

Gamma Carbon Emissions 2021

Streamlined Energy & Carbon Reporting



Methodology

A GHG assessment is undertaken annually by an accredited third party in order to quantify the total GHG emissions produced from Gamma's activities.

In 2021, this assessment was undertaken with a view to using the reporting year assessment period as an energy / carbon baseline for all disclosures. The emissions output for 2021 will also be used to underpin the development of a detailed Carbon Reduction Plan.

The 2021 assessment was conducted in accordance with the reporting standards of the 'Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard' (GHG Protocol, 2011).

This carbon emissions report has been defined using the Streamlined Energy & Carbon Reporting (SECR) framework.

The GHG assessment used 71% primary data, based on energy results such as those disclosed below.

Such assessments utilise carbon conversion factors in order to quantify emissions, e.g., DEFRA 2021 in United Kingdom.

Energy (kWh)

Scope	Aspect	2021		2020	
		UK	Global*	UK	Global
1	Gas	198,411	175,738	86,881	26,591
2	Electricity	7,339,515	2,008,130	8,011,782	36,953

*Global excludes UK / Non-UK emissions

Emissions (tCO₂e)

Scope	Aspect	2021		2020	
		UK	Global	UK	Global
1	Emissions from combustion of gas	36.20	32.10	17.26	5.59
	Emissions from combustion of fuel for travel purposes	102.17	250.13	55.14	3.94
	Emissions from diesel consumed	13.88	0	11.32	0
	Refrigerant gas emissions	4.15	1.25	15.49	6.35
Total Scope 1 Emissions		156.40	283.48	99.61	15.88
2	Emissions from purchased electricity (location)	1,905.70	537.50	1,458.6	37.40
	Emissions from purchased electricity (market)	665.38	327.72	694.96	13.46
Total Scope 2 Emissions (location)		1,905.70	537.50	1,458.6	37.40
Total Scope 1 & 2 Emissions (location)		2,062.10	820.98	1,584.81	53.28

Intensity Ratio	2021	2020
Total floor area (m2)	13,041.5	9,174.6
Intensity Ratio Scope 1 & 2 Emissions (location) (tCO2e/m2)	0.221	0.255

In addition to these results, it is important for Gamma to measure and monitor the breakdown of its GHG Scope 1 & 2 emissions due to the Global Warming Potential (GWP) of constituent gases in tonnes of carbon equivalent (tCO2e) calculations. In 2021, results are as follows:

GHG breakdown (tonnes CO2e)									
Scope	Gas	CO2		CH4		N2O		HFCs	
	GWP	1		25		298		Variable	
	Aspect	UK	Global	UK	Global	UK	Global	UK	Global
1	Gas	36.16	32.03	0.05	0.04	0.02	0.02	0.00	0.00
	Vehicles	115.42	234.34	0.09	0.19	0.74	1.51	0.00	0.00
	Diesel	13.67	0.00	0.01	0.00	0.20	0.00	0.00	0.00
	F-Gas	0.00	0.00	0.00	0.00	0.00	0.00	3.92	1.49
2	Electricity	1,893.31	519.87	7.21	1.98	12.37	3.39	0.00	0.00
Total		2,063.56	786.24	7.36	2.21	13.33	4.92	3.91	1.49
		2,849.80		9.57		18.25		5.40	

The following table shows emissions by source category for the 2021 reporting year, with indirect emissions (Scope 3) included:

Scope	Emissions Source Category	tCO2e
1	Direct emissions from owned, leased or directly controlled stationary sources that use fossil fuels or emit fugitive gases	87.6
	Direct emissions from owned, leased or directly controlled mobile sources	352.3
2	Emissions from the generation of purchased electricity, heat, steam or cooling	
	Location	2,443.2
	Market	993.1
3	Water	2.1
	Capital Goods	15.1
	Upstream emissions from purchased electricity and fuels	781.2
	Transmission and Distribution (T&D) losses	200.4
	Waste	6.4
	Wastewater	3.9
	Business Travel	71.9
	Hotel Accommodation	20.5
	Employee Commuting	129.9
	Homeworking	378.8
Total (Scope 2 location)		4493.3
Total (Scope 2 market)		3043.2

Having included indirect emissions, the following GHG emissions profiles were recorded at group level using the location-based method:

Aspect / Scope	tCO ₂ e (2021)	tCO ₂ e (2020)	Change (%)
Scope 1	439.9	115.08	+282.26
Scope 2	2,443.3	1,496.00	+63.32
Scope 3	1,610.2	1,335.40	+20.58
Total	4,493	2529	+77.66

Discussion

Gamma recorded a significant but expected increase in emissions in 2021 across all scope categories. This can be attributed to two main factors:

1. Increased scope of assessment through the addition of office and network facilities. While previous GHG assessments accounted for small operations in Hungary, Poland and Germany, the majority of historical energy data and emissions reported derived from UK operations and excluded recent acquisitions. The acquisitions of Dean One and gnTel in the Netherlands (now Gamma Communications Nederland), HFO Telecom in Germany, and VozTelecom in Spain, supported by strong organic growth in all markets, have increased the number of employees and floor space in the business, reflected in the Group's GHG reporting remit scope for 2021.
2. Increase in number of emissions sources calculated. While methodologies are liable to continuous change and improvement, 2021 saw Scope 3 emissions sources such as IT equipment, hotel accommodation and private commuting calculated for the first time.

These factors have provided an opportunity for Gamma to rebase its emissions in 2021, results of which will inform subsequent carbon reduction and net zero plans.

Gamma understands that due to these factors, it is important to monitor energy performance for the reporting year through application of an intensity ratio metric.

Having applied floorspace (m²) to Scope 1 and Scope 2 emissions, a favourable decrease from 0.255 in 2020 to 0.221 in 2021 can be seen; indicative of good energy management performance relative to significant operational change through acquisition growth.

Energy Measures Taken

Gamma recognises the likelihood of energy use increasing in the short term, due to the factors described above. Nevertheless, the business will continue to consider and implement energy efficiency measures which will play a critical role in our net zero commitments.

In 2021, Gamma, implemented the following, which contributed to a reduction in Scope 1 & 2 intensity:

- The Gamma Board approved a Group Environmental Management Policy, stating the commitment to become a carbon net-zero business by 2042.
- Ongoing replacement of company-owned/leased fossil-fuel vehicles with self-generating hybrids.
- Appointed a Group Sustainability Director, responsible for defining and leading a full programme of carbon reduction activities, assessing climate-change related risks, and seeking out opportunities across our business to influence positive change.

- Appointed a dedicated Environmental Data Manger. This increase in resource has allowed for improved internal data collation, ensuring that energy uses, and emissions sources are properly identified, monitored and calculated.
- Continued to implement responsible and ethical procurement decisions, supporting our commitment to operating a group network supplied by 100% renewables.