

# Net Zero Carbon Reduction Plan

Supplier name: Sopra Steria Limited ("Sopra Steria")

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## 1 Commitment to achieving Net Zero

Sopra Steria is committed to achieving Net Zero emissions by 2028.

Sopra Steria adopt 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.

## 2 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. Baseline emissions are the reference point against which emissions reduction can be measured.

The Reporting Year is the calendar year 2020 and the Baseline Year is the calendar year 2015.

| Scope | Category/ Definition  | Description of source                                  | Emissions (tCO <sub>2</sub> e)   |  |
|-------|---|--|--|--|
|       |   |  | Reporting year (2020)  | Baseline year (2015)   |
| 1     | Direct emissions from owned or controlled sources   | Combustion of fuel, & leakages of refrigerant          | 543  | 789  |
| 2     | Indirect emissions from the generation of purchased electricity, steam, heating and cooling | Generation of electricity consumed (on a market basis) | 0  | 928  |
| 3     | 1 Purchased Goods & Services  | Supply chain   | 32,469   | 28,195   |
|       | 3 Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2                    | The production and delivery of fuel and electricity    | 290  | 1,369  |
|       | 4 Upstream transportation and Distribution  |  | Emissions from upstream transportation and distribution are included in Scope 3 Category 1 | Emissions from upstream transportation and distribution are included in Scope 3 Category 1 |
|       | 5 Waste Generated in Operations   | Treatment of waste including waste water               | 38   | 21   |
|       | 6 Business Travel   | Travel for business purposes, including hotel nights   | 442  | 3,088  |

|    |  |   |               |               |
|----|--|---|---------------|---------------|
| 7  | Employee Commuting                         | Travel by employees to and from their places of work and emissions due to remote working (homes and client sites) | 2,084         | 5,718         |
| 8  | Upstream Leased Assets                     | Off-site data centres   | 78            | 376           |
| 9  | Downstream transportation and Distribution | Not applicable – see Table 2  | 0             | 0             |
| 13 | Downstream Leased Assets                   | Tenants   | 0             | 177           |
|    | All  |   | <b>35,944</b> | <b>40,661</b> |

**Table 1: Sopra Steria's Emissions by Scope and Category for the Reporting Year and its Baseline Year.**

Table 2 below lists Categories of Scope 3 for which Sopra Steria has declared no emissions and the reasons for their exclusion.

| Category | Reason for exclusion                       |  |
|----------|--|--|
| 2        | Capital Goods                              | Emissions due to capitalised purchases are included in Scope 3 Category 1                        |
| 9        | Downstream Transportation and Distribution | Sopra Steria's business requires no material downstream transportation and distribution of goods |
| 10       | Processing of Sold Products                | Sopra Steria does not sell products subject to processing  |
| 11       | Use of Sold Products                       | Emissions from the use of products that Sopra Steria sells are not material                      |
| 12       | End-of-Life Treatment of Sold Products     | Emissions from the end-of-life treatment of products that Sopra Steria sells are not material    |
| 14       | Franchises                                 | Sopra Steria operates no franchises  |
| 15       | Investments                                | Sopra Steria has no material investments in other companies                                      |

**Table 2: Categories of Scope 3 for which Sopra Steria has declared no emissions and the reasons for their exclusion**

### 3 Emissions reduction targets

Sopra Steria intends to achieve net zero emissions by the end of 2028 and will implement a phased approach, through intermediate targets, to achieve the main objective.

| Year | Scope of Net Zero  |
|------|--|
| 2022 | All operations under direct control  |
| 2025 | Certain indirect operations (i.e. waste, indirect fuel & energy, employee commuting, and downstream leased assets) added |
| 2028 | Indirect operations related to the supply chain (purchased goods and services) added                                     |

**Table 3: Phases of Sopra Steria's Approach to becoming Net Zero by 2028**

To continue our progress to achieving Net Zero, Sopra Steria has adopted the following carbon reduction targets, against a 2015 baseline:

