

Gamma Net-Zero 2042

From CarbonNeutral® to Net Zero by 2042



Introduction

ESG Committee

Since its establishment in 2020, the ESG Committee has overseen the development and activity of Gamma's ESG agenda. In shaping this agenda, the Gamma Board adopted four key UN Sustainable Development Goals (UNSDGs), which act as a foundation to develop environmental, social and ethical policies, influencing how we operate in the future.



Assessing Environmental Impact

The ESG Committee has developed a framework for the business to improve the way in which it systematically assesses its environmental impacts.

As a technology business we have increasingly understood that our most significant environmental impacts derive from the emissions produced in the business value chain.

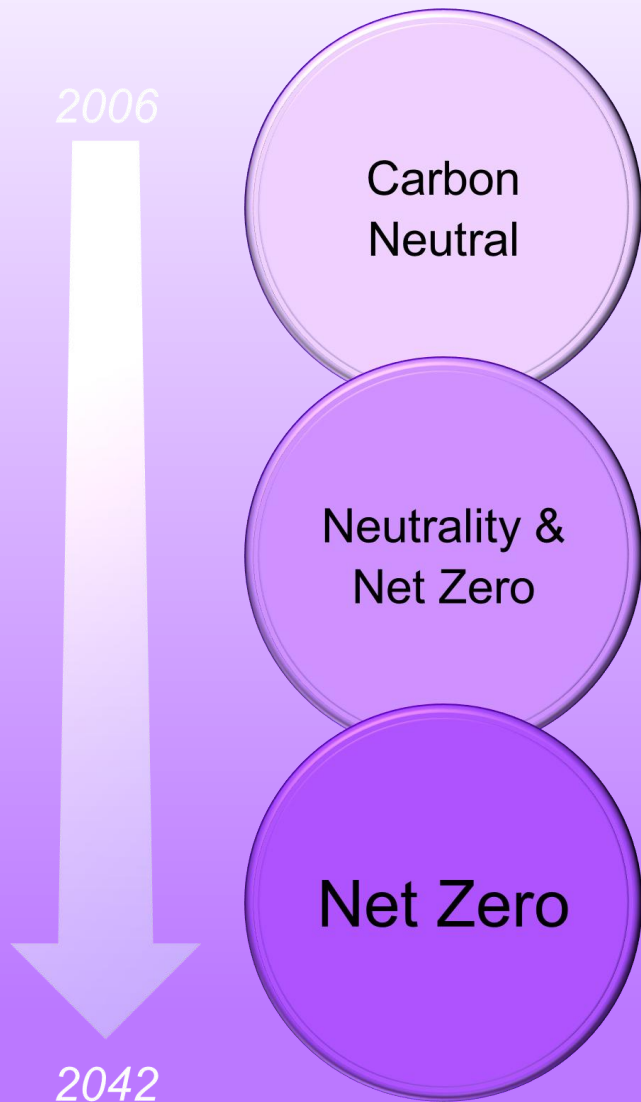
A rebaseline exercise in 2021, allowed us to understand our energy and carbon emissions profile better than ever before. In doing so we now recognise several key emissions sources and are taking targeted action to reduce the impacts of certain business activities within appropriate timescales.

Taking Climate Action

We will take this targeted action in support of UNSDG #13, which is to “take urgent action to combat climate change and its impacts”.

We believe it is important for businesses like Gamma to demonstrate leadership in taking climate action to support the goal of limiting global temperature rises to 1.5°C, in doing so protecting and sustaining the world's natural environment.

This document outlines the steps that we will take to support UNSDG 13 through a series of commitments towards carbon net-zero emissions by 2042.



The Journey

- ✓ Our history as a Carbon Neutral business

We made a commitment to reduce the carbon footprint of our network back in 2006, through investment in energy efficiency measures and other assets as well as an active offset management programme. That work has been ongoing since then and Gamma has remained fully CarbonNeutral® certified for the past 19 years.

