

Carbon Reduction Plan For PayStream

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Net Zero Commitment

PayStream is committed to achieving Net Zero emissions by 2045.

What does Net Zero mean in practice?

To achieve Net Zero companies should be aiming to reduce emissions in line with the latest science-based targets (SBTs). SBTs are greenhouse gas reduction goals set by organisations, they are defined as “science-based” when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. To achieve Net Zero under this scenario, PayStream will need to reduce absolute emissions by 90% from the base year measurement.

The Science Based Targets initiative (SBTi) recommends that organisations commit to near-term targets (that cover a minimum of 5 years/maximum of 10 years from the base year), as well as long-term targets.

Near-term targets:

- Reduce scope 1 emissions by 42% by 2030.
- Reduce scope 2 market-based emissions to zero by 2030
- Reduce scope 3 emissions by 42% by 2030.

Long-term targets:

- Reduce total market-based emissions (scope 1, 2 and 3) by at least 90% by 2045.
- Neutralise any residual emissions using verified carbon offsets.

Scope 1 emissions: direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from the combustion of fuels in on-site boilers, furnaces or vehicles.

Scope 2 emissions: indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.

Scope 3 emissions: all other indirect greenhouse gas emissions that occur in an organisation’s value chain, including emissions from upstream and downstream activities.

Greenhouse Gas Emissions

Base Year Emissions

Base year 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. Base year emissions are the reference point against which emissions reduction can be measured. The first measurement will act as Paystream's base year, this covers April 2023 - March 2024.

Base Year: April 2023 - March 2024	
<p>As part of FY24/25 measurement efforts the base year has been restated in line with updates to UK Government published emission factors relevant to the reporting period.</p> <p>In future years the base year will be updated in line with updates to emissions accounting methodologies, relevant emission factors or other influencing factors to ensure future measurements are comparable. The base year measurement may also be adjusted where a significant organisational change occurs.</p>	
Emission Scopes	Total (tCO ₂ e)
Scope 1	71.7
Scope 2*	Market-based: 10.8 Location-based: 23.4
Scope 3 including: <ul style="list-style-type: none"> - Purchased Goods & Services - Capital Goods - Fuel & Energy Related Services - Business Travel - Transportation & Distribution (Upstream & Downstream) - Employee Commuting & Homeworking - Operational Waste & Water - Leased Assets (Upstream) 	18,147.8
Total Emissions*	Market-based: 18,230.3 <i>Location-based: 18,243.0</i>

*Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. PayStream has chosen to use a market-based approach for Net Zero targets.

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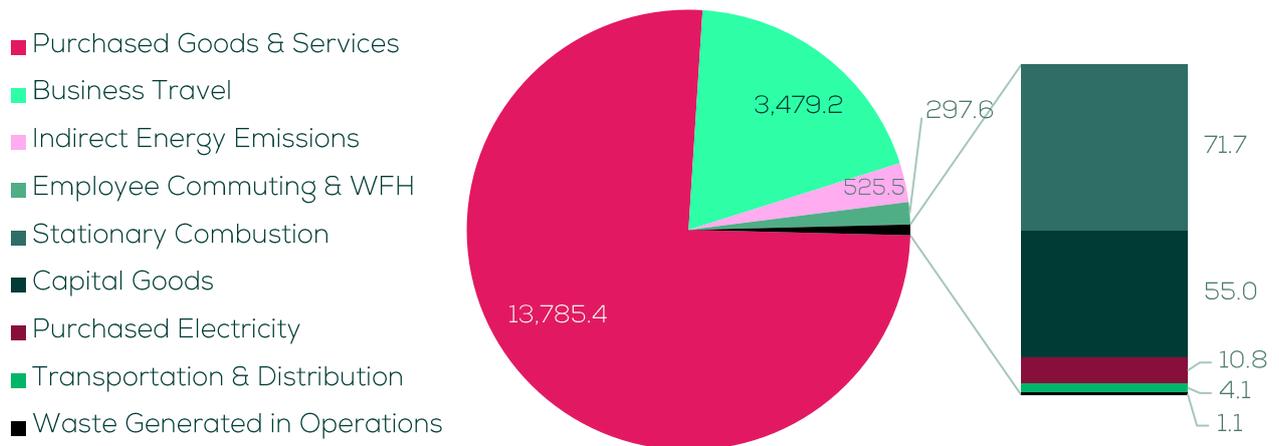
Base Year Intensity Metrics

Intensity Metric	tCO _{2e} / metric unit
Employees (per FTE)	0.54
Revenue (per £million)	5.04

The above intensity metrics use market-based emissions and are based on 33,573 FTEs and a £3.62 billion revenue during the measurement period.