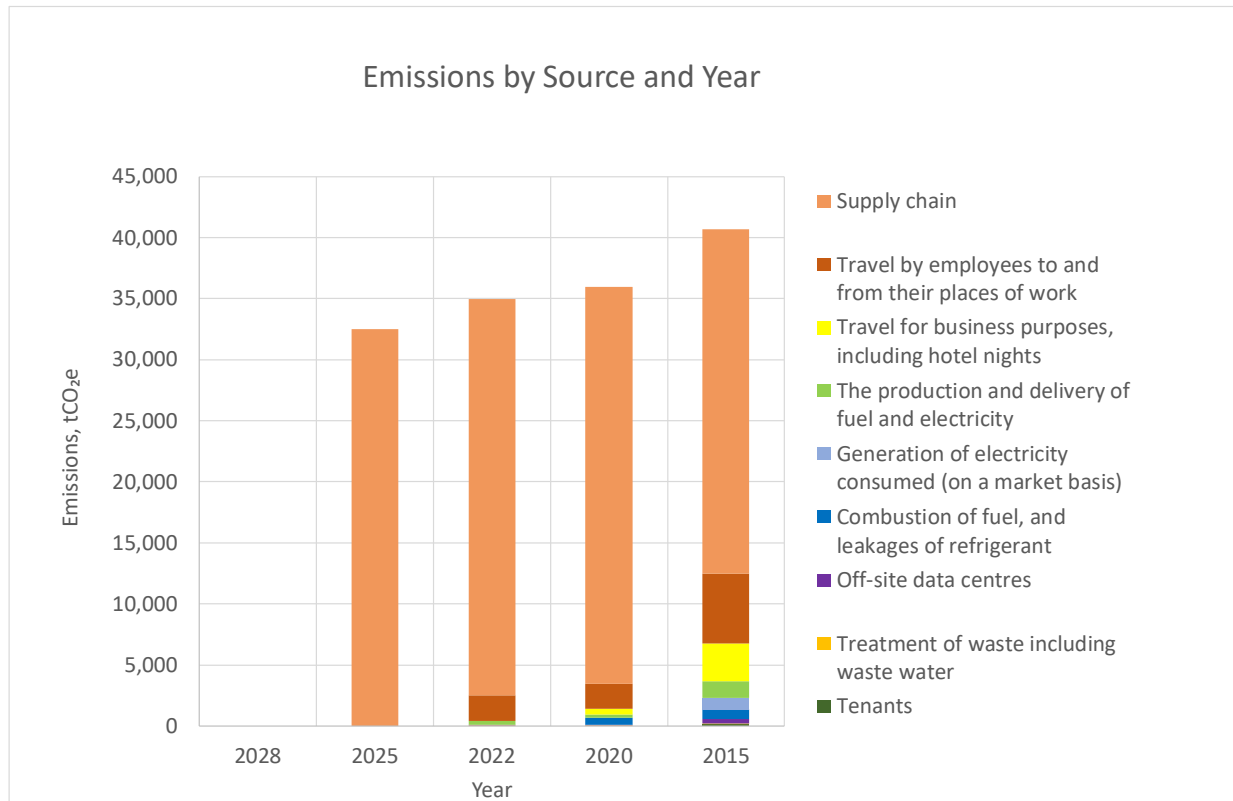
- 24% reduction in GHG emissions (Scope 1 +2) intensity per full-time employee by the end of 2020; and
- 20% reduction in business travel emissions intensity per full-time employee by the end of 2020.

We project that Sopra Steria's absolute carbon emissions will decrease to 32,469 tCO<sub>2</sub>e by 2025 (a reduction of 20%) and to zero by 2028 (a reduction of 100%).

| Scope | Category | Description  | 2028 | 2025   | 2022   | 2020   | 2015   |
|-------|----------|--|------|--------|--------|--------|--------|
| 1     |          | Combustion of fuel, and leakages of refrigerant                        | 0    | 0      | 0      | 543    | 789    |
| 2     |          | Generation of electricity consumed (on a market basis)                 | 0    | 0      | 0      | 0      | 928    |
| 3     | 1        | Purchased Goods & Services   | 0    | 32,469 | 32,469 | 32,469 | 28,195 |
|       | 3        | Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2 | 0    | 0      | 290    | 290    | 1,369  |
|       | 5        | Waste Generated in Operations  | 0    | 0      | 38     | 38     | 21     |
|       | 6        | Business Travel  | 0    | 0      | 0      | 442    | 3,088  |
|       | 7        | Employee Commuting   | 0    | 0      | 2,084  | 2,084  | 5,718  |
|       | 8        | Upstream Leased Assets   | 0    | 0      | 78     | 78     | 376    |
|       | 13       | Downstream Leased Assets   | 0    | 0      | 0      | 0      | 177    |
| All   | All      |  | 0    | 32,469 | 34,959 | 35,944 | 40,661 |