- ✓ Net-Zero: A science-based approach

In early 2024, our Net Zero targets were validated by the Science Based Targets initiative (SBTi). We have near- and long-term company-wide emission reductions in line with climate science and internationally recognised frameworks. We are planning to maintain these targets, despite significant acquisitions since our baseline year. Adhering to SBTi underpins our commitment to limit global warming to 1.5C.

- ✓ Circular Economy

We responsibly recycle our redundant hardware and are now actively seeking out ways in which we can help our partners and customers do the same.

Science Based Targets

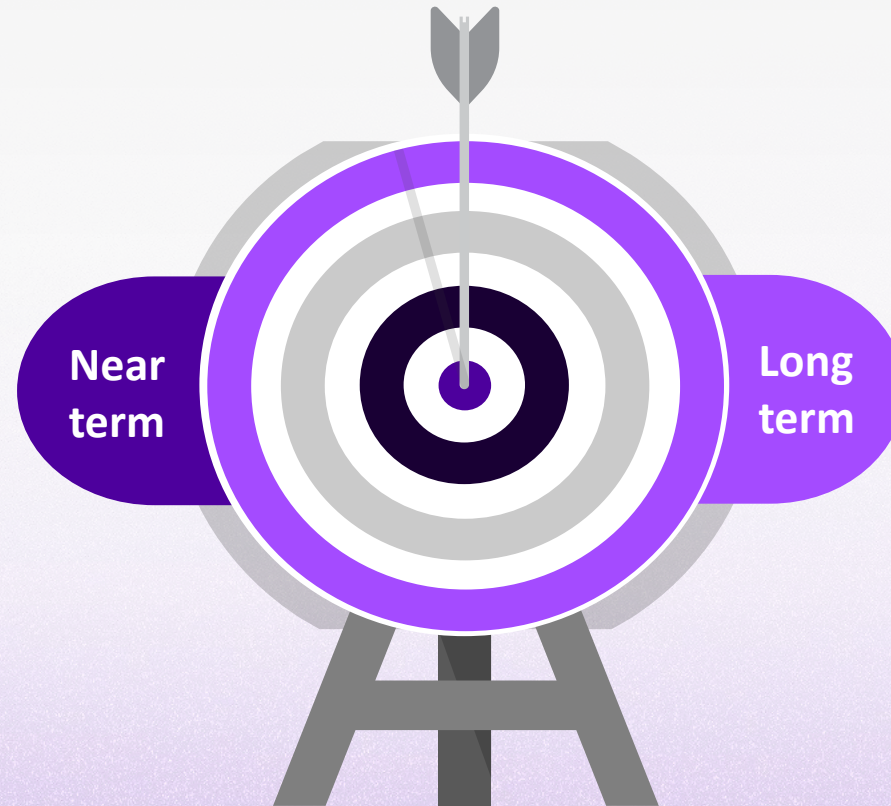
In February 2024, Gamma's net-zero targets were validated by the Science-Based Targets Initiative (SBTi) the leading framework for setting and measuring carbon reduction targets.

