



Carbon Reduction Plan: PPN 06/21

Produced with Carbonology® Ltd. in line with Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts.

Reporting period: 1st August 2023 - 31st July 2024

Contents

Contents	2
Executive Summary.....	4
Introduction.....	5
Background to Babel Street Inc.	6
Commitment to Achieving Net Zero.....	6
Boundaries	6
Organisational Boundaries	6
Reporting Boundaries	6
Significance Policy.....	7
GHG Emissions	7
Quantification Methodology.....	7
Emissions Summary	8
Baseline Emissions Footprint.....	9
Baseline and Current Reporting Year: 23/24.....	9
Assumptions and Estimates	10
Business Travel.....	10
Homeworking	10
Well-To-Tank (WTT).....	10
Capital Goods.....	10
Carbon Reduction Initiatives	11
Reduction Targets and Forecasts	11
Summary of Initiatives:.....	12
Summary of Planned Carbon Reduction Initiatives	12
Declaration and Sign Off.....	12
Annex	12

Document Control

Version	Date	Details of Changes	Person(s) Making Changes
Draft	18/09/2024	<ul style="list-style-type: none"> • Document created from template • Introduction and executive summary drafted • Introduction and executive summary updated • Cover page created • Reporting and organisational boundaries added 	Joe Leggett
1.0	23/09/2024	<ul style="list-style-type: none"> • Carbon reduction initiatives updated • Significance policy updated 	Joe Leggett
2.0	23/09/2024	<ul style="list-style-type: none"> • Formatting updates 	Joe Leggett
3.0	23/09/2024	<ul style="list-style-type: none"> • Feedback from peer review implemented 	Joe Leggett

Supplier name: Babel Street Inc.

Publication date:

Executive Summary

This Carbon Reduction Plan has been produced in response to Procurement Policy Note (PPN) 06/21, which outlines Babel Street Inc.'s plan to manage greenhouse gas (GHG) emissions and achieve Net Zero emissions by 2050 in order to bid for Government contracts. Babel Street Inc. is committed to achieving the Government's Net Zero target and implementing this Carbon Reduction Plan, which includes a wide range of carbon reduction initiatives in the delivery of contracts.

Emissions have been quantified in line with the PPN 06/21 Technical Standard and ISO 14064-1:2019. Below is a summary of emissions for the reporting period 1st August 2023 - 31st July 2024. This reporting period marks Babel Street Inc.'s first attempt at GHG emissions quantification and serves as their base year.

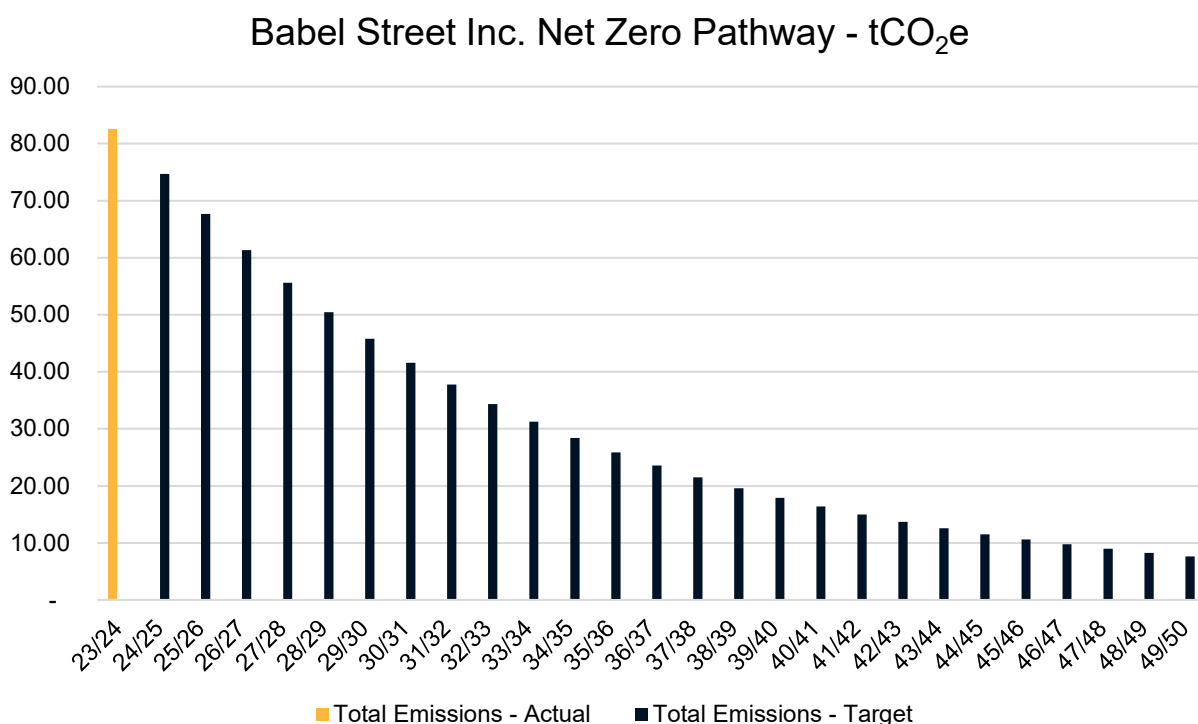
GHG emissions by Scope in tCO₂e between 1st August 2023 - 31st July 2024.

