

CARBON REDUCTION PLAN

April 2024 – March 2025

1. Net Zero Commitment

System C Healthcare Limited (System C) recognises the importance of making a full and lasting commitment to reducing the greenhouse gas emissions from our activities, in support of the wider commitment of the world to limit global temperature increases and the impact on the planet.

We commit to the following:

1. For our company to achieve Net Zero in line with the Science Based targets set out by the UNFCCC i.e. to achieve Net Zero no later than 2050 and target a 42% reduction in Scope 1 and 2 emissions, plus 25% of Scope 3 emissions by 2030.
2. To set realistic short- and long-term targets that are designed to achieve our Net Zero commitments.
3. To report the total Greenhouse Gas emissions of our business, at a minimum, on an annual basis.

| | Year | Earlier Year if Possible |
|---|-------|--------------------------|
| Commitment to be Net Zero | 2040* | 2035** |
| Reduce Scopes 1 and 2 by 42% Reduce Scope 3 by 25% | 2030 | |

* in line with NHS guidelines

** Over the next 12 months, **System C** is looking to create a plan to accelerate decarbonisation with the ambition to achieve Net Zero by 2035.

2. Company Overview

System C is a Limited Company registered in England & Wales, company number 01754990, with a head office address of Arden Court, Arden Street, Stratford-Upon-Avon, England, CV37 6NT.

| Year | April 2023 – March 2024 | April 2024 – March 2025 |
|---|-------------------------------|-------------------------------|
| Industry | Health & Social Care Software | Health & Social Care Software |
| No. of Staff | 750 | 727 |
| No. of Offices – Owned | 0 | 0 |
| No. of Offices/Sites – Leased | 10 | 9 |
| No. of Company Vehicles - Owned | 0 | 0 |
| No. of Company Vehicles - Leased | 0 | 0 |

System C is the UK's leading health and social care software and services company specialising in providing the health and social care sectors with robust, modern IT solutions; exceptional systems implementation expertise; and practicable, innovative consultancy services.

System C Healthcare Ltd and **Liquidlogic Ltd** are the main trading companies within the System C group.

3. Reporting Period

April 2024 – March 2025

4. Organisational Boundary

There are 3 different approaches to measuring emissions, as defined by the GHG Protocol. This report has been constructed using the **Operational Control Approach**, considering the requirements of each potential approach.

| Approach | Description | Approach Taken |
|----------------------------|--|----------------|
| Operational Control | The organisation has operational control over an operation if it or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation. | ✓ |
| Financial Control | The organisation has financial control over the operation if it has the ability to direct the financial and operating policies of the organisation with a view to gaining economic benefits from its activities. | |
| Equity Share | The organisation accounts for GHG emissions from operations according to its share of equity in the operation. | |

5. Operational Scopes

Emissions from Scope 1 and Scope 2 have been measured, using activity data, along with Scope 3 emissions using activity data and spend based analyses.

6. Benchmark Year

During the past five years, the company has undertaken significant restructuring through mergers, acquisitions and unit disposals. Historically, the company has only measured limited categories of Scope 3 emissions and has made the decision to undertake a full analysis of emissions using spend based analyses.

As such, Net Zero International has retrospectively measured Scope 3 Purchased Goods and Services emissions for 2023-2024 to ensure a comparison can be made between this year and last year.

Based on this and, in order to provide a like for like comparison of emissions, the decision was made to restate the benchmark year to 2023-2024 to replace the previous reporting benchmark year of 2021-2022.

7. Methodologies Used

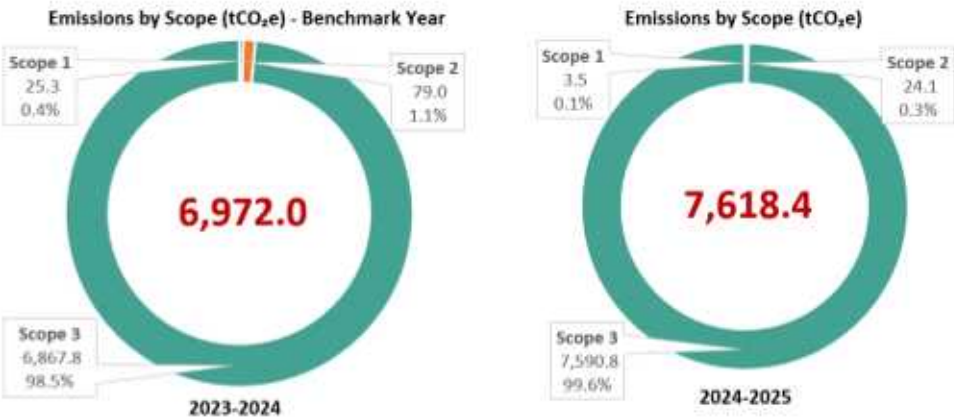
Throughout this report all methodologies used are explained within the relevant sections.

8. Carbon Emissions Overview



The total calculated emissions for the business for the period 2024-2025 are 7,618.4 tCO₂e. This is compared to the restated benchmark year of 2023-2024. The breakdown of emissions are analysed throughout this report.

