Carbon reduction plan

To comply with PPN 06/21

Sigma Connected Limited is committed to achieving Net Zero emissions by 2050

This carbon reduction plan follows the structure and guidance from the Cabinet Office and has been prepared in accordance with PPN 06/21.

Carbon Reduction Plan

Supplier name: Sigma Connected Limited

Publication date: 29th April 2025

Commitment to achieving Net Zero

Sigma Connected Limited is committed to achieving Net Zero emissions by **2050**.

Executive summary

Building upon the outcomes of its carbon footprint baseline in 2022, this Carbon Reduction Plan (CRP) developed by Sigma Connected outlines its continued commitment to reducing carbon emissions across its operations. Within this CRP are a clear set of targets, strategies and initiatives to drive meaningful reductions, forming an integral part of our broader programme of long-term sustainability.

In developing this CRP we have been supported by Eight Versa, a consultancy specialising in sustainability within the built environment and beyond. Eight Versa provided technical guidance and expertise to help assess current environmental performance and to assist in defining a structured approach towards measurable carbon reduction.

Notes on reporting period

Our reporting period is 1st January to 31st December, as used for baseline emission calculations in 2022. In accordance with PPN 06/21 we ensure the same reporting period each year. Due to this reporting cycle, at the time of publishing this Carbon Reduction Plan the 2024 Reporting Year Emissions data is not yet available.

We acknowledge the requirement within PPN 06/21 that our Carbon Reduction Plans should be updated annually within 6 months of the end of the reporting year and are committed to publishing an updated plan including 2024 Reporting Year Emissions in accordance with PPN 06/21.

PPN 06/21 requires suppliers to report their most recent annual data available in the Carbon Reduction Plan. Therefore in accordance with PPN 06/21 we have used 2023 as our Current Emission Reporting Year. We recognise the importance of timely and accurate emissions reporting and are committed to ensuring full alignment with PPN 06/21 requirements.

The use of 2023 data ensures the continued integrity and transparency of our reporting to demonstrate our ongoing commitment to carbon reduction. The 2023 data represents an accurate, comprehensive and valid account of our emissions, consistent with our baseline.

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: 2022	
Additional Details relating to the Baseline Emissions calculations.	
In our baseline year we did not have actual Scope 1 emission data, so applied benchmark data based on floor area to estimate emissions (in line with GHG Protocol accepted methodology). Our methodology changed in the 2023 reporting year as actual data was available (which accounts for the increase). Category 9 of Scope 3 (Downstream Transportation and Distribution) is not applicable to the company's operations and therefore has a zero value.	
Baseline year emissions:	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	1.7
Scope 2	113.9
Scope 3 **(Included Sources)**	1,275.1 4. Upstream transportation and distribution: 3.7 5. Waste generated in operations: 10.1 6. Business travel: 274.9 7. Employee commuting: 986.4 9. Downstream transportation and distribution: 0.0
Total Emissions	**1,390.7**