Base Year Emissions Breakdown

Emissions by Category (tCO_{2e})



Current Emissions

The current reporting period covers April 2024 - March 2025. Emissions are a reflection of current company activity as well as any reduction initiatives which have been implemented since the base year reporting period.

Current Reporting Year: April 2024 - March 2025	
The current reporting period has been measured in alignment with the emissions inventory and system boundaries used to establish the base year measurement.	
Emission Scopes	Total (tCO _{2e})
Scope 1	67.8
Scope 2*	Market-based: 0.9 Location-based: 25.2
Scope 3 including: <ul style="list-style-type: none"> - Purchased Goods & Services - Capital Goods - Fuel & Energy Related Services - Business Travel - Transportation & Distribution (Upstream & Downstream) - Employee Commuting & Homeworking - Operational Waste & Water - Leased Assets (Upstream) 	21,316.3
Total Emissions*	Market-based: 21,385.1 <i>Location-based: 21,409.3</i>

*Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. PayStream has chosen to use a market-based approach for Net Zero targets.

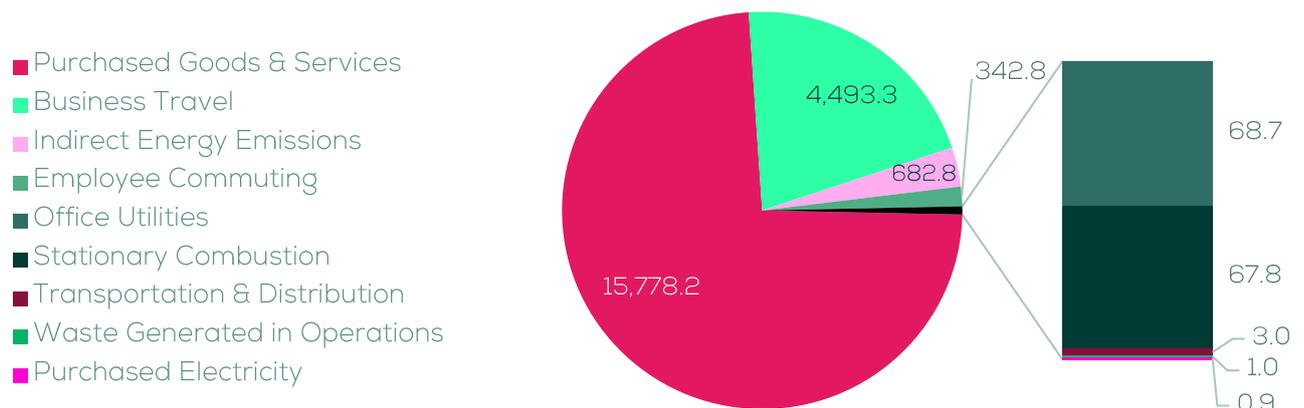
Current Intensity Metrics

Intensity Metric	tCO _{2e} / metric unit
Employees (per FTE)	0.65
Revenue (per £million)	5.92

The above carbon intensity metrics use market-based emissions and are based on 32,731 FTEs and a £3.61 billion revenue during the measurement period.

Current Emissions Breakdown

Emissions by Category (tCO_{2e})



