

# Carbon Reduction Plan

Supplier name: .....Atos IT Services UK Limited.....

Publication date: ...21<sup>st</sup> July 2021.....

## Commitment to achieving Net Zero

Atos IT Services UK Limited (referred to hereafter as Atos) is committed to achieving Net Zero emissions by 2028.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases produced in the past prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction are measured.

<b>Baseline Year: 2019</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
<p>The footprint below is a subset of the baseline for Atos Group targets, specifically: -</p> <ul style="list-style-type: none"><li>• for our SBTi endorsed Science Based Target (to reduce all emissions by 50% by 2025 against a 2019 baseline).</li><li>• for our Net Zero target, which we aim to achieve in 2028.</li></ul> <p>Scope 1 emissions arise from purchased and landlord supplied gas for space heating, diesel for backup generators and fuel for company fleet or hire cars.</p> <p>Scope 2 emissions arise from purchased electricity and landlord supplied electricity.</p> <p>Scope 3 is a comprehensive coverage of all emissions from upstream and downstream sources, as listed in the table below. In some cases, smart proxies have been used to obtain estimates, however, we expect over time to be able to replace much of this data with actual values.</p>	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>1,474</b>
<b>Scope 2</b>	<b>3,687</b>
<b>Scope 3 (Included Sources)</b>	<b>433,224</b> (Scope 3, all relevant sub-categories, specifically 1 Purchased goods and services, 2 Capital goods, 3 Fuel and energy-related activities, 4 Upstream transportation and distribution, 5 Waste generated in operations, 6 Business travel, 7 Employee commuting, 9 Downstream transportation and distribution, 11 Use of sold products)
<b>Total Emissions</b>	<b>438,385</b>

## Current Emissions Reporting

Reporting Year: 2020	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	1,315 ( -10.8% against baseline)
Scope 2	1,520 ( -58.8% against baseline)
Scope 3 (Included Sources)	371,427 ( -14.3% against baseline) (Scope 3, all relevant sub-categories, specifically 1 Purchased goods and services, 2 Capital goods, 3 Fuel and energy-related activities, 4 Upstream transportation and distribution, 5 Waste generated in operations, 6 Business travel, 7 Employee commuting, 9 Downstream transportation and distribution, 11 Use of sold products)
<b>Total Emissions</b>	<b>374,262 ( -14.6% against baseline)</b>

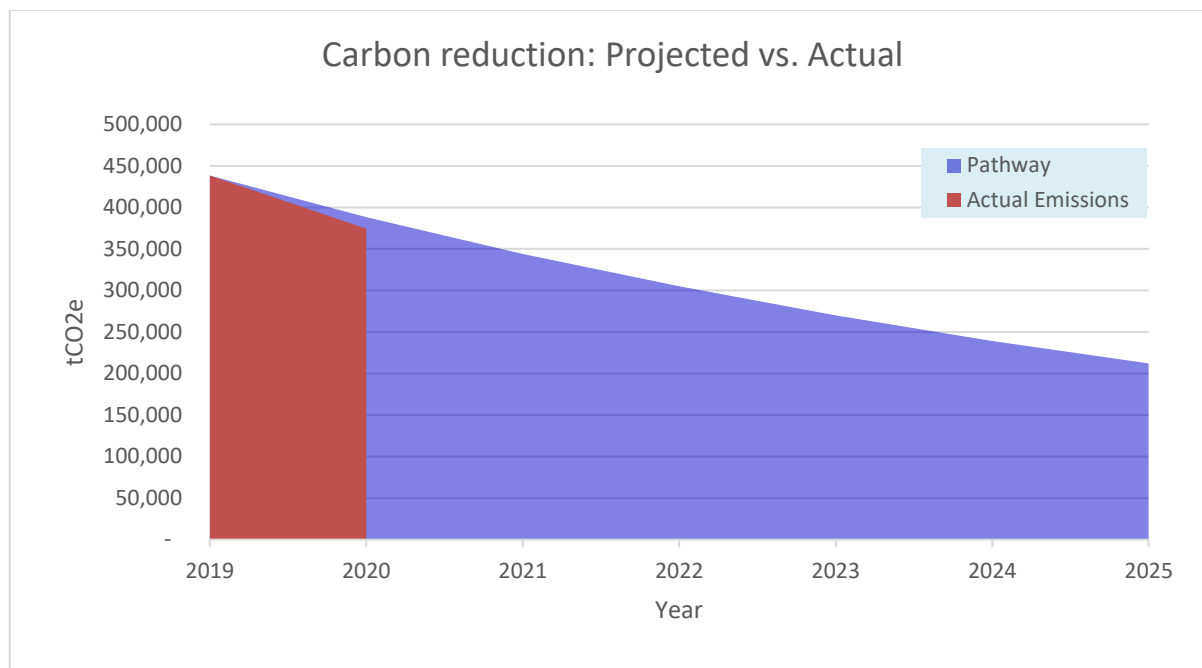
## Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have instigated the following carbon reduction targets: -