9. Analysis by Scope



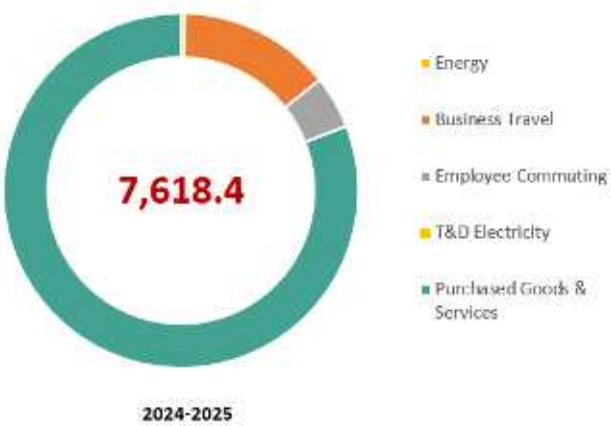
| Scope | Description | tCO ₂ e | % |
|---------|--|--------------------|--------|
| Scope 1 | Scope 1 emissions includes fuels used at company premises. The company owns no vehicles. | 3.5 | 0.1% |
| Scope 2 | Emissions in scope 2 includes electricity used at the company's premises. A number of offices are on a fully renewable tariff. | 24.1 | 0.3% |
| Scope 3 | Scope 3 emissions Including: <ul style="list-style-type: none">Business TravelEmployee commutingTransmission and Distribution of ElectricityPurchased Goods and Services | 7,590.8 | 99.6% |
| TOTAL | | 7,618.4 | 100.0% |

10. Emissions By Activity

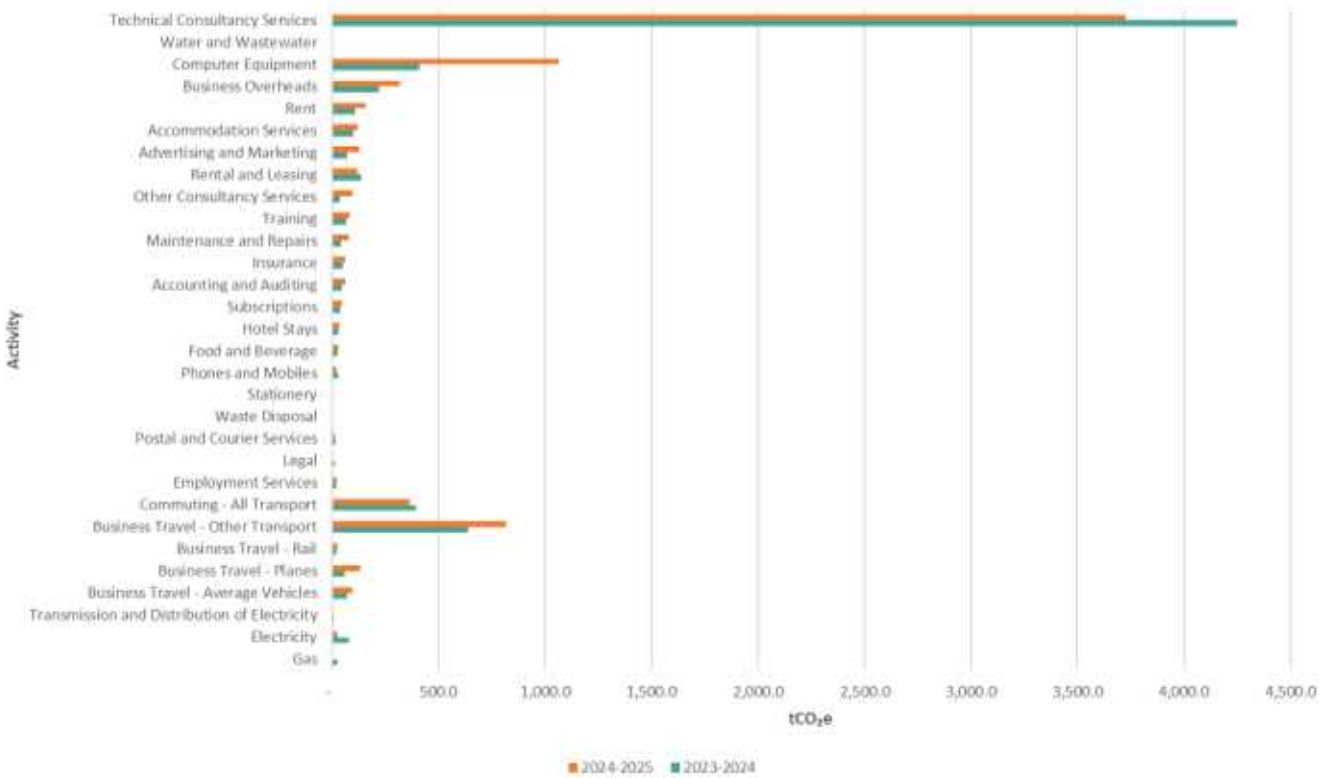
Emissions by Activity (tCO₂e) - Benchmark Year