Scope	tCO ₂ e
Scope 1	0.00
Scope 2	0.00
Scope 3	82.42
Total Emissions (location-based)	82.42

We have set a series of targets to reduce our emissions and achieve Net Zero before 2050.

We project that carbon emissions will decrease over the next five years to 50.47 tCO₂e by 28/29. This is a reduction of 38.76% from the base year (23/24).

Below is a summary of our forecasted carbon reduction pathway against the 23/24 base year:



Introduction

This Carbon Reduction Plan has been prepared in accordance with Procurement Policy Note (PPN) 06/21 guidance to support the UK Government's commitment to a 100% reduction of greenhouse gas (GHG) emissions (compared to 1990 levels) in the UK by 2050. Also referred to as the 'Net Zero' target.

In line with PPN 06/21 guidance, Babel Street Inc. has taken steps to assess its environmental impact and carbon footprint relevant to the delivery of contracts as specified in the Public Contracts Regulations 2015.

Babel Street Inc. is committed to the following initiatives:

- Making an organisational commitment to reducing emissions over time to achieve Net Zero before 2050.
- Annually quantifying and declaring emissions of GHGs defined within the Kyoto protocol; carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃), where relevant.
- Developing a Carbon Reduction Plan in line with PPN 06/21 Technical Standard for Completion of Carbon Reduction Plans outlining environmental management measures that will be applied in the performance of relevant contracts and wider business operations.
- The Carbon Reduction Plan will be supported and signed off by top management (or equivalent) within the organisation.

Carbon reduction initiatives detailed in this report will be in effect during the delivery of relevant contracts unless stated otherwise. This document will be continually updated to reflect the progress of carbon reduction initiatives.

This Carbon Reduction Plan has been prepared in collaboration with leading sustainability experts [Carbonology® Ltd.](#) and is based on the [UK Government Template](#). Carbonology® Ltd. will be working with Babel Street Inc. moving forward to support carbon reduction targets.

Babel Street Inc. will review this Carbon Reduction Plan and re-quantify its emissions every 12 months to meet Government requirements of the reporting period of a Carbon Reduction Plan being less than 12 months from the date of commencement of the procurement of a contract. If the reporting period is more than 12 months from date of commencement of the procurement, Babel Street Inc. will provide a justifiable reason why this has occurred.

Full details of how this Carbon Reduction Plan meets the requirements specified in [Guidance on adopting and applying the PPN 06/21 – Selection Criteria](#) can be found in the Annex.

Background to Babel Street Inc.

