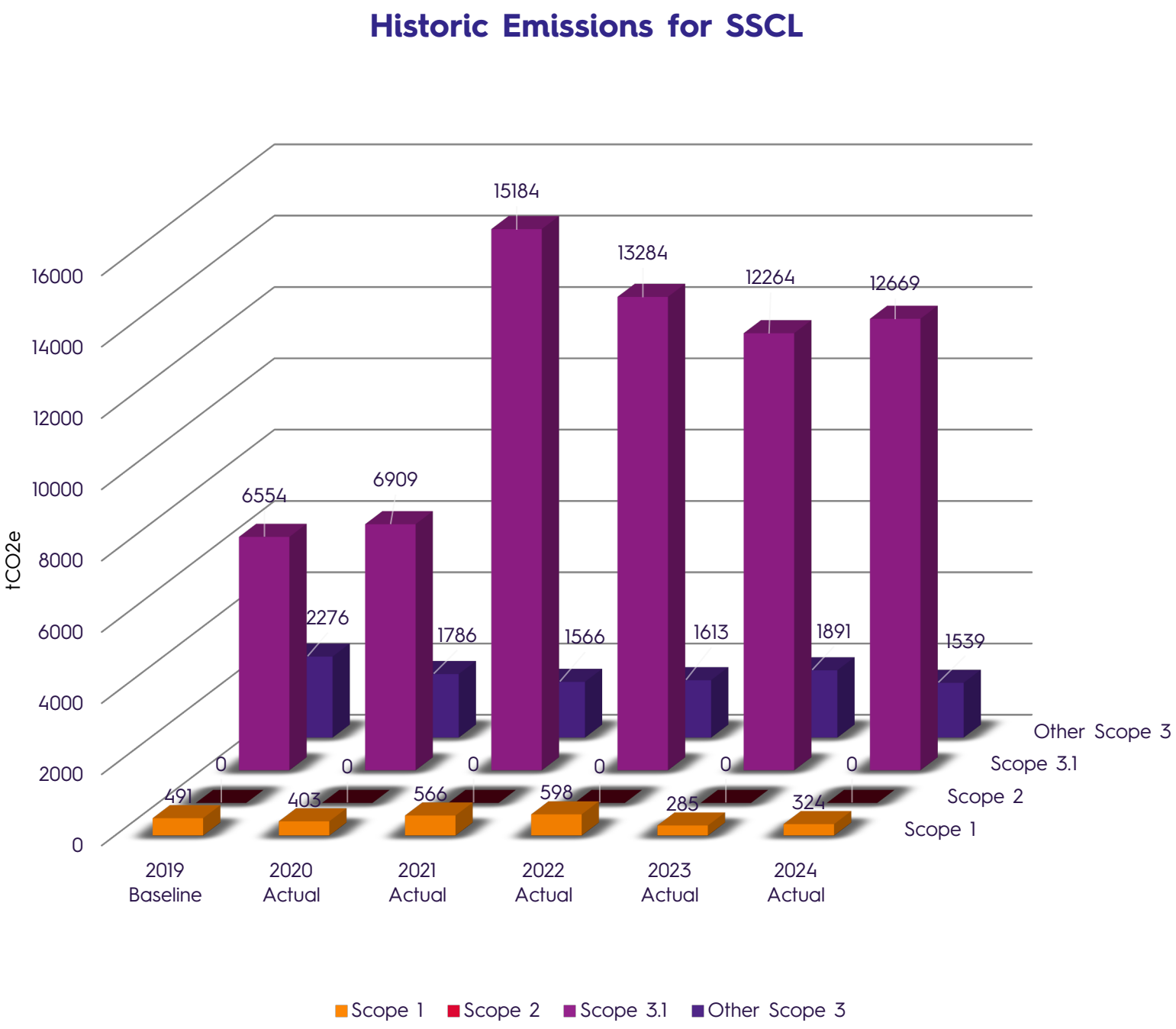