Emissions by Activity (tCO₂e) - Current Year




Emissions by Activity 2024-2025 and Compared to 2023-2024



| Data Details | | Previous Year | Current Year | | |
|---|-------|---------------|--------------|-------------------|-----------------|
| Emission Type | Scope | 2023-2024 | 2024-2025 | Data Source | Data Confidence |
| Energy | | | | | |
| Gas | 1 | 25.3 | 3.5 | Gas Bills | High |
| Electricity | 2 | 79.0 | 24.1 | Electricity Bills | Medium |
| Transmission and Distribution of Electric | 3 | 6.8 | 3.5 | Electricity Bills | High |
| | | 111.1 | 31.1 | | |
| Business Travel | | | | | |
| Business Travel - Average Vehicles | 3 | 68.5 | 93.7 | Company Data | High |
| Business Travel - Planes | 3 | 57.7 | 129.4 | Company Data | High |
| Business Travel - Rail | 3 | 17.8 | 24.1 | Company Data | High |
| Business Travel - Other Transport | 3 | 637.1 | 814.4 | Company Data | High |
| | | 781.1 | 1,061.6 | | |
| Employee Commuting | | | | | |
| Commuting - All Transport | 3 | 392.5 | 363.0 | Employee Survey | Medium |
| | | 392.5 | 363.0 | | |
| Other Emissions Calculated | | | | | |
| Employment Services | 3 | 17.9 | 19.6 | Spend Analysis | Medium |
| Water and Wastewater | 3 | 0.1 | 0.0 | Spend Analysis | Medium |
| Legal | 3 | 10.8 | 3.5 | Spend Analysis | Medium |
| Postal and Courier Services | 3 | 16.1 | 10.6 | Spend Analysis | Medium |
| Waste Disposal | 3 | 0.8 | 0.0 | Company Data | High |
| Stationery | 3 | 0.7 | 0.7 | Spend Analysis | Medium |
| Phones and Mobiles | 3 | 25.8 | 20.5 | Spend Analysis | Medium |
| Food and Beverage | 3 | 25.1 | 28.5 | Spend Analysis | Medium |
| Hotel Stays | 3 | 26.2 | 31.4 | Company Data | High |
| Subscriptions | 3 | 34.2 | 42.8 | Spend Analysis | Medium |
| Accounting and Auditing | 3 | 46.3 | 59.3 | Spend Analysis | Medium |
| Insurance | 3 | 47.3 | 60.6 | Spend Analysis | Medium |
| Maintenance and Repairs | 3 | 39.7 | 77.0 | Spend Analysis | Medium |
| Training | 3 | 66.3 | 83.4 | Spend Analysis | Medium |
| Other Consultancy Services | 3 | 36.5 | 94.2 | Spend Analysis | Medium |
| Rental and Leasing | 3 | 136.0 | 120.6 | Spend Analysis | Medium |
| Advertising and Marketing | 3 | 71.2 | 125.3 | Spend Analysis | Medium |
| Accommodation Services | 3 | 99.5 | 120.9 | Spend Analysis | Medium |
| Rent | 3 | 108.5 | 154.4 | Spend Analysis | Medium |
| Business Overheads | 3 | 219.9 | 317.4 | Spend Analysis | Medium |
| Computer Equipment | 3 | 409.6 | 1,063.6 | Spend Analysis | Medium |
| Technical Consultancy Services | 3 | 4,248.8 | 3,728.4 | Spend Analysis | Medium |
| | | 5,687.3 | 6,162.7 | | |
| TOTAL | | 6,972.0 | 7,618.4 | | |


System C has implemented changes that have reduced emissions in Scopes 1 and 2 by 86% and 69% respectively, by reducing gas as a source of heating in a number of offices. As a result of our office location strategy, the remaining properties will seek to continue this reduction in 2025-2026, by relocation to certified carbon-neutral premises. Conversely, Scope 3 emissions have increased as a result of increased annual expenditure. As such, System C will aim to progress the key Carbon Reduction Actions set out in Section 13.

11. Intensity Metric Analysis



Per Employee

| Intensity Metrics (tonnes CO ₂ e) | | |
|--|-----------------------------|---------------------------|
| | Benchmark Year 2023-2024 | Current Year 2024-2025 |
| Scopes 1, 2 & 3 | 9.3 | 10.5 |
| Scopes 1 & 2 | 0.14 | 0.04 |



Per £1m Turnover

| | Benchmark Year 2023-2024 | Current Year 2024-2025 |
|-----------------|-----------------------------|---------------------------|
| Scopes 1, 2 & 3 | 61.6 | 69.0 |