At Babel Street Inc., we believe in using technology to create a safer, more productive world. Babel Street Inc. offers an advanced AI-powered data analytics platform designed to serve the world's most trusted government and commercial organisations. Our cutting-edge platform enhances decision-making for threat intelligence, identity, risk management, and alerting use cases by transforming vast, global, multilingual data into actionable insights. We empower teams to swiftly detect and address critical issues, ensuring they can act with confidence. Our mission is to close the Risk-Confidence Gap, supporting defence, intelligence, and business operations in making informed, strategic decisions in today's complex and rapidly evolving environment.

Commitment to Achieving Net Zero

Babel Street Inc. is committed to achieving Net Zero emissions for UK operations by 2050 at the latest, in alignment with the UK Government target. While also implementing measures to achieve this goal as early as practically possible. This will be achieved via our Carbon Reduction Plan to reduce emissions relative to the baseline period.

Emissions have been quantified following ISO 14064-1:2019 and compiled in a GHG Inventory which sub-divides emissions sources into Scope 1, 2 and 3 as defined in the GHG Protocol. UK emission conversion factors from DEFRA have been used to calculate and convert emissions to tCO₂e and other relevant GHGs.

Boundaries

Organisational and reporting boundaries have been defined in alignment with ISO 14064-1:2019. This is the first time that Babel Street Inc. has quantified its organisational emissions. This CRP reports on emission sources as specified in PPN 06/21 Technical Requirements.

Organisational Boundaries

This Carbon Reduction Plan encompasses all operational aspects under our control, in accordance with ISO 14064-1:2019. Currently, Babel Street Inc. does not have operational control over any facilities, as our 11 staff members work remotely and travel to client sites. Should there be significant changes to our organisational boundaries, a review of the base year will be conducted to reflect any changes.

Reporting Boundaries

We have collected detailed data to enable accurate and comprehensive GHG quantification to meet PPN 06/21 requirements. As specified in PPN 06/21 Technical Guidance, the required emission sources have been reported on in this document.

We operate with staff working either remotely or on client sites. As a result, we do not have any Scope 1 emissions relating to direct greenhouse gas emissions from owned or controlled sources. Similarly, Scope 2 emissions from the generation of purchased electricity are not applicable as we do not own or control any facilities requiring such utilities. Our reported emissions are therefore limited to business travel, capital goods, Well-To-Tank (WTT) and homeworking.

Data on purchased goods and services were unavailable for the reporting period, we aim to obtain this data for the next reporting period. Additionally, emissions from upstream and downstream transportation and distribution have been excluded as they are minimal given the nature of our operations. Our business focuses on AI-driven data analytics and consultancy services, with no involvement in the production or distribution of physical goods.

Direct and indirect GHG emissions categorisation Summary (From ISO14064-1 Annex B)	Scope	Included
Category 3: Indirect GHG emissions from transportation	3	Included <ul style="list-style-type: none"> ● Business travel (grey fleet, rail, taxis, air travel and hotels)
Category 4: Indirect GHG emissions from products/services used by an organisation	3	<ul style="list-style-type: none"> ● Capital goods ● Well-To-Tank (WTT)*
Category 6: Indirect GHG emissions from other sources	3	Included <ul style="list-style-type: none"> ● Homeworking

**WTT refers to the emissions associated with the extraction, refining, and transportation of fuels before they are used. In this case, WTT emissions were calculated for grey fleet, rail travel, taxis and air travel.*

Significance Policy

Babel Street Inc. considers its significant emission sources to be:

- Those required under mandatory reporting such as with PPN 06/21.
- Those with accessible activity data, enabling emissions quantification.
- Those that produce the largest quantities of tCO₂e.
- Those with the potential to achieve the greatest emissions reductions.

GHG Emissions

Quantification Methodology

Emissions have been quantified in alignment with the following standards:

- ISO 14064-1 Specification with guidance at the organisational level for the quantification and reporting of greenhouse gas emissions.
- PPN 06/21 Technical Standard for the completion of Carbon Reduction Plans.
- UK Environmental Reporting Guidelines.