Current emissions reporting

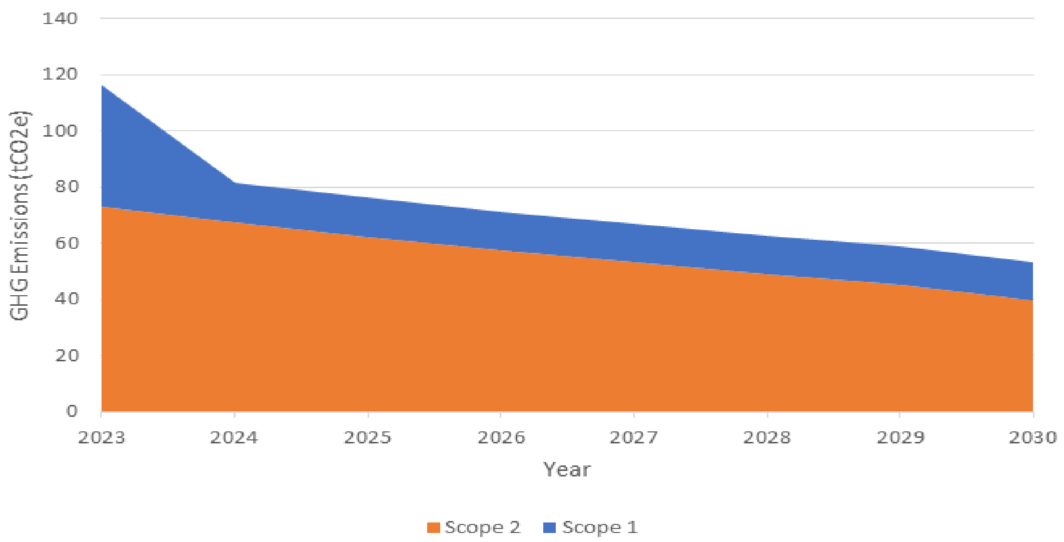
Reporting Year: 2023	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	43.0
Scope 2	76.9
Scope 3 **(Included Sources)**	1,431.7 4. Upstream transportation and distribution: 5.4 5. Waste generated in operations: 6.0 6. Business travel: 412.0 7. Employee commuting: 1,008.3 9. Downstream transportation and distribution: 0.0
Total Emissions	**1551.6**

Emissions reduction targets

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

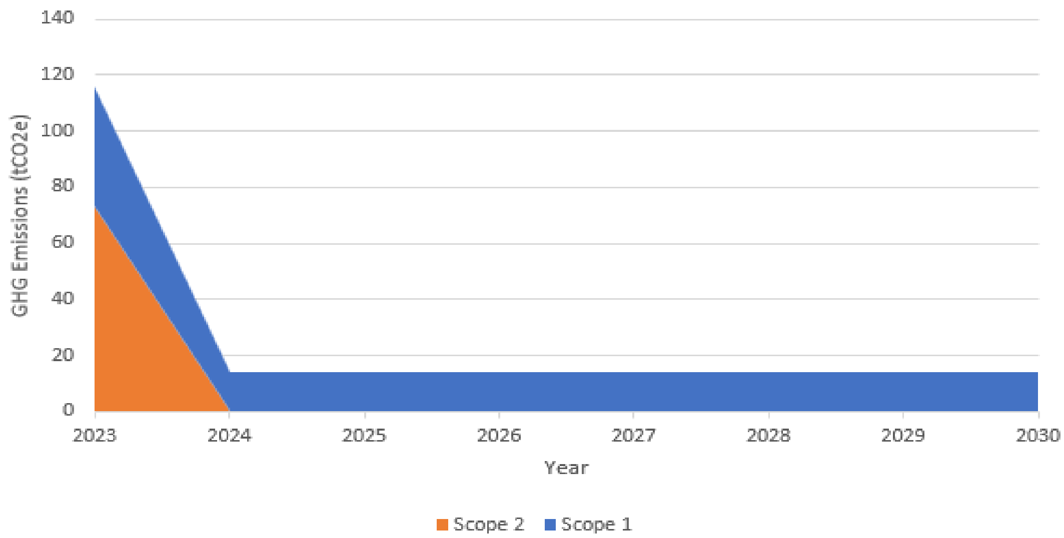
We are committed to achieving **Net Zero emissions by 2050**. Specifically for Scope 1 & 2, the graph below illustrates a 50% reduction in emissions by 2030 from our 2023 reporting year. This projection assume we do not switch to a REGO-backed electricity contract.

Scope 1 & 2 Emissions



Should we switch to REGO-backed electricity contracts, Scope 2 emissions will be zero:

Scope 1 & 2 Emissions (REGO)



Carbon reduction projects

Completed carbon reduction initiatives

The following environmental management measures and projects have been completed or implemented since the **2022** baseline and the measures will be in effect when performing the contract.

1. **UK estate reduction**

   Since 2022 we have reduced our estates in the UK. We ended our tenancy agreement of one floor in a multiple occupancy building with a private landlord in Redditch. We now only operate over three floors in one multiple occupancy building in Birmingham City Centre (as a tenant.)