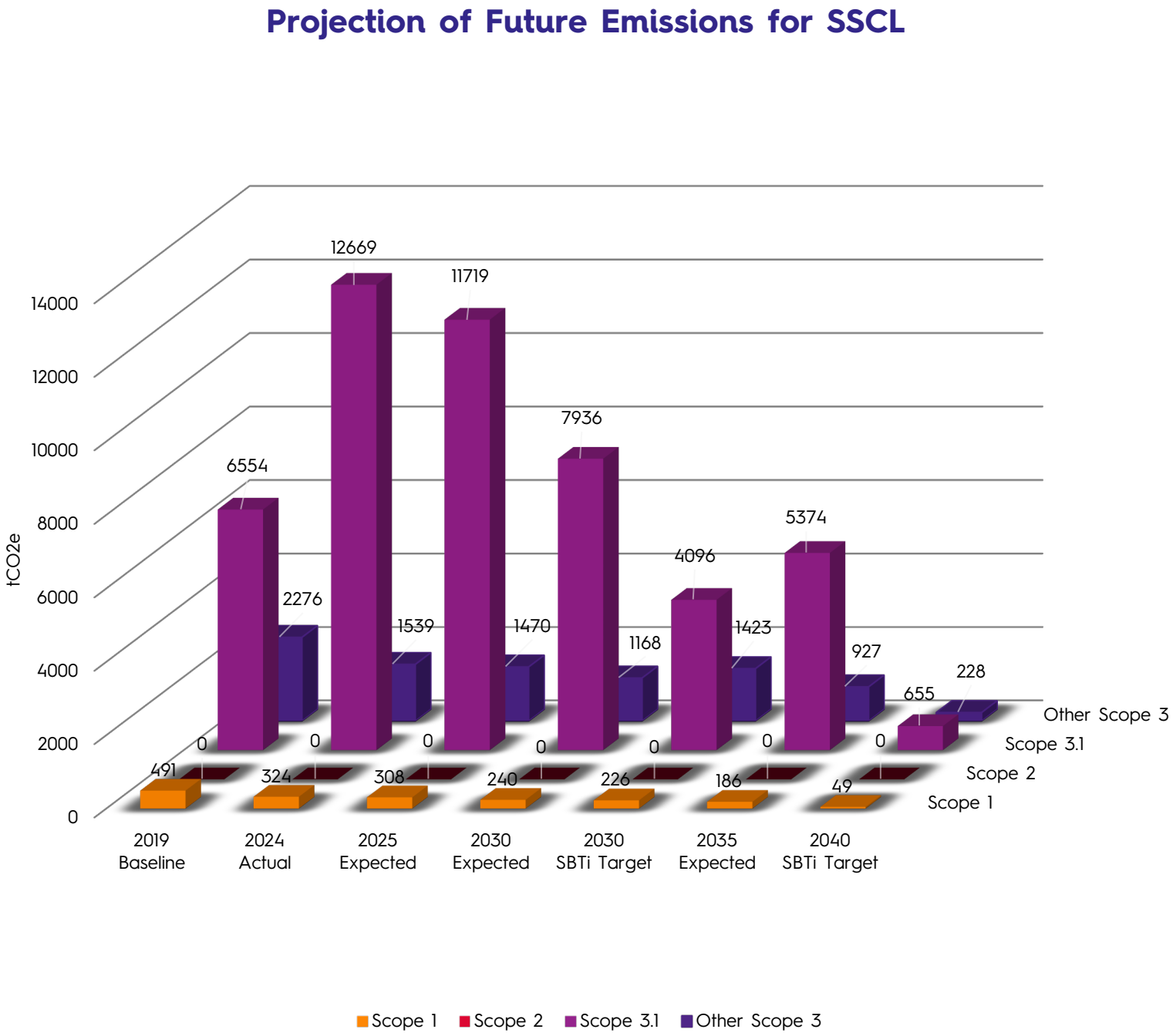