SCOPE 1 & 2

Reduce emissions **90%** by **2030**
from our baseline year, 2021

SCOPE 3

Reduce emissions **50%** by **2030**
from our baseline year, 2021



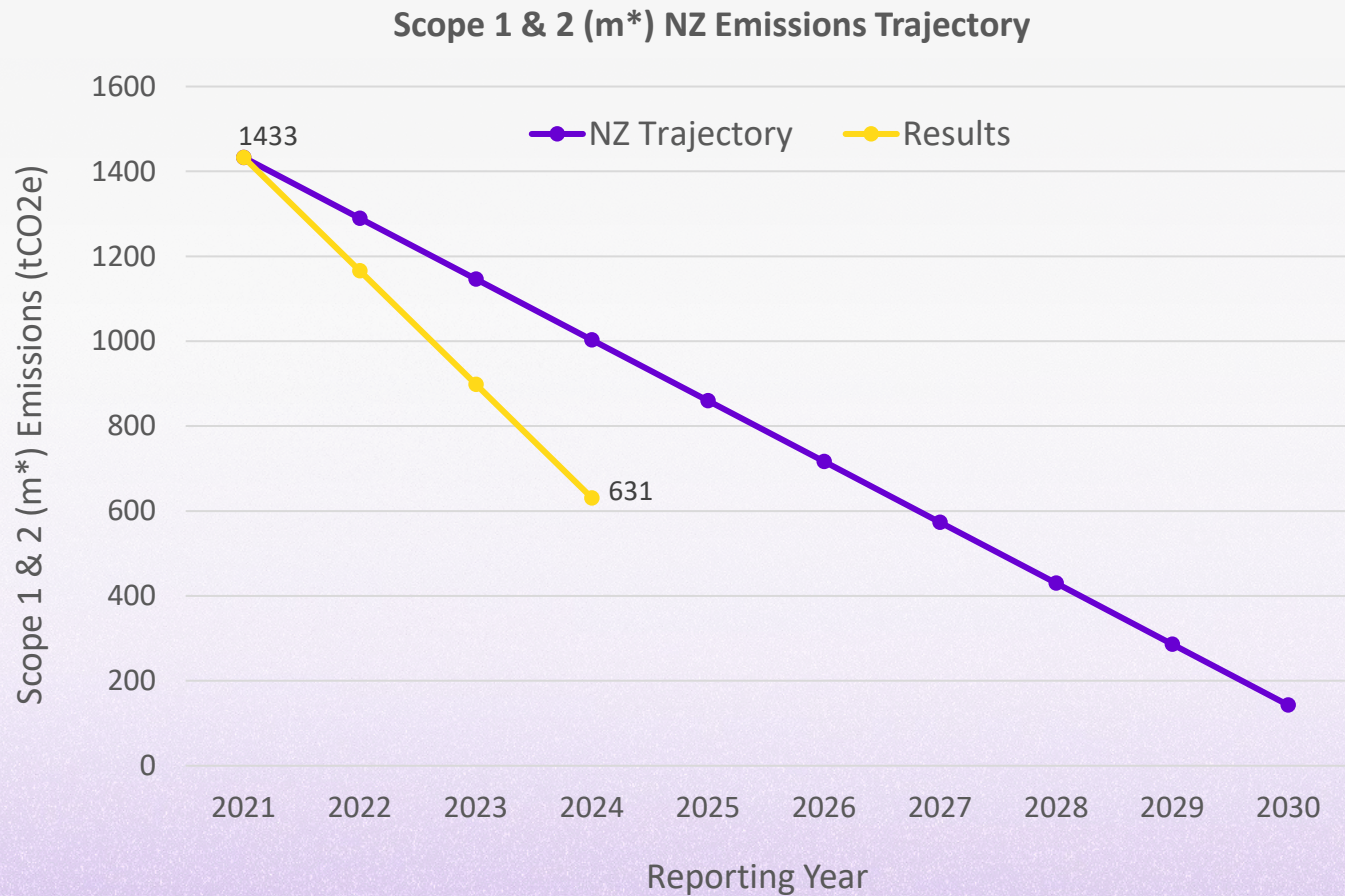
SCOPE 1 & 2

Maintain at least **90%** emissions
reductions through to **2042** from
our baseline year, 2021

SCOPE 3

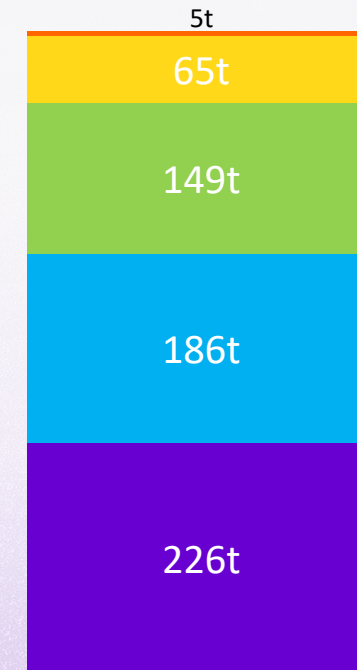
Reduce emissions **90%** by **2030**
from our baseline year, 2021