Annual Emissions Change

Scope & Category	Base Year: FY 23/24	Current Year: FY 24/35	% Change
Scope 1	71.7	67.8	- 5.5%
<i>Stationary Combustion</i>	<i>71.7</i>	<i>67.8</i>	<i>- 5.5%</i>
Scope 2 (Market-based)	10.8	0.9	-91.2%
<i>Purchased Electricity</i>	<i>10.8</i>	<i>0.9</i>	<i>-91.2%</i>
Scope 3	18,147.8	21,316.3	+17.5%
<i>Purchased Goods & Services</i>	<i>13,785.4</i>	<i>15,778.2</i>	<i>+14%</i>
<i>Capital Expenditure</i>	<i>55.0</i>	<i>15.2</i>	<i>-72%</i>
<i>Fuel- and energy-related activities</i>	<i>525.5</i>	<i>682.8</i>	<i>+30%</i>
<i>Upstream Transportation and Distribution</i>	<i>4.1</i>	<i>3.0</i>	<i>-26%</i>
<i>Waste Generated In Operations</i>	<i>1.1</i>	<i>1.0</i>	<i>-8%</i>
<i>Business Travel</i>	<i>3,479.2</i>	<i>4,493.3</i>	<i>+29%</i>
<i>Commuting & Homeworking</i>	<i>297.6</i>	<i>342.8</i>	<i>+15%</i>
<i>Upstream Leased Assets</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>
Total emissions	18,230.3	21,385.1	+17.3%

Intensity Metric	tCO _{2e} / Metric Unit		% Change
	Base Year: FY 23/24	Current Year: FY 24/25	
Employees (per FTE)	0.54	0.65	+17.0%
Revenue (per £m)	5.04	5.92	+8%

Annual Emissions Discussion

Scope 1 and 2 Trends

PayStream has made good progress in reducing scope 1 emissions, driven by reduced natural gas consumption across the entire shared office building between the base and current reporting year. Apportioned emissions in scope 1 should be monitored and investigated to identify if the observed decrease was due to actions taken by the landlord or a generally warmer winter in the FY24/25 period. If the latter is true emissions may fluctuate annually depending on weather conditions. The actions outlined below will allow PayStream to gain a better understanding of actions being taken to reduce gas consumption through energy efficiency measures.

Scope 2 emissions have also decreased significantly, this is due to the procurement of 100% renewable energy for all shared spaces within the office building and the majority of electricity consumed within solely occupied spaces. Remaining scope 2 emissions are attributed to none-renewable electricity from a previous tariff securing 86% renewable energy.

In the following reporting year all electricity will be supplied through 100% renewable tariffs, meaning market-based scope 2 emissions will reach zero. Continual procurement of these tariffs will then be required by both PayStream and the building landlord to ensure no future emissions spikes occur.

It should be noted that an 8% increase in electricity consumption was observed between the base and FY24/25 reporting periods. This resulted in increased location-based emissions and stress of the National Grid. Energy efficiency measures outlined below aimed at reducing electricity consumption should be engaged with to ensure electricity efficiency and demand reduction is being actively considered.

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Scope 3 Trends

Scope 3 emissions have increased across Purchased Goods and Services, Fuel-and-energy related, business travel and employee commuting and homeworking categories. Purchased Goods and Services emissions increased as a result of higher spending between the reporting years and a shift in spending into higher emissions / £ activities. Moving away from the spend-based approach to measuring these emissions should be the primary objective when considering addressing scope 3 emissions.

Business travel emissions have increased as a result of higher activity across accommodation air, road, rail and land (taxi/bus) travel in the current reporting period compared with the base year. This is likely due to a restructure of sales team job assignments to assign staff to accounts rather than geographies, resulting in staff travelling further. This has likely been exaggerated by customers reducing their operational site numbers, meaning less options for PayStream staff when travelling to customer sites for meetings.

While business travel emissions have increased it should be noted that no 'unknown' fuel types were utilised in the measurement of FY24/25 employee vehicle emissions. Demonstrating an improvement in data quality compared with the base year, where 10% of employee mileage was reported under an unknown fuel type. It is understood that a business travel policy for PayStream employees is due for development, this will be the first step in addressing these emissions.

Employee commuting and homeworking emissions have increased despite PayStream's surveyed FTE varying by 1 between the base and current reporting period. The variation in commuting emissions may be due to increased activity, however, it is also likely that increased survey response rates (48% > 62%) mean the most recent measurement is a more representative depiction of actual emissions. Over coming years response rates and emissions trends will be monitored to ascertain whether base year commuting figures should be adjusted.

Completed Carbon Reduction Initiatives

Prior to engaging with Positive Planet PayStream established an ESG steering committee to lead on initiatives. This team is made up of Directors, Managers and representatives from various departments to support the management of data, roll out of initiatives and communication throughout the organisation. To date the company has committed to work with the landlord at the managed office to address energy efficiency (adopting where possible ESOS recommendations) and waste reduction and management. Additionally, the Cycle to Work Scheme is actively promoted within teams and digital communications are favoured for external meetings.