Figure 3: Projected Emissions Reductions

The graph in Figure 3 shows our trajectory for rates of emissions reductions needed to achieve our targets and the current position of SSCL emissions in the reporting year (2024):



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

SSCL maintains and continually improves its Environmental Management System, which is externally certified to the ISO 14001:2015 standard.

SSCL has completed or implemented the following environmental management measures and projects since 2017. These measures will be in effect during the performance of contracts.

Energy Efficiency

SSCL has continued to address energy efficiency, leading to a year-on-year reduction in our energy intensity (per full time employee) of 11.5% in 2024. Since the baseline year of 2019, our absolute energy footprint has decreased by 42.9%.

In 2024, we implemented the following measures to reduce our carbon emissions:

In January our Newport site lowered the gas boilers' lockout temperature from 20°C to 18°C. This change means that the system will shut off when the outside temperature reaches 18°C instead of 20°C. By making this adjustment, SSCL Newport aims to save over 135,000 kWh of gas for heating each year, especially during spring and autumn.

In February our Newport site added timers to four electric water heaters, setting them to function only during peak hours. This modification is expected to save 11,138 kWh each year, leading to a 20% reduction in overall energy usage for these heaters.

In April 2024 our Glasgow site replaced 1,040 T8 fluorescent lights in the office and storage areas with LED lights. This change should save an estimated 66,181 kWh annually.

In April our Newport site changed the fuel for its backup generator from regular diesel to HVO fuel. HVO is a synthetic renewable diesel made from certified waste materials that cuts carbon emissions by up to 90% compared to traditional diesel.

It also lowers nitrogen oxide and carbon monoxide emissions, is biodegradable, non-toxic, has a long shelf life, and contains no fossil fuels.

In May at Newport the site installed Anti Dry Cycling Controllers linked to six gas boilers that provide heating and hot water for the facility. Around 91% of the gas used on-site is for heating, while the remainder supports hot water and kitchen equipment. These controllers ensure the boilers operate only when necessary, decreasing energy waste and leading to a 6.9% reduction in annual gas usage.

Additionally, the Newport facilities team increased the chillers' set point temperature from 8°C to 12°C. These chillers are part of the Building Management System for ventilation and air conditioning. The 2024 ESOS audit suggested that this change could save around 99,000 kWh of electricity every year.

In Nov 24 HVAC time schedules were adjusted at Newport to save two hours of run time per day. This is now a continual process with quarterly reviews of BMS planned to ensure running of HVAC meets seasonal and building demand. Annual savings are expected to be 9,828 kWh.

Renewable Electricity

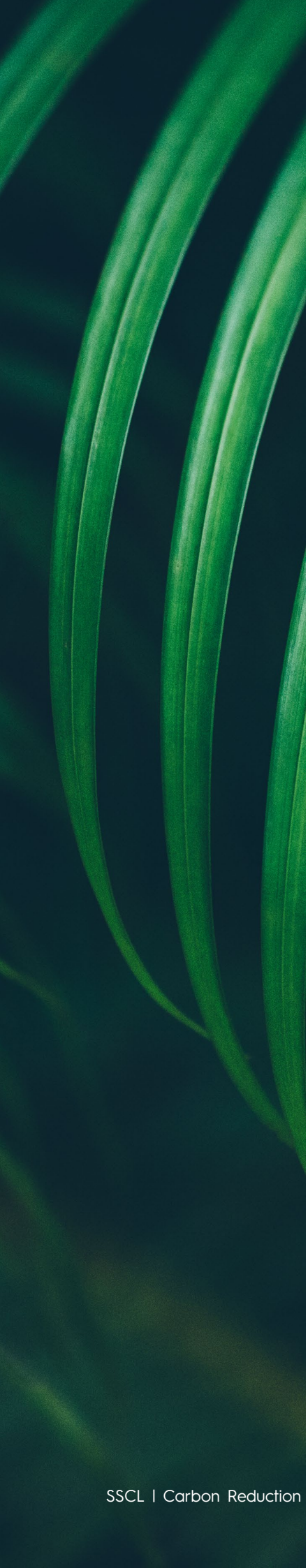
In 2019 SSCL had raised the proportion of electricity consumed from renewable sources to 100%, reducing Scope 2 emissions to zero on a market basis.

All electricity SSCL consumes via supply contracts directly arranged by Sopra Steria with electricity suppliers, is backed by Renewable Energy Guarantees of Origin (REGO) certificates.

Digital Sustainability

In August 2024, Sopra Steria – SSCL's UK holding company, joined the Government Digital Sustainability Alliance (GDSA). The UK CEO of Sopra Steria signed an agreement committing to support Defra and the UK Government to meet the commitments defined within the Greening Government ICT and Digital Services Strategy 2020-2025.

100% of our IT waste is diverted away from landfill.