So far we have seen Scope 1 & 2 emissions fall further than the required year-on-year trajectory



SCOPE 1 & 2 BREAKDOWN (2024)

- Vehicles
- Electricity *
- F-Gas
- Mains Gas
- Fuels



*Emissions from electricity are measured using the market-based method

Scope 1 & 2 emission reduction plans



Where possible, our UK vehicle fleet will transition to EVs by the end of the decade.

Where not feasible, plug in hybrids (PHEV) will replace our current hybrid fleet.

We also have significant fleet in our European business.

We are assessing options to transition away from providing ICE vehicles, however infrastructure limitations must be overcome.



We are investigating options for installing solar at our dedicated datacentre.

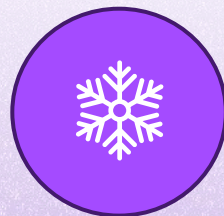
Solar at this facility may be able to provide 6-7% of the power required to run DC - limited by size of building.

Within our datacentre we are implementing several energy efficiency projects

These include cooling aisles, platform virtualisation, rack consolidation, optimising cooling and consolidating space

We directly procure 100% renewable electricity in the UK – including datacentre.

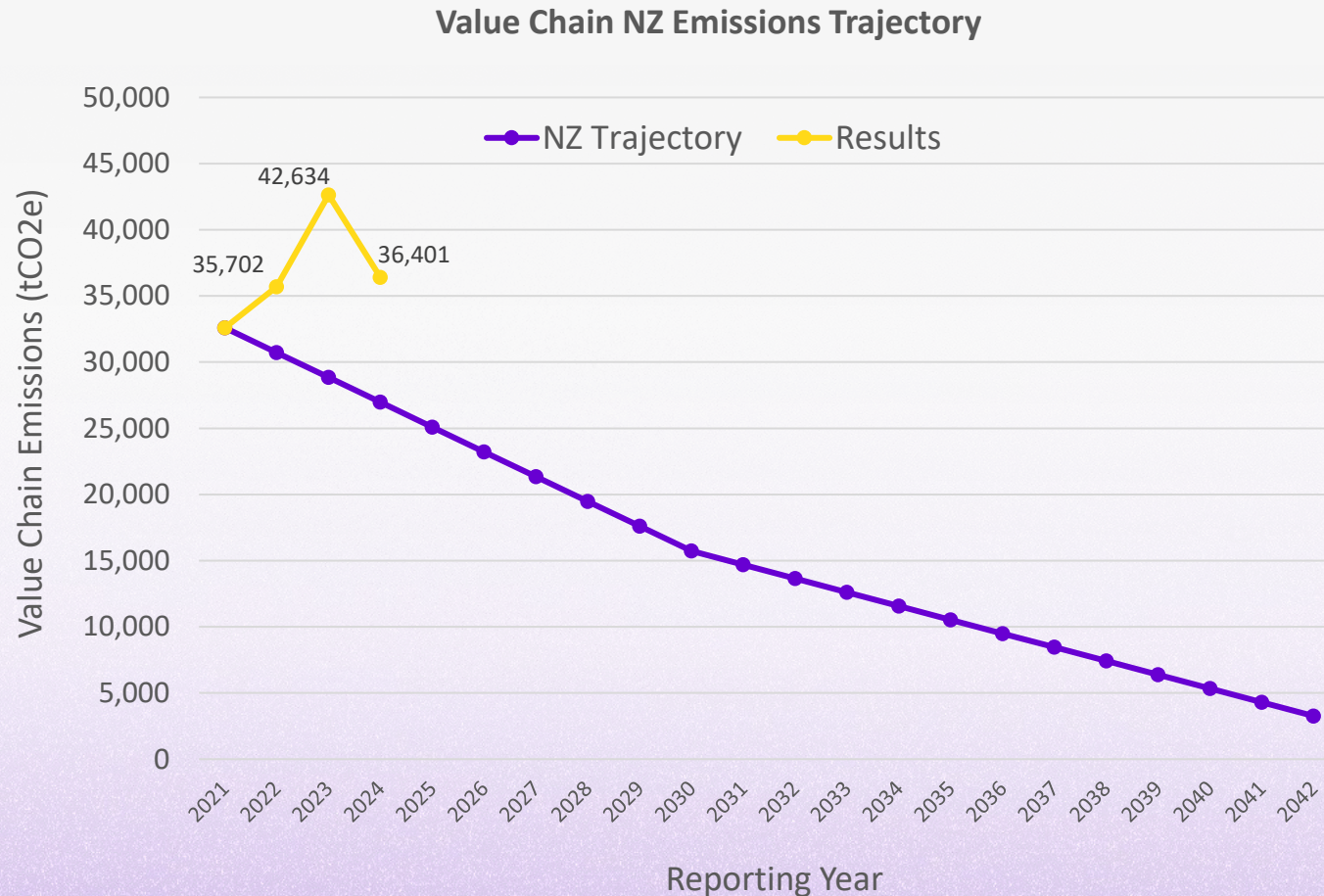
We will seek to increase the overall supply of renewable energy by upgrading in Europe and seeking out managed office spaces with high renewable supply.



