

Carbon Reduction Plan

Commitment to Achieving Net Zero

Butterfly Data is committed to achieving Net Zero emissions by 2050. We have voluntarily offset 100% of our measured Scope 3 emissions since FY22 and are committed to stabilising and then reducing our operational emissions intensity alongside continued offsetting.

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: FY22 (December 2021 - November 2022)

Additional details

Butterfly Data is an IT consultancy with no company-owned premises, no combustion vehicles, and no direct energy procurement. Scope 1 and Scope 2 emissions are therefore zero. Staff work under a hybrid model mostly remote working with some use of fully serviced office space; as serviced offices are fully inclusive with no utility breakout, associated energy consumption is captured within Scope 3 Category 1 rather than Scope 1 or 2.

Our baseline year was originally 2020. We have rebaselined to FY22 as the earliest year with consistent data under our current carbon accounting methodology. The 2020 and 2021 baselines were distorted by COVID-19 restrictions and used a previous methodology (GHG Protocol/Quantis Scope 3 Evaluator) which materially underestimated emissions.

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	0
Scope 2	0
Scope 3 (Operational Sources)	37.73
Cat 1 - Purchased Goods & Services	25.86
Cat 4 - Upstream Transportation & Distribution	N/A
Cat 5 - Waste Generated in Operations	N/A
Cat 6 - Business Travel	11.87
Cat 7 - Employee Commuting	N/A
Cat 9 - Downstream Transportation & Distribution	N/A
Total Operational Emissions	37.73
Average FTE	17.1

Operational emissions per FTE	2.21 tCO ₂ e
Cat 8 – Lease EVs (for offset only)	2.74
Total including Cat 8	40.47
Carbon offsets purchased	53 tCO ₂ e

Current Emissions Reporting

Reporting Year: FY23 (December 2022 - November 2023)

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	0
Scope 2	0
Scope 3 (Operational Sources)	60.42
Cat 1 - Purchased Goods & Services	36.31
Cat 4 - Upstream Transportation & Distribution	N/A
Cat 5 - Waste Generated in Operations	N/A
Cat 6 - Business Travel	24.12
Cat 7 - Employee Commuting	N/A
Cat 9 - Downstream Transportation & Distribution	N/A
Total Operational Emissions	60.42
Average FTE	22.3
Operational emissions per FTE	2.71 tCO ₂ e
Cat 8 – Lease EVs (for offset only)	2.52
Total including Cat 8	62.94
Carbon offsets purchased	90 tCO ₂ e

Reporting Year: FY24 (December 2023 - November 2024)

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	0
Scope 2	0
Scope 3 (Operational Sources)	59.17
Cat 1 - Purchased Goods & Services	40.16
Cat 4 - Upstream Transportation & Distribution	N/A
Cat 5 - Waste Generated in Operations	N/A
Cat 6 - Business Travel	19.01
Cat 7 - Employee Commuting	N/A

Cat 9 - Downstream Transportation & Distribution	N/A
Total Operational Emissions	59.17
Average FTE	22.5
Operational emissions per FTE	2.63 tCO ₂ e
Cat 8 – Lease EVs (for offset only)	6.30
Total including Cat 8	65.47
Carbon offsets purchased	100 tCO ₂ e

Reporting Year: FY25 (December 2024 - November 2025)	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	0
Scope 2	0
Scope 3 (Operational Sources)	76.20
Cat 1 - Purchased Goods & Services	47.61
Cat 4 - Upstream Transportation & Distribution	N/A
Cat 5 - Waste Generated in Operations	N/A
Cat 6 - Business Travel	28.59
Cat 7 - Employee Commuting	N/A
Cat 9 - Downstream Transportation & Distribution	N/A
Total Operational Emissions	76.20
Average FTE	24.6
Operational emissions per FTE	3.10 tCO ₂ e
Cat 8 – Lease EVs (for offset only)	7.53
Total including Cat 8	83.73
Carbon offsets purchased	100 tCO ₂ e

Operational emissions have increased from the FY22 baseline of 37.73 tCO₂e to 76.20 tCO₂e in FY25, reflecting genuine business growth from 17.1 to 24.6 average FTE. Emissions intensity per FTE has risen from 2.21 to 3.10 tCO₂e over the reporting period, with a temporary dip in FY24 when business travel volumes reduced, as the business transitioned from a fully remote COVID-era model to a hybrid working model with serviced offices.