GHG emissions have been calculated in-line with ISO 14064-1 methodology and presented in a GHG Inventory displaying specific sources of emissions. UK Government conversion factors from the Department for Business, Energy and Industrial Strategy have been used to convert activity data into kilograms of carbon dioxide equivalent (kg CO₂e) as well as directly into kg of carbon dioxide (CO₂),

methane (CH₄) and nitrous oxide (N₂O) where appropriate. Emissions are calculated by multiplying the metric (e.g., kWh or km travelled) by the appropriate conversion factor. Conversion factors are based on the global warming potential of these gases.

$$tCO_2e = \frac{\text{activity data} \times \text{emission factor}}{1000}$$

Babel Street Inc. have converted all available activity data to GHG emissions where it has been practical to do so. No data have been intentionally excluded.

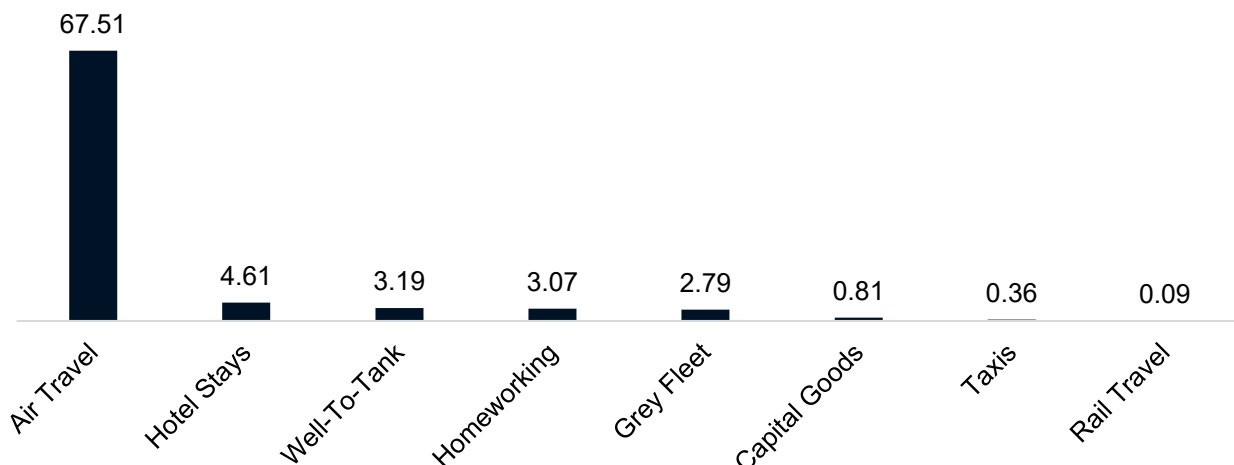
Emissions Summary

The following table presents the emissions results in tCO₂e for each emission source. Total emissions in the reporting period were 82.42 tCO₂e. Air travel was by far the most significant contributor, accounting for 67.51 tCO₂e. Emissions from hotel stays, Well-To-Tank, homeworking and grey fleet were the next highest contributors at 4.61 tCO₂e, 3.19 tCO₂e, 3.07 tCO₂e and 2.79 tCO₂e respectively. Descriptions of how each emission source was quantified can be found under *Assumptions and Estimates*.

Scope	Source	tCO ₂ e
3	Business Travel - Grey Fleet	2.79
	Business Travel - Rail	0.09
	Business Travel - Air	67.51
	Business Travel - Taxis	0.36
	Business Travel - Hotels	4.61
	Capital Goods	0.81
	Well-To-Tank	3.19
	Homeworking	3.07
Total (location-based)		82.42

The chart below illustrates the total emissions contribution from each emissions source, including air travel, hotel stays, Well-To-Tank, homeworking, grey fleet, capital goods, taxis and rail travel.

Emissions by Source - tCO₂e



Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases (GHGs) that have been produced in the past and are the reference point against which emissions reductions can be measured. The baseline period for the quantification of GHG emissions is from 1st August 2023 - 31st July 2024, this will serve as the base year until a review is required.