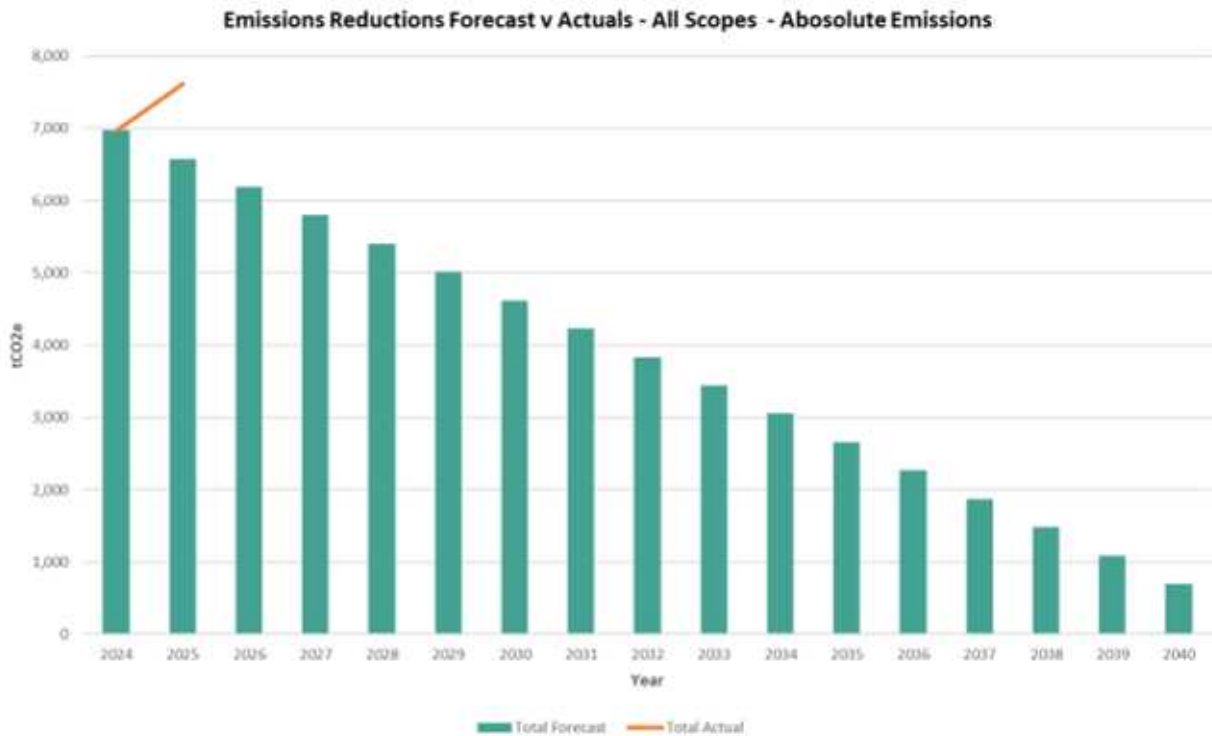
The chosen intensity metrics show carbon emissions value of 10.5 tCO₂e per employee for all Scopes and 0.04 tCO₂e for Scopes 1 and 2. In addition, the intensity metrics show carbon emissions value of 69.0 tCO₂e per £1m turnover for all Scopes. The business headcount averaged 727 people during the current period.

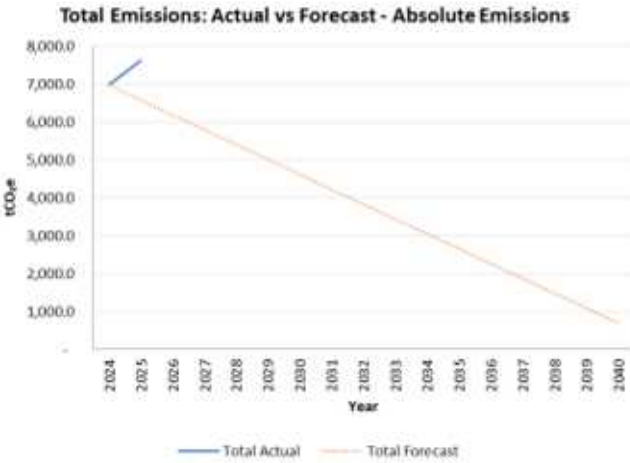
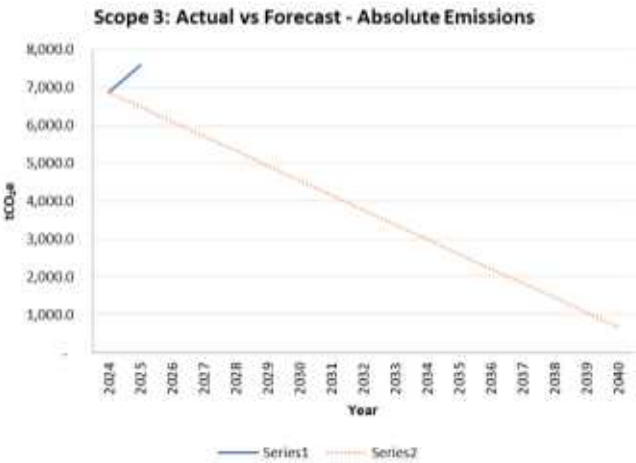
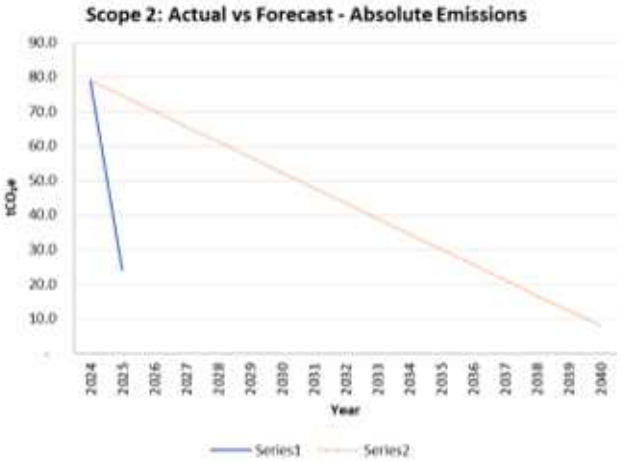
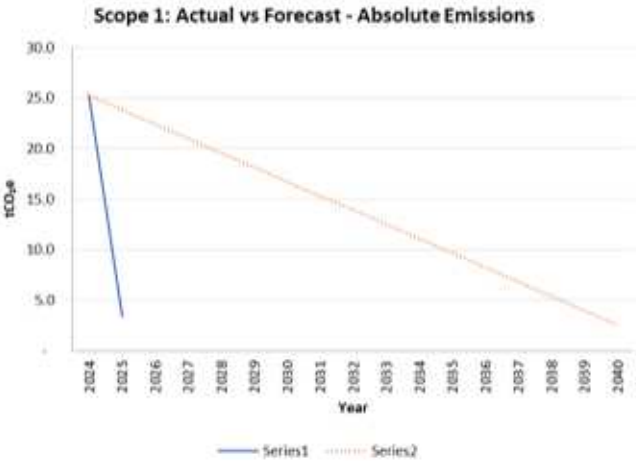
12. Emissions Reductions Targets Analysis