PayStream is now committed to measuring business emissions annually to gain an understanding of pinch points and regularly be making efficient and direct improvements to address and reduce emissions, to this end Positive Planet have been appointed to support with calculating, tracking and reducing emissions.

The below activities have been completed following the establishment of PayStream's base year.

Activity	Completion Date	Scope
Secured 100% REGO backed energy renewable energy for electricity supplier to PayStream's occupied office space.	2024	2
Carbon Awareness Training delivered to the ESG steering committee and wider employee base. This equipped attendees with the ability to discuss sustainability related topics with increased confidence and encourage open communication regarding barriers and potential solutions. This training is now voluntarily available for PayStream employees through the company Learning Management System (LMS).	2025	1, 2, 3
Initiated a review of staff and contractor travel portals to identify opportunities to improve travel expense systems and the quality of subsequent data outputs available for measuring emissions.	2025	3
Actively reviewing the feasibility of implementing a company EV lease scheme against legal requirements.	2025	3

(cont.)

<p>Following engagement with the landlord regarding gas heating emissions and wider energy efficiency measures the following have been completed/initiated:</p> <ul style="list-style-type: none"> • A preferred provider has been identified to carry out a review of existing boiler systems and wider building efficiency opportunities. • PIR lighting controls have been installed across all shared areas. • Recycling bins have been put in place, with 100% of waste being recycled or diverted from landfill. • Confirmation of the continued procurement of 100% renewable energy for all shared spaces. 	<p>FY24/25</p>	<p>1, 2, 3</p>
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Future Carbon Reduction Plans

Positive Planet recommends the following actions to begin addressing and reducing emissions. Recommendations are based on the current information available and may be required before further suggestions can be made, especially where engagement with a third party is needed before timelines for implementation of actions can be confidently established.

Action Plan – scope 1 & scope 2			
Activity No.	Activity	Target Date	Category
1	<p>Following successful engagement with the landlord as outlined in the above section the results of the building energy review should be requested following the completion of works. This will allow discussions with the landlord to identify short, medium and long-term actions to address gas heating systems and building electricity efficiencies.</p> <p>While this review is ongoing maintain messaging around responsible energy use initiatives that can be undertaken in the interim.</p> <p>While PayStream is the majority occupier within the managed office, other companies within the building may be interested in discussing the above and joining an informal meeting around building decarbonisation.</p>	review results 2026	Stationary Combustion, Purchased Electricity

2	In line with the above action, review of building electricity efficiency improvement opportunities should be undertaken following completion of consultation review.	review results 2026	Purchased Electricity
3	PayStream has secured 100% REGO back renewable energy for spaces within the building controlled by the company. Additionally, the landlord has procured 100% renewable electricity and committed to continue to do so. Maintaining procurement of these, or similar, contracts will keep scope 2 market-based emissions at zero.	<i>ongoing</i>	Purchased Electricity
4	While continuing to procure renewable energy, PayStream should continue to encourage behavioural initiatives within the workplace for reduction of emissions, including clear messaging for turning off lights, monitors, computers and other electrical appliances where appropriate. PayStream can further contribute to reducing energy demand within the office by actively considering the energy efficiency of new equipment such as printers, monitors and laptops. This action can be supported through continued promotion of Carbon Awareness Training on PayStream's LMS. While this is currently voluntary consideration of mandated training may be worthwhile if engagement does not improve.	2025 & onward	Purchased Electricity
5	In spaces in which PayStream is the sole occupant it is recommended to install timers at wall sockets linked to plug banks and align these with work patterns to reduce passive energy consumption by devices left on standby.	2026/27	Purchased Electricity

Based upon the above completed and planned initiatives, it is projected that scope 1 & 2 carbon emissions will decrease to 41.59 tCO_{2e} by 2030.