Baseline and Current Reporting Year: 23/24

Baseline and Current Reporting Year: 2023 (1st August 2023 – 31st July 2024)	
Additional details relating to the Baseline Emissions calculations	
<p>1st August 2023 – 31st July 2024 was the first year that Babel Street Inc. quantified their GHG emissions in accordance with ISO 14064-1:2019. The reporting period serves as the base year to compare future reporting periods against. Scope 3 categories refer to the GHG Protocol as referenced in PPN 06/21 guidance.</p> <p>We do not produce Scope 1 emissions, as staff work remotely or on client sites and we do not have the means to produce emissions from owned or controlled sources such as gas boilers or company vehicles. Similarly, Scope 2 emissions from the generation of purchased electricity are not applicable as we do not own or control any facilities requiring such utilities.</p> <p>Data on purchased goods and services were unavailable for the reporting period, we aim to obtain this data in the future. Additionally, emissions from upstream and downstream transportation and distribution have been excluded as they are minimal due to the nature of our business activities which are centred around AI-driven data analytics and consultancy services.</p>	
EMISSIONS	TOTAL (tCO_{2e})
Scope 1	0.00
Scope 2	0.00
Scope 3 (Included Sources)	<p>82.42</p> <ul style="list-style-type: none"> ● Category 2 – Capital goods: 0.81 ● Category 3 – Fuel and energy related activities: 3.19 ● Category 6 – Business travel: 75.35 ● Category 7 – Employee homeworking: 3.07
Total Emissions	82.42

Assumptions and Estimates

Emissions were calculated using 2023 DEFRA emission conversion factors. A conservative approach was taken in all instances where an assumption or estimate was required. Overall, few estimates were required as detailed and up to date activity data were provided. The overall uncertainty of results is judged to be low.

Business Travel

Data on staff business travel were collected via an online survey. Staff provided details on journeys made using personal vehicles, rail, air travel, taxis, and the number of nights stayed for hotel stays. For each journey, distances travelled were estimated using online tools. Emission conversion factors specific to each mode of transport, including factors for vehicle types and flight passenger class, were then applied to calculate the associated greenhouse gas emissions.

Homeworking

Data on homeworking patterns were collected through the same survey used for business travel. The total number of homeworking days for the reporting period was calculated for all staff, accounting for the estimated total number of days when staff were not working from home, but instead on client sites or travelling for business purposes. The total number of homeworking hours was estimated assuming an 8-hour workday.

Homeworking emissions were estimated using the total number of homeworking hours. Seasonal factors were considered in emissions quantification, assuming that heating systems in staff homes were only switched on for five months of the year. Additionally, adjustments were made for annual leave and bank holidays to avoid overestimating emissions.

Well-To-Tank (WTT)

WTT refers to the emissions associated with the extraction, refining, and transportation of fuels before they are used. In this case, WTT emissions were calculated for grey fleet, rail travel, taxis, and air travel. WTT factors specific to each mode of transport were used in conjunction with distances travelled to quantify the associated emissions.

Capital Goods

Data on capital goods for the reporting period included the purchase of new MacBooks for staff. The total number of MacBooks purchased was provided, lifecycle emission factors published by Apple were applied to estimate the total greenhouse gas emissions associated with their lifecycle.