Emissions Reduction Targets

As a growing consultancy that has expanded from 17 to 25 FTE over the reporting period and expects continued growth, we recognise that absolute emissions reduction is not a realistic near-term target. We have therefore adopted an intensity-based target measured per full-time equivalent employee using operational emissions, which better reflects our operational efficiency and allows meaningful progress while the business scales.

We project that operational emissions intensity will decrease from the FY25 level of 3.10 tCO₂e per FTE to approximately 2.8 tCO₂e per FTE in FY26, driven by a significant increase in headcount including our graduate intake programme. Beyond FY26, intensity is expected to stabilise at approximately 2.8 tCO₂e per FTE as the business continues to grow. Our spend-based methodology uses emission factors that are rebased for inflation using the ONS Consumer Price Index, which means that nominal price increases do not artificially inflate reported emissions. As a rates-and-hours consultancy where headcount scales with real revenue, this produces a broadly stable intensity trajectory. We will continue to offset 100% of measured Scope 3 emissions annually alongside this pathway.

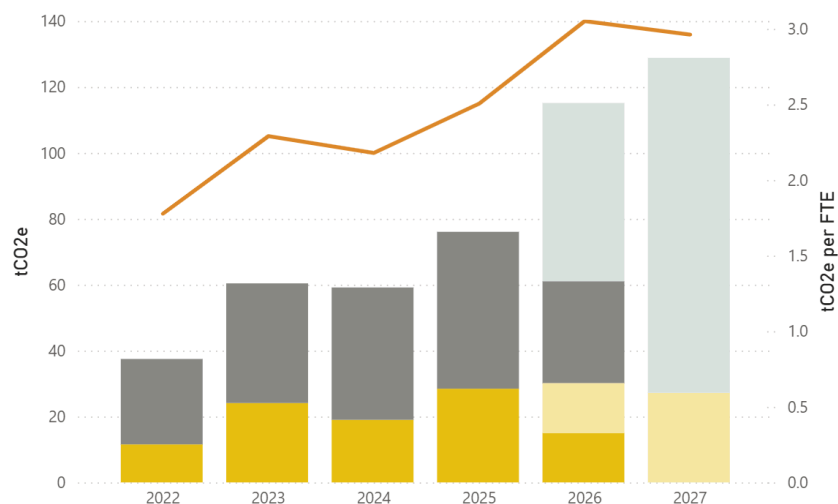
Over the longer term, we expect operational emissions intensity to decline as updated emission factor tables reflecting ongoing UK decarbonisation are published and adopted into our methodology. Both the UK DESNZ EEIO factors and the US EPA Supply Chain factors are updated annually, and we are committed to adopting new factors as they become available and rebaselining all historical years for consistency. We also continue to review business travel policies and supplier choices as opportunities for genuine emissions reduction.

Progress against this target is shown in the chart below:

Carbon Emissions & Intensity

Scope3Category

- Business Travel
- Business Travel (forecast)
- Purchased Goods and Services
- Purchased Goods and Services (forecast)
- tCO₂e per FTE



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the FY22 baseline. These measures will be in effect when performing any contract.

- **100% electric company vehicle fleet:** All vehicles provided through the company salary sacrifice scheme are fully electric, eliminating direct tailpipe emissions. These vehicles are provided as an employee benefit rather than for operational use, and their associated emissions are reported separately under Category 8 (Upstream Leased Assets) but excluded from the operational intensity metric. See Calculation Methodology for details.
- **Hybrid working model with serviced offices:** Butterfly Data operates a hybrid working model. Following a post-COVID return to office, some staff work from fully serviced offices 3 to 5 days per week, with graduate intake required to attend 3 days per week during their first 18 months for structured upskilling. Remaining staff work remotely or use offices on a drop-in basis. As serviced offices are fully inclusive with no utility breakout, associated energy consumption is captured within Scope 3 Category 1 spend rather than Scope 1 or 2. Scope 1 and Scope 2 emissions remain zero as the company does not directly procure energy or operate combustion equipment.
- **Annual carbon offsetting:** 100% of measured Scope 3 emissions offset annually through My Carbon Plan, a UK-based non-profit organisation delivering carbon reduction initiatives within the UK.
- **Employee home energy monitoring:** Annual survey of employee home energy sources implemented to track the proportion of the workforce using 100% renewable energy tariffs.
- **Improved carbon accounting methodology:** Developed an in-house spend-based carbon calculator using emission factors primarily from the UK DESNZ Environmentally Extended Input-Output (EEIO) tables, supplemented by the US EPA Supply Chain Greenhouse Gas Emission Factors where no suitable UK factor exists. This replaced the previous third-party platform and the earlier GHG Protocol/Quantis tool, with all historical years rebaselined for consistency.