**Table 4: Sopra Steria's GHG Emissions (tCO<sub>2</sub>e) by Year under its Plan to be Net Zero by 2028**

The graph in Figure 1 below shows projected progress against these targets:



**Figure 1: Emissions Reductions Past and Projected**

### 3.1 Science-Based Targets

The Science-Based Targets (SBTs) that have been set by Sopra Steria Group apply to Sopra Steria in the UK. The following SBTs are aligned to the 1.5 degree pathway and approved by the Science Based Targets Initiative (SBTi):

- 42% reduction in Scope 1 + 2 (market-based emissions) by end of 2025. This is our 10-year science-based target for all of our Scopes 1 and 2 emissions. Sopra Steria expects to achieve this target by procuring more renewable energy and through emissions reduction activities;
- 85% reduction in Scope 1 + 2 (market-based emissions) by end of 2040. This is our 25-year science-based target for all of our Scopes 1 and 2 emissions. Sopra Steria expects to achieve this target by procuring more renewable energy and through emissions reduction activities;
- Ensure that the Group's suppliers, accounting for at least 70% of supply chain emissions, control their GHG emissions by 2025; and
- Ensure that 90% out of these Group's suppliers, accounting for at least 70% of supply chain emissions, have set GHG emissions reduction targets by 2025.

Science-based targets do not include carbon removal offsets.

The SBTi is currently developing a new standard for 'Near Term' (5 to 10 years) and a 'Long Term' (to 2050) Net Zero Standard to be released in late 2021. Sopra Steria Group is one of the companies road testing this standard.

We project that our GHG emissions will decrease to zero by 2028, a reduction of 100% with carbon removal offsets.

## 4 Carbon Reduction Projects

### 4.1 Completed Carbon Reduction Initiatives

Sopra Steria maintains and continually improves its environmental management system, which is externally certified to the ISO 14001:2015 standard.

Sopra Steria has completed or implemented the following environmental management measures and projects since the 2015 baseline year. They have delivered a reduction in its annual carbon emissions of 1,174tCO<sub>2</sub>e, contributing towards a 68% reduction of Scope 1 and 2 emissions, against the 2015 baseline. These measures will be in effect over the course of the contract (when performing the contract).

### 4.2 Renewable Electricity

70% of the electricity that Sopra Steria consumed in the baseline year came from renewable sources; the remaining 30% accounted for emissions of 928tCO<sub>2</sub>e on a market basis.

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

All of the electricity that Sopra Steria consumes is backed by Renewable Energy Guarantees of Origin (REGOs).

### 4.3 Energy Efficiency

In 2018, Sopra Steria replaced the oil-fired boiler at its head office in Hemel Hempstead with a gas-fuelled one, reducing its GHG emissions by an estimated 94tCO<sub>2</sub>e a year and its expenditure on energy by more than £28,000 a year.

The constraints accompanying the coronavirus pandemic in 2020 reduced the consumption of energy in Sopra Steria's offices by an estimated 23%. During the pandemic, Sopra Steria continued to address energy efficiency.

- It replaced T8 fluorescent tubes with more energy-efficient LED lights.
- It installed solar control film on south-facing windows, reducing demand for cooling and thereby electricity consumed by air-conditioning units.
- It extended the application of the shadow carbon price to include emissions from offices and data centres.

With the effect of the pandemic, these measures contributed to a 33% reduction in energy intensity (per full-time employee) in 2020 compared to the previous year.

### 4.4 Energy-Efficient Data Centre Solutions

By 2019 Sopra Steria's on-site electricity consumption had fallen by 65% of its level in the baseline year, and by the reporting year, 2020, by 71%.

The fall was at least partly due to the migration of on-site data centres to cloud-based solutions. Cloud-based solutions use energy much – up to ten times - more efficiently than dedicated data centre facilities.

In the baseline year 78% of Sopra Steria's on-site electricity consumption and 44% of its Scope 2 emissions were due to its on-site data centres. In the reporting year the proportion of its on-site electricity consumption due its on-site data centres had fallen to 47%. (By then its Scope 2 emissions had fallen to zero.)

### 4.5 Business Travel and Internal Carbon Price

Sopra Steria 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 Paris rather than a plane.