Business Travel and Internal Carbon Price

SSCL applies an internal shadow carbon price, in the UK, for business travel. Each quarter, emissions from business travel are calculated alongside the associated shadow carbon costs for each business division.

The Carbon Footprint Report is incorporated into the existing Sector Travel Power BI Report, which is available to senior management, Sector Directors, and Financial Controllers. By making employees aware of the carbon cost of travel, the internal shadow carbon price has changed their behaviour. They might choose to teleconference rather than travel at all, and if they do travel, to choose the mode with the lowest carbon emissions; for example, taking the train between London and Glasgow rather than a plane.

In this way, the internal shadow carbon price has contributed towards the reduction of 71.1% in business travel emissions per full-time employee in the reporting year 2024 since the baseline year of 2019.

Waste Management

100% of general and dry mixed recyclable waste, from collections managed directly by SSCL, is diverted away from landfill.

Since 2019, SSCL have collaborated with its catering contractor in replacing plastic packaging of food and drinks sold at on-site canteens with packaging made from plant-based material. This has helped to eliminate over 137,068 items of single-use plastics from SSCL's waste.

In 2024, where SSCL arranged its own waste collection a recycling rate of 33% was achieved. This included the collection of food waste from our Newport canteen, which was processed at an anaerobic digestion facility to create biogas. This biogas is either fed into the gas grid or converted into electricity.

Redundant IT waste was sent to a specialist waste contractor, where it was dismantled and recycled or converted into energy via incineration. This incineration is necessary for electronic waste that includes Persistent Organic Pollutants (POPs), which cannot be reused or recycled. Zero IT waste was sent to landfill.

Supply Chain Emissions

In 2024, supply chain emissions accounted for 87% of SSCL's full value chain GHG emissions.

In 2024, a change to calculating Scope 3 Category 1 emissions (purchased goods and services) was introduced. To better reflect the actual emissions performance of our suppliers, we have gathered primary data through a supplier engagement survey and a process of 'data scraping' of publicly available emissions and financial data. In 2024, this survey was issued to suppliers representing the top 70% of our supply chain spend. During 2024, we launched a Supplier Engagement Programme to gather data from our suppliers, which included their GHG emissions reporting and reduction targets.

Suppliers accounting for 36% of Sopra Steria's Scope 3 Category 1 emissions were able to evidence their full value chain emissions. Therefore, we have been able to include their emissions figures in the calculation of our Scope 3 category 1 emissions through the creation and application of bespoke emission factors.

For other suppliers that aren't yet mature in their journey in being able to calculate their full Scope 1, 2 and 3 emissions, we continue to apply Defra conversation factors based on the supplier's Standard Industrial Classification (SIC) code as published on the Companies House webpage for their registered company. In addition, as Defra conversion factors are only available up until 2021, the effect of inflation (using the International Monetary Fund rate) has been embedded into the calculation of emissions for suppliers where we haven't been able to apply our bespoke emission factors.

Therefore, we have applied a hybrid methodology to calculate emissions related to our entire supply chain.

During FY2024, Sopra Steria issued a survey to UK suppliers representing 70% of our procurement spend as part of a Scope 3 Supply Chain pilot project. We worked with respondents to ascertain whether they had set GHG emissions reduction targets aligned with the SBTi. During 2025, through our sustainable procurement programme, we will be building on this approach to engage more suppliers in order to quantify our Scope 3 Supply Chain GHG emissions and progress against reduction targets. This methodology will help to reduce our reliance on estimating supply chain emissions through use of actual data based on emissions reported by suppliers as well as provide opportunities for effective supplier engagement to collaborate around innovation that leads to reducing emissions.

Carbon Offset Initiatives

In the past, SSCL has offset its GHG emissions by investing in projects that avoided future GHG emissions, particularly renewable energy projects in India.

In 2020, as part of its strategy for transitioning towards net zero emissions, Sopra Steria/ SSCL changed to a new partner, One Carbon World, who are accredited by the United Nations Climate Neutral Now programme to provide Sopra Steria / SSCL with climate neutral certification through the use of carbon removal offsets. This partner invests in projects that remove GHG emissions from the atmosphere, particularly afforestation projects in Uruguay that create new land for trees that absorb carbon dioxide from the atmosphere, and that do not simply replace trees in deforested areas.