We have taken steps to remove or cap gas supplies from most offices in our control and will continue to seek out managed office spaces with no gas supply.

Facilities team are helping to manage air conditioning units to ensure “top-up” of polluting F-Gas in air conditioning units is minimised.

When including Scope 3 emissions, carbon reduction lags the long-term year-on-year trajectory



- Scope 3 emissions represent 95% of Gamma’s total value chain emissions...
- ...Over 90% of these Scope 3 emissions are estimated to come from purchased goods and services – “supplier emissions”.
- Fulfilment of net-zero targets that include Gamma’s Scope 3 emissions will require suppliers to reduce their emissions sufficiently.

- ✓ Gamma engages with its partners and suppliers to encourage decarbonisation in the supply chain.
- ✓ We have implemented an Ethical Procurement Policy to ensure sustainability is considered in buying activity
- ✓ We also take direct action in support of Scope 3 efforts such as recycling legacy hardware.

Challenges

Scope 3 Emissions

Indirect emissions remain difficult to calculate. We currently use a hybrid approach, combining primary data with a spend-based methodology where this doesn't exist.

Many of our largest suppliers already have net-zero ambitions of their own so influencing them to meet our targets is difficult. We engage regularly with our peers in our supply chain and remain aligned to achieve the same objectives, albeit in different timeframes.

Supply chain emissions will become a higher priority towards the end of the decade when we have demonstrated our own emissions are consistently reducing in line with our targets and will do so until they are achieved.

Company Growth

We continue to grow in Europe, with recent acquisitions such as Starface significantly increasing the size of the Gamma family.

We continue to consider acquisitions and now have more of an appreciation for potential impacts they have on our net-zero ambitions.

Newly acquired businesses are added to our emissions portfolio in the first full year after being acquired. For a company acquired in 2025, their emissions will first appear in our 2026 data, published in early 2027.

During that period their operation and processes are integrated into our net-zero transitioning planning and emissions reduction activity.

Emissions Profile

Our Scope 1 and 2 emissions are relatively low and are therefore vulnerable to spikes year-on-year. In 2024 data, air con "top up" at a large office facility caused an increase in our overall emissions for the year. Low level processes are therefore required to manage trivial BAU activity.

Our vehicle fleet and acquisitions pose a threat here. If government policy changes and electrification slows, we may not have enough emissions reduction opportunities to accommodate a delay in this transition. Our trials have shown public infrastructure cannot yet be fully relied on for our operations.

Acquisitions with large sources of emissions again may cause temporarily unmanageable increases. Action will be taken to address this as soon as possible and in line with our net-zero targets.

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