The following charts provide a forecasted view of the emissions targets for the organisation as a whole and Scope by Scope in line with the following Net Zero emissions targets:

- Scope 1 and 2 – 42% reduction by 2030
- Scope 3 – 25% reduction by 2030

These targets are being mapped against actual emissions year by year to support ongoing strategies and decision making to achieve Net Zero by 2040.





The charts above show the decrease in Scopes 1 and 2 emissions and increase in Scope 3 – see Section 13 - Carbon Reduction Action Plans for further detail.

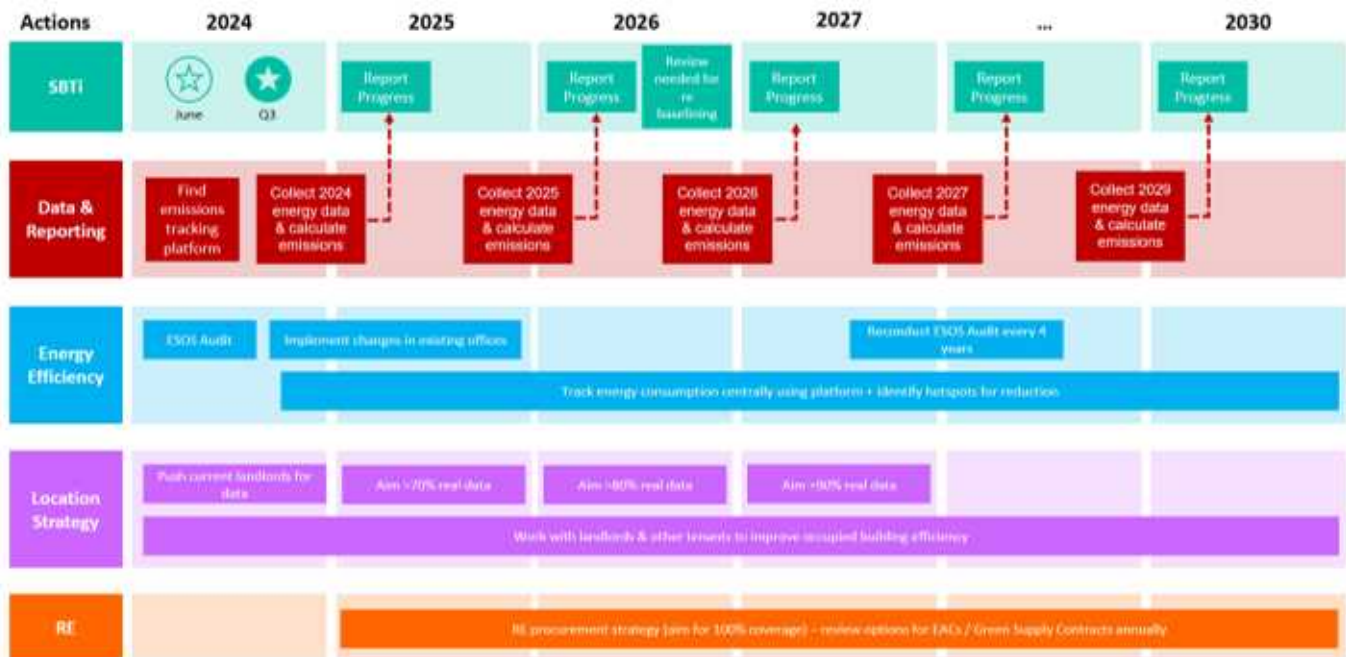
13. Carbon Reduction Action Plans

The following initiatives that will support **System C's** strategies to meet Science Based Targets:

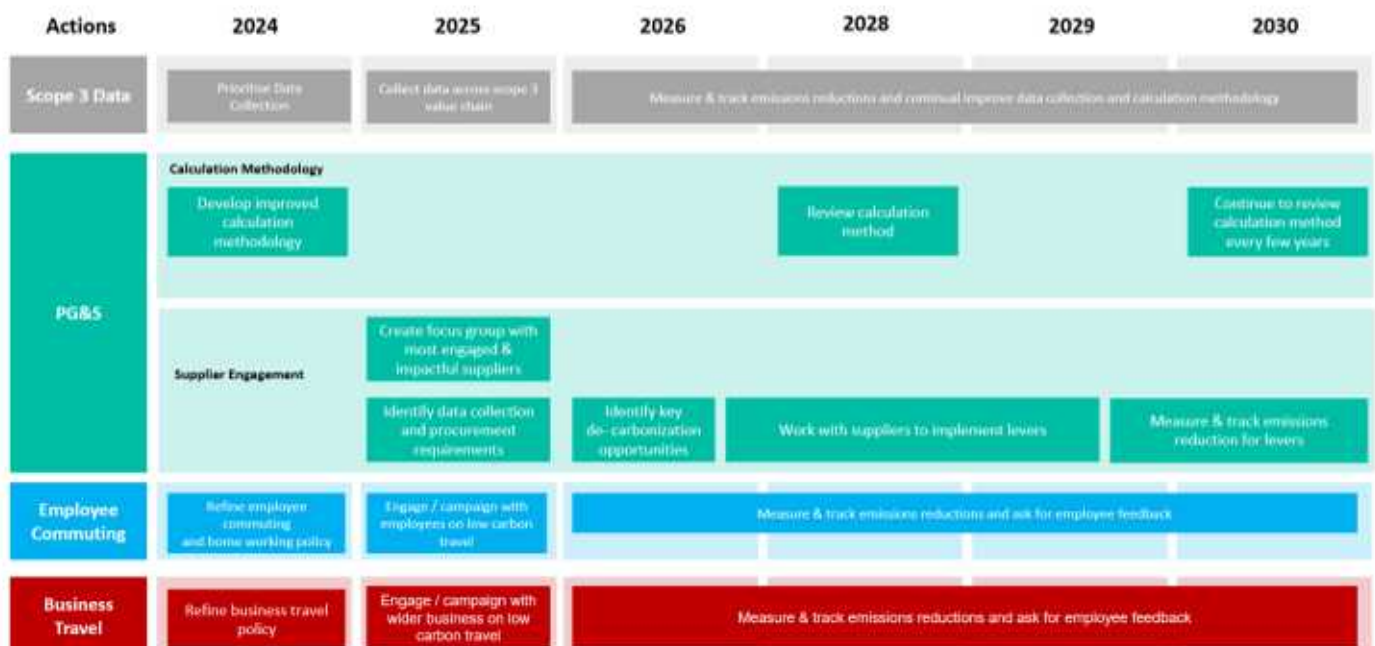
| Initiative | Action | Progress |
|---|--|--|
| Energy Use & Office Operations (Scope 1 & 2) | <ul style="list-style-type: none"> Where practicable, switch all remaining offices to 100% renewable energy tariffs by end of FY 2026. Green leases: work with landlords to ensure buildings are energy efficient (EPC rating improvements, insulation, low-carbon heating). Where practicable, introduce LED lighting in all our offices that do not currently have this by end of FY 2026. Ensure all offices have recycling points aligned with Simpler Recycling legislation. Encourage hybrid working to reduce commuting and office energy demand. <p>FY 2026 objective:</p> <ul style="list-style-type: none"> Relocate an additional 2 no offices (Stratford and Basildon) to certified carbon neutral office spaces. | <ul style="list-style-type: none"> 7 out of 9 of our offices now use renewable electricity tariffs. ESOS report completed in July 2024 and actions from this audit considered and actioned in the 2024-2025 report. One office relocation during FY24 included targets relating to the Environmental Performance of the Premises and Building. Discussions with our landlords continue to enable LED lighting and smart heating/cooling where possible. All offices now have compliant recycling points. Implemented a flexible working policy which encourages hybrid working arrangements. |
| Business Travel and Commuting (Scope 3) | <ul style="list-style-type: none"> Ensuring the team uses public and low carbon transport options when practical to do so. Car share for business trips. Switched to Online Meetings and Online Events where possible and continue to embrace hybrid working. Electric car salary sacrifice scheme was introduced in FY 2021-22 with continual promotion of the scheme to employees. Cycle to work scheme is ongoing since FY 2014/15 with a continual promotion of the scheme to employees. <p>FY 2026 objectives:</p> <ul style="list-style-type: none"> Develop and implement a Sustainable travel policy. To measure employee commuting in FY2026 and include in next year's report. | <ul style="list-style-type: none"> All actions implemented. |
| Employee Engagement | <ul style="list-style-type: none"> Continue to engage the entire team throughout the organisation in the Net Zero transition plan and to encourage staff to support lower carbon ideas, opportunities, and activities. Review and implement new methods to engage with our staff. | <ul style="list-style-type: none"> An ESG committee has been formed and all ESG related content has been reviewed and updated on a dedicated ESG section on the company Intranet and external website. Developed an ESG strategy program in conjunction with the ESG committee to |