Action Plan – scope 3			
Activity No.	Activity	Target Date	Category
1	<p>Carbon Awareness Training for the ESG steering committee and wider employee base was completed on 24/03/25. This training is now available for PayStream employees through the company LMS.</p> <p>While currently voluntary mandated sustainability training may be considered should engagement not improve.</p>	March 2025	All
2	<p>Develop a Sustainable Procurement Policy and adopt into existing procurement processes. The policy should outline PayStream's commitment to Net Zero and outline how suppliers are expected to support this by reporting / developing their own emissions measurements and reduction strategies.</p> <p>The policy should also outline how and when PayStream intends to begin requesting emissions data by building emissions reporting mechanisms into existing relationships, contracts and supplier management processes.</p>	2026	Purchased Goods and Services
3	<p>To begin measuring procurement related emissions more granularly consider collecting supplier spend data aligned with Standard Industrial Classification (SIC) Codes. This will allow improved allocation of spend data when measuring emissions while supplier specific data collection processes are in development.</p>	2026	Purchased Goods and Services
4	<p>Implement the above Sustainable Procurement Policy. Initially it is recommended to identify priority suppliers (likely by top spend) and request emissions information from them, expanding the scope of outreach annually while developing engagement practises.</p> <p>This data collection will support PayStream's reduction journey by gathering primary data, allowing a move away from spend-based estimation, for future measurements & allowing tracking of supply chain integration towards Net Zero.</p>	2027	Purchased Goods and Services

5	Continue to engage courier service providers to obtain their latest reports regarding shipping emissions. Where emissions reporting maturity is not established continual communication around timelines for improvement should occur.	2026 & onward	Upstream Distribution
6	<p>Currently activity-based measurement of travel is viable for a subset of employee and contractor car travel (expensed mileage) and air travel (partially processed by Positive Planet). Details regarding car size and engine type as well as haul and flight class allow for granular tracking of these activities. For the FY24/25 measurement vehicle engine type data was provided for all activity based measurements, however, spend based reporting remains.</p> <p>To track the impact of sustainable choices when travelling a move to activity-based data is required. A review of systems used to track employee and contractor travel has been initiated during 2025, a year ahead of schedule. This includes engaging with software developers to improve the availability of data for employee expenses and investigating opportunities to improve contractor systems in line with those used by employees. Targets outlined here are for the adoption of system improvements to facilitate a move away from spend data.</p>	<p>employee travel 2026</p> <p>contractor travel 2027</p>	Business Travel
7	<p>While working to improve data quality the development and implementation of a Sustainable Travel Policy will facilitate sustainable travel choices when travelling for business or commuting. The priorities within this policy should support active and low emission travel options where feasible, with choices such as opting for economy over business class being encouraged where high emission modes are unavoidable.</p> <p>Utilise the emissions travel hierarchy when developing the policy:</p> <ul style="list-style-type: none"> - Digital communication - Walking and cycling - Public and shared transport - EV's and car sharing/clubs - ICE vehicles and car sharing/clubs - Air travel 	<p>development 2025</p> <p>employee roll-out 2026</p> <p>contractor roll-out 2027</p>	Business Travel, Commuting

8	Review of available EV lease schemes is currently underway. With consideration of roll out scales forming key decisions. This will continue into 2026, with further decisions to be made following engagement with internal stakeholders to assess the feasibility of a company-wide scheme.	2026	Business Travel, Commuting
9	<p>To address home working emissions PayStream should communicate the options for employees around renewable domestic energy tariffs and heating the person (with infra-red heaters) or the room (with space heaters) rather than relying on central heating.</p> <p>In order to quantify and account for the impact of the above and wider homeworking, more thorough employee surveying should be considered to gather increasing detail around home working set-ups and behaviours. It is however recommended that increased detail be implemented once response rates are increased.</p> <p>During measurement of FY24/25 emissions employee surveying achieved a 62% response rate. Consideration will be given to expanding the scope of questions to incorporate home energy and heating as part of the next reporting run.</p>	2026	Home Working

Near-Term Reduction Projections (scope 3)

Based upon the above completed and planned initiatives, it is projected that scope 3 carbon emissions will decrease from the base year measurement of 20,728.77 tCO_{2e} to 12,022.67 tCO_{2e} by 2030. This is a reduction of 42% and will keep us on track to achieve Net Zero.

Declaration and Sign Off

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol Corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

This Carbon Reduction Plan has been reviewed and approved by the Executive Team at PayStream.

Signed on behalf of PayStream:



Name: Jayne Stirrup

Position: CFO

Date: 07/11/2025

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

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