In this way, the internal shadow carbon price has contributed towards the reduction of 81% in business travel emissions per employee in the reporting year 2020 since the baseline year of 2015. Of course, a substantial proportion of the emissions reduction from business travel, in 2020, was due to the restrictions imposed in response to the COVID pandemic. Although, a year-on-year comparison for business travel in Q1 of 2020 (pre- pandemic) and 2019 shows the shadow carbon price facilitated a reduction of 47% in business travel emissions per employee in Q1 (2020).

## 4.6 Waste Management

100% of waste, from collections managed directly by Sopra Steria, is diverted away from landfill.

Since 2019, Sopra Steria and its two UK joint ventures 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 242,000 items of single-use plastics from Sopra Steria's waste.

## 4.7 Sustainable Purchasing

By collaborating with its office stationery supplier and its partner, Sopra Steria has been able to reduce the environmental impact of the paper that it uses by purchasing closed-loop paper. Using closed-loop papers means that Sopra Steria's used paper is recycled and remanufactured back into a paper product. Therefore, we adopt the principles of the circular economy. No deforestation takes place to provide the fibre in the paper that Sopra Steria subsequently purchases, which requires:

- 83% less water;
- 72% less energy; and
- 53% less CO<sub>2</sub> emissions.

... to manufacture than fresh-fibre paper.

## 4.8 Carbon Offset Initiatives

Sopra Steria purchases carbon offsets for GHG emissions from its offices, business travel and data centres that it can't avoid. In this way Sopra Steria's offices, business travel and data centres have been certified carbon neutral since 2015. Offsetting the GHG emissions from these sources means that they have no net effect on the amount of GHGs in the atmosphere.

In the past, Sopra Steria 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 becoming net zero by 2028, Sopra Steria migrated its offsets for carbon neutral certification to a new partner accredited by the United Nations Climate Neutral Now programme. This partner invests in projects that remove the primary GHG carbon dioxide 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.



## 4.9 Future Initiatives

As part of its Future Ways of Working Strategy, Sopra Steria is enabling its employees to work more flexibly. This has created an opportunity for the business to consolidate its UK property portfolio into a smaller number of offices operating as regional collaboration hubs. This consolidation will facilitate a reduction in energy consumption.

Sopra Steria will continue to extend carbon neutral certification, for all relevant sources of indirect emissions, so that 100% of all emissions are net zero by 2028, as follows:

| Year | Scope of Net Zero  |
|------|--|
| 2022 | All operations under direct control  |
| 2025 | Certain indirect operations (i.e. waste, indirect fuel & energy, employee commuting, and downstream leased assets) added |
| 2028 | Indirect operations related to the supply chain (purchased goods and services) added                                     |

**Table 4: Phases of Sopra Steria's Approach to becoming Net Zero by 2028**

The Carbon Reduction Plan, as part of our Net Zero 2028 UN Climate Neutral Now initiative is a key component of our wider Environmental Sustainability programme. This programme integrates our ISO14001 certified Environment 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.

During 2022, Sopra Steria Group plans to embrace the new SBTi standard (to be released in late 2021) on 'Near Term' and 'Long Term/Net Zero' Targets in addition to continuing with the UN Climate Neutral Now Net Zero Initiative.

## 5 Declaration and Sign Off

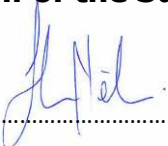
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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<sup>3</sup>.

This Carbon Reduction Plan, for the Financial Year ending on 31<sup>st</sup> December 2020, has been reviewed and signed off by the board of directors (or equivalent management body).

### 5.1 Signed on behalf of the Supplier:

Director's Signature:  .....

Director's Name: John Neilson

Date: .....1<sup>st</sup> September 2021.....

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<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>

## About Sopra Steria

Sopra Steria, a European leader in consulting, digital services and software development, helps its clients drive their digital transformation to obtain tangible and sustainable benefits. It provides end-to-end solutions to make large companies and organisations more competitive by combining in-depth knowledge of a wide range of business sectors and innovative technologies with a fully collaborative approach. Sopra Steria places people at the heart of everything it does and is committed to making the most of digital technology to build a positive future for its clients. With 46,000 employees in 25 countries, the Group generated revenue of €4.3 billion in 2020.

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Sopra Steria Group (SOP) is listed on Euronext Paris (Compartment A) - ISIN: FR0000050809  
For more information, please visit our website [www.soprasteria.com](http://www.soprasteria.com)