| Initiative | Action | Progress |
|--|--|---|
| | <p>FY 2026 objectives:</p> <ul style="list-style-type: none"> To get involved in local volunteering initiatives (i.e. litter picking, educational sessions, tree planting, conservation, STEM education linked to sustainability) in line with our new Volunteering initiative. Undertake a survey of key internal stakeholders regarding Sustainability governance with a focus on carbon reduction. Outcomes and suggested improvements to be translated into an action plan. | <p>oversee delivery and progress against actions.</p> <ul style="list-style-type: none"> Appointed a new Sustainability Manager and ESG Lead to oversee and implement the ESG strategy. Uploaded the previous Carbon Reduction Plan to our Central HR System so it can be easily accessed by employees. |
| Supply Chain and Partnerships (Scope 3) | <ul style="list-style-type: none"> To create a framework to launch our Sustainable Procurement policy in FY 2025. Commit to using sustainable and local suppliers where practical. <p>FY 2026 objectives:</p> <ul style="list-style-type: none"> Supplier engagement: assess mechanisms/tools to evaluate carbon performance of our high value suppliers and prioritise low-carbon suppliers where possible. | <ul style="list-style-type: none"> Sustainable Procurement Policy is in draft and awaiting sign off. Supplier Code of Conduct implemented in 2024 to support our Environmental Policy. Local supply chain partners are used where possible. |
| Acceleration Plan to Net Zero | <ul style="list-style-type: none"> To create a plan to accelerate Decarbonisation with the ambition to achieve Net Zero by 2040. | <ul style="list-style-type: none"> Prioritised for ESG committee review to align to industry Net Zero targets. |
| Data Quality | <ul style="list-style-type: none"> To improve the quality and accuracy of data to ensure more accurate measurement of our emissions including actual waste produced per office/site. To measure employee commuting in FY2025 and include in next year's report. | <ul style="list-style-type: none"> We have included an increased amount of Scope 3 emissions in this report based on financial spend. We are developing a plan to engage with key suppliers with the aim of collecting primary data where possible, and to identify Decarbonisation actions. We have included employee commuting emissions based on headcount and will improve this with a survey in FY 2026. |
| Further Actions for FY 2026 | <ul style="list-style-type: none"> Working on a full Decarbonisation strategy with external consultants. Achieve ISO 14001 (Environmental Management System) certification. | <ul style="list-style-type: none"> Plan is being finalised and will be included in the 2025-2026 report. |

14. High-level Scope 1 & 2 Decarbonisation Roadmap



15. High-level Scope 3 Decarbonisation Roadmap



16. Emissions Data

The data contained in the table below represents total emissions calculated and is consistent with SECR requirements. All sources of emissions that have been measured are included in the totals below. Emissions from key activities are summarised in the previous sections.

| | Previous Year 2023-2024 | Current Year 2024-2025 |
|---|----------------------------|---------------------------|
| Energy consumption used to calculate emissions Electricity Scope 2 - UK and Offshore (kWh) | 381,289 | 194,456 |
| Energy consumption used to calculate emissions – Global, excluding UK and Offshore (kWh) | N/A | N/A |
| Basis of Energy reporting (Location or Market)* | Market | Market |
| % of total energy sourced from certified renewable sources | 0% | 40% |
| Emissions associated with energy consumption - UK, Offshore and Global (tCO ₂ e)* | 79.0 | 24.1 |
| Emissions from activities for which the company is responsible including combustion of fuel and operation of facilities - Scope 1 (tCO ₂ e) | 25.3 | 3.5 |
| Emissions from purchase of electricity, heat, steam and cooling purchased for own use - Scope 2 (tCO ₂ e) | 79.0 | 24.1 |
| Total Scope 1 and 2 Emissions (tCO₂e) | 104.2 | 27.6 |
| Emissions from selected activities out of operational control - Scope 3 (tCO ₂ e) | 6,867.8 | 7,590.8 |
| Emissions from use of sold products and services out of operational control - Scope 3 (tCO ₂ e) | None included | None included |
| Total Gross Scope 3 Emissions (tCO₂e) | 6,867.8 | 7,590.8 |
| Total Scope 1, 2 and 3 Emissions (tCO₂e) | 6,972.0 | 7,618.4 |
| Intensity ratio tCO ₂ e (gross Scope 1, 2 and 3) per employee | 9.3 | 10.5 |
| Carbon offsets (tCO ₂ e) | - | - |
| Total Annual Net Emissions (tCO₂e) | 6,972.0 | 7,618.4 |

* A market-based method reflects emissions from electricity that companies have purposefully chosen. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). Emissions with a location-based method would have been 40.3 tCO₂e.

17. Energy kWh Analysis

| Data Details | | 2023-2024 | 2024-2025 |
|-------------------------------------|-------|----------------|----------------|
| Emission Type | Scope | t CO2e | t CO2e |
| Gas | 1 | 25.3 | 3.5 |
| Electricity | 2 | 79.0 | 24.1 |
| Business Miles in Personal vehicles | 3 | 781.1 | 1,061.6 |
| TOTAL | | 885.3 | 1,089.1 |
| Headcount | | 750 | 727 |
| t CO2e per employee | | 1.18 | 1.50 |
| SECR kWh | | kWh | kWh |
| Gas | 1 | 138,250 | 18,904 |
| Electricity | 2 | 381,289 | 194,456 |
| Business Miles in Personal vehicles | 3 | 283,226 | 386,881 |
| TOTAL | | 802,764 | 600,241 |

18. PPN 006 Compliant Data

The following table is a subset of mandatory reporting data for PPN 006 (previously PPN 06/21).

