Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier[1] and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard[2] and Guidance[3], and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.
The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

[1] Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

[2] Technical Standard can be found at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

[3] Guidance can be found at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21___Selection_Criteria___3_.pdf

Carbon Reduction Plan Template

Supplier name: …… Pitney Bowes Limited…………

Publication date: …… 24/06/2024 ....

Commitment to achieving Net Zero

Pitney Bowes is committed to achieving Net Zero emissions by 2040 for scope 1 & 2 and by 2050 for scope 3.

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. Pitney Bowes Inc. (parent of Pitney Bowes Ltd – PB UK) has been reporting scope 1 & 2 CO2 emissions publicly through CDP for more than 10 years and scope 3 emissions since 2021. PB UK scope 1 & 2 numbers are extracted from the global report, but it is not possible to do the same for scope 3 numbers that are calculated for the whole corporation. 2022 was chosen for the new baseline for PB UK numbers as it is the first year physical meter readings replaced estimations based on square footage that compensated for lack of electric consumption data given by the landlord of our site. The first numbers below apply to the entire group Pitney Bowes Inc. that includes Pitney Bowes UK Ltd as described in our corporate ESG report 2022 available at: https://www.pitneybowes.com/content/dam/pitneybowes/us/en/our-company/corporate-responsibility/23-corp-02166-esg-report-2022-final.pdf	
Baseline year emissions: 2022	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	Global: 45,060 t – UK: 218.8 t
Scope 2	Global: 18,011 t (market-based) – UK: 48.3 t
Scope 3 **(Included Sources)**	Global: 588,309 t – UK: not differentiated from global (includes relevant categories: Purchased goods and services, Capital goods, Fuel- and energy-related activities, Upstream transportation and distribution, Waste generated in operations, Business travel, Employee commuting, Use of sold products – but excludes the following not relevant categories: Upstream leased asset, Downstream transportation

	and distribution, Processing of sold products, End-of-life treatment of sold products, Downstream leased assets, Franchises, Investments)
Total Emissions	Global : 651,380 t (scope 1, 2 & 3) – UK : 267.1 t (scope 1 & 2)

Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO2e)
Scope 1	Global: 48,050 t – UK: 189.7 t
Scope 2	Global: 11,814 t (market-based) – UK: 56.2 t
Scope 3 **(Included Sources)**	Global: 522,579 t – UK: not differentiated from global (includes relevant categories: Purchased goods and services, Capital goods, Fuel- and energy-related activities, Upstream transportation and distribution, Waste generated in operations, Business travel, Employee commuting, Use of sold products – but excludes the following not relevant categories: Upstream leased asset, Downstream transportation and distribution, Processing of sold products, End-of-life treatment of sold products, Downstream leased assets, Franchises, Investments)
Total Emissions	Global : 582,443 t – UK : 245.9 t (scope 1 & 2)

Emissions reduction targets

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

We focus particular attention on the environmental risks most relevant for our company:
• The impact of carbon emissions due to the use of energy in our operations—mainly at our US operating sites where we sort mail and packages and in our transportation fleet—as well as throughout our global value chain, suppliers and clients
• The impact of the physical goods produced or used in our operations—mainly our SendTech products and the packaging we use as part of our operations

We commit to reducing the impacts of these risks through:

- A target of carbon neutrality by 2040 in our operations (scope 1 & 2) via
  - Efficient use of energy in our sites and fleet
  - Increased use of renewable energy
  - Offset of remaining carbon emissions

- A reduction in the environmental impact of our products via
  - Sustainable life cycles of our SendTech products
  - Responsible packaging
  - Minimizing impact of waste

- A target of carbon neutrality by 2050 in our value chain (scope 3) via
  - Better understanding of the sustainability practices of our suppliers
  - Increased accuracy of suppliers' CO_2 reporting
  - Partner with suppliers engaged in sustainable practice

Our business model, objectives and strategy are compatible with a long-term vision of a net-zero economy. To meet these objectives and aim for growth and environmental sustainability, we work steadily to make our operations more efficient, and we are committed to the use of green technologies, both existing and yet to be developed. Our approach combines early adoption of green technologies that fit our business with flexibility to capitalize on changes as the technologies continue to evolve.

In 2023, PB UK achieved a 7.9% absolute reduction of our CO_2 emissions (scope 1 + 2) compared to our 2022 baseline.
The energy used in 2023 decreased by 3.1% compared with our 2022 baseline.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Pitney Bowes has implemented a number of initiatives to support its first set of 5-year CO_2 reduction targets in 2015 and second set of global objectives in 2020. Our first objective is to use energy more efficiently and our second is to source more renewable energy.
For example, we changed legacy lighting to high-performing LED lighting on many industrial sites and global offices, and improve fuel efficiency of our US fleet through route management software and onboard anti-idling devices.
In the UK, we are analysing our needs and capabilities to improve the fuel efficiency of our fleet of engineers' cars in the UK where we started to deploy electric cars in our company vehicle fleet and promote personal electric cars in our grey fleet.

We also increased our worldwide sourcing of electricity from renewable source, increasing its share from 11% in 2020 to 29% in 2021, and 43.7% in 2022. In 2023, we met our 2025 worldwide objective of 50% electricity from renewable source with the share of electricity coming from renewable sources at 57.8%.
In the UK, we will continue our discussions with the landlord of our head-office to move toward sourcing electricity from 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[4] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[5].

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[6].

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:

Signature: RHigginson

Ryan Higginson, VP & Country Leader UK/ROI

Pitney Bowes Limited

Date: 02/07/24

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