Carbon Reduction Initiatives

Reduction Targets and Forecasts

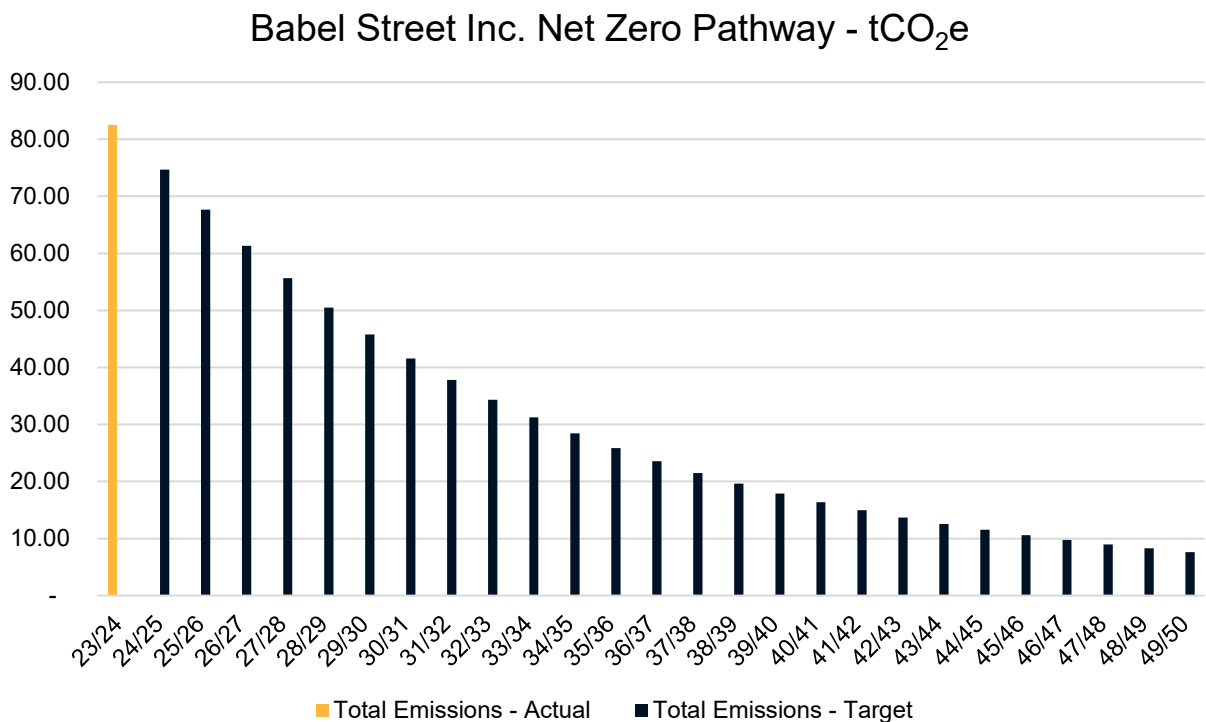
To continue our progress towards achieving Net Zero, we have adopted the following carbon reduction targets, set against the 2023/2024 base year.

Our key reduction targets:

- Reduce emissions from our grey fleet by 8% each year
 - 0.95 tCO₂e saving by 28/29
- Reduce emissions from air travel by 10% each year
 - 27.65 tCO₂e saving by 28/29
- Reduce emissions from hotel stays by 8% each year
 - 1.57 tCO₂e saving by 28/29
- Reduce emissions from homeworking by 5% each year
 - 0.69 tCO₂e saving by 28/29

We project that carbon emissions will decrease over the next five years to 50.47 tCO₂e by 28/29. This is a reduction of 38.76% from the base year (23/24).

Forecasted progress against these targets is detailed in the graph below.



Summary of Initiatives:

Below is a summary of carbon reduction initiatives that have been completed and will be in effect during the delivery of contracts:

- Created an Emissions Monitoring System to track GHG performance.
- Virtual meetings prioritised over face-to-face meetings to reduce business travel.
- Conducted a comprehensive staff business travel survey to accurately estimate emissions.
- Remote working policy implemented, eliminating Scope 1 and 2 emissions related to on-site energy use and fuel consumption.

Summary of Planned Carbon Reduction Initiatives

In the future we hope to implement further measures such as:

- **Developing a Sustainable Procurement Policy:** Implement a procurement policy that prioritises working with suppliers who quantify their emissions and demonstrate sustainable practices.
- **Air Travel:** Encourage the use of economy class rather than business class for air travel to reduce overall carbon emissions associated with air travel.

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.