Future Carbon Reduction Measures

In the future we plan to implement further measures including:

- Employee incentive scheme to encourage switching to 100% renewable energy tariffs for home energy
- Review of business travel policy to identify opportunities for reducing travel emissions, including increased use of virtual meetings and rail travel in preference to air travel where practicable
- Regular adoption of updated emission factor tables as published by DESNZ and the US EPA, with rebaselining of all historical years to maintain consistency and reflect ongoing decarbonisation of the UK economy

Carbon Offsetting

Butterfly Data offsets 100% of its measured Scope 3 emissions annually through My Carbon Plan (mycarbonplan.org), a UK-based non-profit organisation that delivers carbon reduction initiatives within the United Kingdom. Our offset programme additionally includes the emissions associated with salary sacrifice electric vehicles.

We recognise that carbon offsetting has significant limitations and should not be treated as a substitute for genuine emissions reduction. Concerns around the permanence, additionality, and scalability of offset schemes are well documented. Our approach to offsetting is therefore guided by the following principles:

- **Reduction first:** Offsetting supplements, but does not replace, our commitment to reducing emissions intensity through the measures described in this plan.
- **UK-based projects:** We use a provider delivering initiatives within the UK to support local carbon reduction and to reduce the risk of offset projects causing unintended harm in developing countries.
- **Transparency:** We describe our position as having offset our emissions rather than claiming to be net zero, as offsetting alone does not meet the formal definitions of net zero under BSI PAS 2060 or the GHG Protocol.

Calculation Methodology

Our carbon footprint is calculated using a spend-based approach with an in-house calculator. Financial data from our accounting system (Xero) is categorised using a rule-based engine and matched to appropriate emission factors, primarily from the UK DESNZ (Department for Energy Security and Net Zero) Environmentally Extended Input-Output (EEIO) tables, supplemented by the US EPA Supply Chain Greenhouse Gas Emission Factors v1.3.0 where no suitable UK factor exists. Emission factors are rebased to the year of spend using the ONS Consumer Price Index (series D7BT). This approach is consistent with the GHG Protocol Corporate Value Chain (Scope 3) Standard.

Emissions are reported under the operational control boundary. The reporting period for each financial year runs from December to November, consistent with Butterfly Data's financial year. All figures in this plan have been calculated using the same methodology and emission factor vintage applied consistently across all reporting years from FY22 onwards. When updated emission factors are adopted, all historical years are recalculated to maintain comparability.

In addition to the five Scope 3 categories required by PPN 06/21 (Categories 4, 5, 6, 7, and 9), we voluntarily report Category 1 (Purchased Goods & Services), which together with Category 6 represents substantially all of our operational emissions. Category 8 (Upstream Leased Assets) consists entirely of salary sacrifice electric vehicles provided as an employee benefit. As these vehicles are not used for business purposes and represent a payroll mechanism rather than an operational asset, Category 8 emissions are excluded from operational totals and reported separately for offset purposes only (see tables above). They are nevertheless included in the company's annual carbon offset programme.

Categories 4 (Upstream Transportation & Distribution), 5 (Waste Generated in Operations), 7 (Employee Commuting), and 9 (Downstream Transportation & Distribution) are reported as not applicable. As an IT consultancy delivering professional services, we do not transport or distribute physical products and generate negligible operational waste. Employee commuting emissions are not separately measured; staff who use serviced offices commute on a hybrid basis, and the associated emissions are not material relative to other Scope 3 categories. Employee teleworking emissions are not currently measured but the majority of our workforce source electricity from renewable tariffs.

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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

Signed on behalf of the Supplier:



Name: Robert Boltman

Title: Director

Date: 20/04/2026

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

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

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