Details have been detailed below relating to the carbon removal off-setting scheme that used by Sopra Steria and in turn subsidiary SSCL:

Verra's Verified Carbon Standard (VCS)

The VCS is a globally recognised standard for certifying carbon offset projects. It covers a wide range of project types, including forestry, and is widely accepted in international carbon markets. This is the largest nature standard in the World. Projects certified under the VCS issue Verified Carbon Units (VCUs), each representing one tonne of CO_2 equivalent reduced or removed. Carbon removal offsets purchased by Sopra Steria are VCS certified.

Global Recognition & Compliance

Verra's VCS afforestation standard aligns with internationally recognised frameworks such as UNFCCC, the Science Based Targets initiative (SBTi), and the Paris Agreement. The UK Woodland Carbon Code (WCC), however, is primarily designed for UK businesses and domestic carbon neutrality strategies, limiting its relevance for internationally recognised climate commitments. Companies with global net-zero targets often choose Verra-certified credits, as they are widely accepted under multinational sustainability reporting frameworks.

ICVCM Integrity & Market Integration

The WCC is currently undergoing evaluation for approval under the Integrity Council for the Voluntary Carbon Market (ICVCM). Until adjustments are made, WCC units (WCUs) remain a UK-focused tool and do not yet align with international frameworks such as Article 6 of the Paris Agreement. (as recognised by circa 200 governments). Sopra Steria's provider of carbon-removal offsets is an organisation named One Carbon World (OCW). As OCW are a United Nations (UN) Observer organisation they select projects that meets the higher tier requirements.

Kyoto Protocol vs. UK Carbon Offset Scheme (WCC/Peatland Code)

Sopra Steria's offset are aligned with the Kyoto Protocol. The Kyoto Protocol provides a broader regulatory framework, recognised by circa 200 governments, WCC and Peatland Code credits are largely used within the UK and are not yet recognised under Article 6 of the Paris Agreement. Additionally, VCS afforestation projects are subject to stringent additionality requirements, ensuring that the carbon credits represent new, verifiable emissions reductions rather than business-as-usual activities.

Environmental Benefits of the Guanare Afforestation Project, Uruguay

The afforestation project (linked to Sopra Steria's carbon removal offsets) delivers multiple environmental benefits that align with broader sustainability goals, particularly those outlined in the UK Forestry Standard (UKFS). These include:

Biodiversity:

- The project includes conservation areas along rivers and streams, safeguarding native forests and enhancing local biodiversity.
- Natural forests within the project boundaries contain valuable tree species (e.g., Salix humboldtiana, Erythrina crista-galli), providing habitats for wildlife.
- Afforestation on degraded grazing land prevents further biodiversity loss by reducing land degradation and increasing vegetative cover.
- Sustainable forest management practices, including selective pruning and thinning, promote habitat diversity and long-term ecological balance.

Soil:

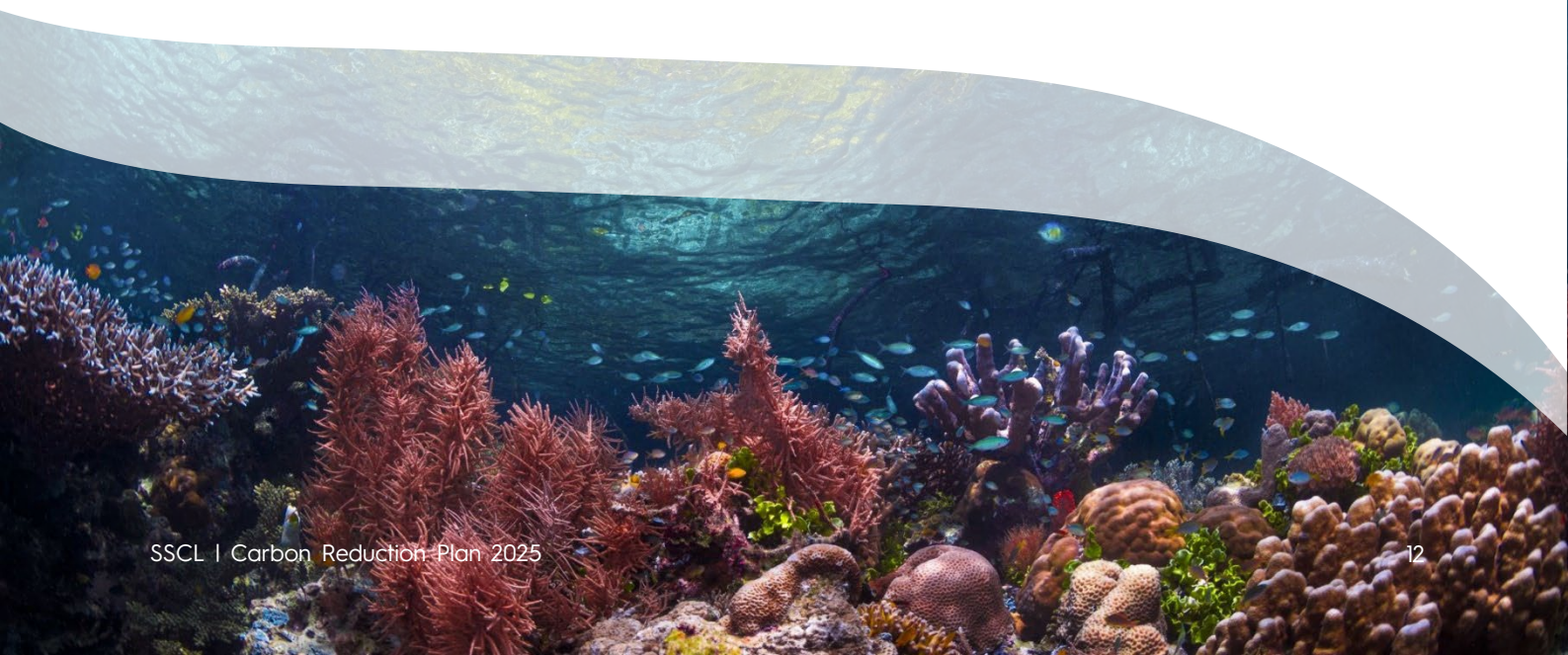
- The project restores degraded soils by increasing organic matter through afforestation, improving soil structure and fertility.
- Tree root systems stabilise the land, reducing soil erosion and compaction, particularly on rolling hills with shallow soils.
- Sustainable site preparation minimises disturbance, with soil tillage performed only before planting and not repeated for at least 20 years.
- o The project prevents further loss of soil organic carbon, which had already declined by over 20% due to long-term cattle grazing.

Water:

- The afforestation plan protects natural watercourses by maintaining buffer zones with native riparian vegetation.
- Trees help regulate the hydrological cycle by reducing surface runoff, filtering pollutants, and promoting groundwater recharge.
- The project mitigates the risk of drought and flooding by improving soil water retention and reducing erosion, thereby contributing to watershed stability.

Additionally, the project includes Forest Stewardship Council (FSC) certification which meets the requirements of supply chain transparency act (many community benefits such as healthcare, job creation and school education programme are included).

The project has also received Climate, Community and Biodiversity (CCB) accreditation, which demonstrates community and biodiversity-related outcomes. Currently, only a few projects in the world has achieved this high level of accreditation.



Future Initiatives

The Carbon Reduction Plan, as part of our Net Zero UN Climate Neutral Now initiative, is a key component of our wider Environmental Sustainability programme. This programme integrates our ISO14001-certified Environmental Management System, efficient resource consumption, renewable energy, circular economy, sustainable supply chain and support for our clients with solutions and services in their transition to a Net Zero economy.

Through the work of our Energy Efficiency Working Group, at Sopra Steria we will continue to collaborate with our building maintenance contractor to explore energy savings opportunities that will lead to increased energy efficiency and facilitate a further reduction in Scope 1 and 2 emissions.

In 2025, through the Supplier Emissions Reduction Programme our Sustainable Procurement Working Group will build on the approach in 2024 to gather emissions data and promote GHG emissions reductions in our value chain.

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 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) Standard.

This Carbon Reduction Plan, for the Financial Year ending on 31st December 2024, has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Director's signature:

Kenny Morris

Director's name:	Date:
Kenny Morris	26/03/25

sscl.com

SSCL