- Science Based Targets (SBT). Atos as a group has signed up to an SBTi endorsed Science Based Target, which exceeds the most ambitious requirements to follow the 1.5-degree emissions reduction pathway. The commitment requires a 50% reduction in Scopes 1, 2 and 3 emissions of 50% by 2030 against a 2019 baseline (see <https://sciencebasedtargets.org/companies-taking-action>). However, Atos has committed to achieving this in 2025, 5 years ahead of the pathway requirements. The Absolute Contraction methodology is used for measuring and reporting our annual improvements, which are publicly disclosed through Atos Group reporting (Integrated Report and Universal Registration Document – see <https://atos.net/en/investors>) and through the Carbon Disclosure Project (CDP). All countries within Atos are expected to play their part within achieving this target, consequently the requirements have been apportioned and cascaded throughout the business.
- Net-Zero. Atos as a group has committed to achieving Net Zero emissions by 2028, following the definition as stated by the SBTi, that is to follow the 1.5-degree emissions reduction pathway and compensate for all residual emissions through carbon sequestration. This ties in closely with our SBT requirements and being a group-wide target, the requirements have been apportioned and cascaded throughout the business.

As a consequence of work planned to achieve these targets, we project that carbon emissions will decrease over the next five years to 212,060 tCO<sub>2</sub>e by the end of 2025. This is a reduction of 50.2%

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



## Carbon Reduction Projects

The following multi-year projects have commenced implementation since measurement of the 2019 baseline. The carbon emission reduction achieved by these schemes to date equate to 64,123tCO<sub>2</sub>e, a 14.3% reduction against the baseline.

**Site rationalization / consolidation:** Currently Atos operates from many sites across the UK, comprising a mix of data centres, production and administrative offices and medical assessment centres. Prior to Covid-19, approximately 31% of the workforce was home-based. The aim post-pandemic is to increase remote working to between 40-60% and to bring about a reduction of office space of circa 34%. This will deliver a corresponding reduction in emissions, even after taking into account the additional impacts of home working.

We will continue to increase the efficiency of IT, namely data centre hosted equipment such as servers, supporting data centre plant and personal IT, as these contribute significantly to our energy consumption.

**Switch to renewable energy sources:** Atos currently utilizes gas for space and water heating and electricity for IT equipment, lighting and some space heating. The purchased electricity consumed in mainland Great Britain has been from 100% renewable sources since 2018, however, purchased electricity in Northern Ireland has been produced through the normal grid mix. Our aim is to switch to renewable sources in Northern Ireland, and to move from gas to electricity for space heating where possible. Additionally, for energy supplied by landlords, we are requesting that landlords follow a similar programme of energy switching and sourcing renewables. Finally, we are also expanding our self-generation of electricity through PV installations across our estate and investigating the use of Power Purchase Agreements (PPAs), which will enable long-term investment in new renewable electricity generating sources.

**Switch to a 100% electric car fleet:** In 2020, Atos signed up to a group-wide car-fleet agreement to source only 100% electric vehicles through our fleet leasing supplier. As existing leases expire, so vehicles will be replaced with electric zero emissions equivalents. Furthermore, we are expanding our network of free-to-use charge points at our offices and installing charge points at employee residences to encourage the take-up of electric vehicles.

**Supplier engagement programme:** We recognize that the biggest challenge in reaching Net Zero will be to reduce the emissions arising from our supply chain. Consequently, Atos procurement teams are directly engaging with suppliers, on several levels. For example, we request environmental performance assessment through EcoVadis, a specialist 3<sup>rd</sup> party CSR assessment organization. Where performance levels are excellent, Atos awards a “green” rating to the supplier, which is used within our Internal Carbon Pricing mechanism. Suppliers who fall below this standard are given a “red” rating, and we encourage them to improve performance. Where performance is poor, the supplier is placed on a performance improvement programme, and may ultimately be excluded from future business with Atos.

We are also placing a 20% weighting on sustainability for all tenders and encouraging suppliers to bid only low or zero carbon solutions and technologies.

**Internal Carbon Pricing (ICP):** In 2020, Atos became one of the first companies in its industry to establish an internal carbon pricing mechanism. The aim is to attach a value to tCO<sub>2</sub> emission reduction that will impact the operating margin results used in the bonus payout calculation. The three factors considered in the Internal Carbon Pricing calculations are emissions related to travel, devices and data center activities, supporting spend with green suppliers as well as our decarbonization offerings delivered to our clients.

## 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>7</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>8</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>9</sup>.

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:



Nicola Kelly.....

Date: 27/07/2021.....

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<sup>7</sup> <https://ghgprotocol.org/corporate-standard>

<sup>8</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>9</sup> <https://ghgprotocol.org/standards/scope-3-standard>