| PPN 006 | Emissions Data | tCO2e | Notes |
|---------|---|----------------|--------------------------------|
| Scope 1 | Gas | 3.5 | |
| Scope 2 | Electricity | 24.1 | |
| Scope 3 | 1. Purchased goods and services | 6,162.7 | |
| Scope 3 | 3. Fuel and energy related activities | 3.5 | |
| Scope 3 | 4. Upstream transportation and distribution | - | Not applicable |
| Scope 3 | 5. Waste generated in operations | 0.0 | Waste emissions are de minimis |
| Scope 3 | 6. Business travel | 1,061.6 | |
| Scope 3 | 7. Employee commuting | 363.0 | |
| Scope 3 | 9. Downstream transportation and distribution | - | Not applicable |
| | TOTAL | 7,618.4 | |

19. Standard and Methodology Used

System C categorises its Greenhouse Gas (GHG) Emissions as Scope 1, 2 or 3 as referred to in the WBCSD – WRI Greenhouse Gas Protocol (revised edition, dated March 2014). Emissions in Carbon Dioxide equivalent (CO₂e) for all scopes are calculated using the conversion factors listed in DESNZ Greenhouse Gas Conversion Factors for the relevant 12-month period over which the Carbon Footprint is calculated. Procured renewable electricity and gas is calculated in accordance with the WBCSD – WSI Scope 2 Guidance on procured renewable energy (2015).

20. Data Quality / Confidence

The data used to generate this report has been collected from various sources from both within the company and using assumptions gathered by Net Zero International. These emissions have been converted to CO₂e using GHG Protocol and DESNZ frameworks and conversion factors for the relevant period.

21. Offsets

As part of the commitment of **System C** to target reductions in its GHG emissions and, ultimately, attain Net Zero the company will review and report all offsetting that it enters. All offsetting options will be considered and reported included, formally certificated schemes (e.g., Gold Standard) as well as more informal schemes. Where offsetting is done against informal schemes, details of the calculation logic will be reported.

22. Declaration & Sign Off

This Carbon Reduction Plan has been completed in accordance with SECR, 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 and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

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.

This Carbon Reduction Plan has been reviewed and agreed by System C's Chief Executive Officer, Nick Wilson.

Signed on behalf of System C Healthcare Limited and its above stated subsidiaries.

Name: **Nick Wilson**



Position: **Chief Executive Officer**

Date: **30th October 2025**

23. Third Party Validation

This report was compiled on behalf of System C Healthcare Limited by Net Zero International using the notch Carbon Accounting Platform:

Validated on behalf of Net Zero International

Name: **David Hawes**



Position: **Chief Executive Officer**

Date: **30th October 2025**

24. Glossary

| | |
|--|---|
| Benchmark Data | The chosen 12-month period that sets the calculated emissions that need to be mitigated and/or offset. |
| Carbon Reduction | Reduction in measured CO ₂ e emissions |
| Carbon Reduction Plan | Plan to reduce CO ₂ e emissions over a period of time, updated annually |
| Carbon Emissions (Gross) | CO ₂ e emissions from Company activities |
| Carbon Emissions (Net) | CO ₂ e emissions from Company activities minus verified carbon offsets the Company purchases |
| Carbon Neutral | When emissions are fully offset including those emissions that could be mitigated. |
| Carbon Offsets | A removal or reduction of carbon emissions through a verified scheme. |
| CO₂e | All greenhouse gases expressed in terms of Carbon Dioxide equivalent (CO ₂ e) for consistency of reporting. |
| DESNZ | Department of Energy Security and Net Zero (https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting) |
| EEIO | Environmentally Extended Input Output – Emissions estimated on spend https://ghgprotocol.org/ |
| GHG Protocol | Greenhouse Gas Protocol https://ghgprotocol.org/ |
| Greenhouse Gases | Carbon Dioxide (CO ₂), Methane (CH ₄), Nitrous Oxide (N ₂ O), Chlorofluorocarbons (CFCs and HCFCs), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF ₆) |
| Greenhouse Gas Conversion Factors | Annually published conversion factors normally published by relevant government departments. Converts activity into CO ₂ e emissions. |
| Greenhouse Gas Emissions (GHG) | Gases in the atmosphere that absorb and radiate heat |
| Intensity Metric/Ratio | A metric that measures carbon emissions per relevant unit of activity in a business. |
| Market Reporting v Location Reporting | Market is based on specific tariffs. Location is based on the country from which you are reporting. |
| Net Zero | GHG emissions are mitigated and those that cannot are offset |
| Renewable Tariff | An energy tariff that is 100% powered by renewable energy and is certified. |
| SBT | Science Based Targets – reducing emissions by 50% by 2030 and by 90% by 2050 and offsetting the remaining amount. |
| Scope 1 | The fuels that are burnt (gas, transport the company owns, refrigerant gases) |
| Scope 2 | The energy that is bought (electricity from the grid, purchased heat) |
| Scope 3 | Emissions embedded in everything a company buys and emitted as a consequence of everything a company sells. |
| SECR | Streamlined Energy & Carbon Reporting |
| tCO₂e | Metric tonnes of CO ₂ equivalent emitted. |
| WBCSD | World Business Council for Sustainable Development https://www.wbcsd.org/ |
| WRI | World Resource Institute https://www.wri.org/ |