2. **Travel policy amendments**

   Since 2022 a new travel policy was introduced by our Executive Team, which includes permission and authority levels for travel. International travel by our Senior Leadership Team, can only be permitted if two Executive Team members agree that the travel is necessary and proportionate.

3. **Asset management**

   Prior to 2022 most of our IT equipment provided to work from home employees, was handled by DPD. We identified a high number of assets went missing, could not be delivered or multiple attempts were made to deliver or collect assets.

   An asset recovery scheme has been introduced, where Sigma Connected employees will deliver or collect assets to some WFH employees. This has reduced our use of DPD and reduced the number of missing assets.

   This has had a positive impact on our asset management, as we have reduced the mileage completed by DPD, and reduced the number of purchased assets.

4. **Recycle, reduce or reuse scheme**

   The logistics team have introduced a recycle, reduce or reuse scheme. This has allowed our IT department to upgrade existing assets (laptops) to extend their life. Where this is not possible, the logistics team will donate assets to local charities. This reduces our waste to landfill.

5. **UK building HVAC adaptions**

   We have engaged with our office landlord to make improvements to the HVAC system, including repairs to ceiling mounted units and compressors. This reduces HVAC downtime (a cause of increased use of portable heaters).

   We introduced lockboxes over HVAC control panels, ensuring only permitted employees can amend HVAC settings, reducing failures.

   We've also agreed with the landlord a schedule of regular HVAC shutdowns to our floors, so HVAC system goes into rest mode during evenings and weekends.

In the future we hope to implement further measures such as the following initiatives that are included in our carbon reduction roadmap for the coming years:

1. **Bike to Work scheme implementation**

   We will engage with employees based at the Birmingham HQ to assess interest in a bike-to-work scheme, now supported by access to a secure bike store provided by the landlord. This initiative encourages low-carbon commuting and supports employee wellbeing.

2. **LED lighting upgrades**

   Currently, two of the three floors we occupy do not have full LED lighting. We've obtained quotes from an approved electrician and the landlord to upgrade these areas. This measure is aligned with our wider estate strategy (see Point 3) and will improve energy efficiency.

3. **Optimising UK estate footprint**

   Our Executive Team is reviewing the future needs of our UK estate, given the majority of our workforce now operates remotely. Any relocation would prioritise a reduced physical footprint and provide the opportunity to partner with landlords offering green building features.

4. **Green supply chain management**

   We are developing a green supply chain policy and procedure. Led by key members of our logistics and facilities teams, this initiative will ensure sustainability is integrated throughout the procurement process and supply chain operations.

5. **Sustainable Business Travel Policy**

   Our Executive Team is committed to minimising unnecessary business travel. Future policies will introduce tighter controls and promote virtual alternatives, with the goal of reducing carbon emissions from both national and international travel.

6. **Energy-efficient estate management**

   Whether within our existing or future premises, we will work with landlords to monitor and manage energy consumption. We aim to implement proportionate improvements to systems such as HVAC, server rooms, and heating, where feasible, to lower our operational emissions.

7. **Homeworking sustainability guidance**

   With most UK employees working from home, we will launch eLearning modules and awareness campaigns covering energy-saving such as using green energy suppliers, reducing IT power usage, and adjusting home habits to improve energy efficiency.

8. **ISO 14001 certification**

   As of March 2025, we have identified a preferred supplier to support us in achieving ISO 14001 certification. This internationally recognised standard will guide us in developing effective environmental management systems and identifying new areas for improvement.

9. **Exploration of REGO contracts**

   To further reduce Scope 2 emissions, we will assess the viability of sourcing Renewable Energy Guarantees of Origin (REGO) contracts for our current UK offices. These contracts will ensure that our electricity consumption is backed by verified renewable sources.

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[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

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:

Name: Mike Harfield

Title: Chief Operational Officer

Date: 29th April 2025

[1] https://ghgprotocol.org/corporate-standard
[2] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
[3] https://ghgprotocol.org/standards/scope-3-standard