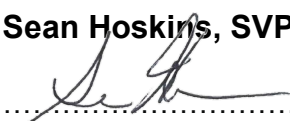
Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standardⁱ and uses the appropriate Government emission conversion factors for greenhouse gas company reportingⁱⁱ.

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) Standardⁱⁱⁱ.

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:

Sean Hoskins, SVP, Growth Operations


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Date: 27 SEP 2024

Annex

Table 1. Features a Carbon Reduction Plan must contain as specified in [Guidance on adopting and applying the PPN 06/21 – Selection Criteria](#)

Requirement	Babel Street Inc. Response
1 Carbon Reduction Plan submitted which; confirms the supplier's commitment to achieving Net Zero by 2050	<p>Babel Street Inc. is committed to achieving Net Zero by 2050 at the latest but is aiming to achieve this as early as possible, while going beyond passive reductions presented by the market.</p> <p>Babel Street Inc. is committed to implementing this Carbon Reduction Plan as part of its business operations and quantifying emissions annually to gauge its success. The aims of this CRP will be integrated to Babel Street Inc.'s Environmental Policy.</p>
2 Carbon Reduction Plan submitted which contains emissions reported for all required Scopes (in accordance with the required methodology),	<p>Babel Street Inc. has no Scope 1 or Scope 2 emissions, as operations are conducted remotely, no facilities are owned or controlled and there are no company owned vehicles.</p> <p>All required Scope 3 categories as specified in PPN 06/21 requirements have been quantified and reported. Upstream and downstream transportation were excluded as Babel Street Inc. do not engage in the physical transportation of goods.</p>
3 Carbon Reduction Plan submitted which details environmental management and carbon reduction measures in effect during the delivery of the contract	<p>This Carbon Reduction Plan outlines numerous environmental management and carbon reduction measures. Quantitative targets have been set based on milestones. These targets will be reviewed each year to account for changes in conversion factors and other external factors.</p> <p>All reduction initiatives will be in effect during the delivery of contracts unless specified otherwise.</p>
4 Reporting period falls no more than 12 months prior to the date of commencement of the procurement	<p>The reporting period is 1st August 2023 – 31st July 2024, thus making it valid until 31st July 2025. Emissions for 1st August 2025 onwards will be quantified and included in future CRPs. Updates will be reflected in this document.</p>
5 Carbon Reduction Plan not submitted	<p>This Carbon Reduction Plan, or a summary version of it, will be submitted upon request for relevant contracts. If this Carbon Reduction Plan requires updates or amendments as a result of reasonable feedback from tendering process, they will be made in time for submission deadlines.</p>
6 Carbon Reduction Plan fails to confirm supplier's commitment to achieving Net Zero by 2050	<p>See row 1.</p> <p>Babel Street Inc. are committed to Net Zero targets but acknowledge that the business has limited control over some Scope 3 sources. Reasonable and achievable targets have been set to account for this. A simple linear target to Net Zero has been avoided in favour of a more realistic carbon pathway.</p>
7 Emissions in the Carbon Reduction Plan are not reported for any Scopes or only for some Scopes without explanation why	<p>Babel Street Inc. has no Scope 1 or Scope 2 emissions due to remote working operations and the lack of owned or controlled facilities.</p> <p>In terms of Scope 3, emissions from upstream transportation and distribution, downstream transportation and distribution and waste generated in operations have been excluded. Upstream and downstream</p>

transportation exclusion is based on the fact that we do not operate a supply chain, as our activities are service based. Additionally, we do not generate waste from any facilities, as none are owned or operated by the company. Where quantification has been possible, no emissions have been intentionally excluded. Conservative estimates have been performed in some cases.

8	Emissions in the Carbon Reduction Plan not reported for any Scopes or only for some Scopes, but supplier provides an acceptable explanation why	See row 7
9	Reporting period is more than 12 months from the date of commencement of the procurement	See row 5
10	Reporting period is more than 12 months from the date of commencement of the procurement, but provides an acceptable explanation why	See row 5
11	Supplier fails to detail the environmental management measures in effect , including certification schemes or specific carbon reduction measures that will be in effect during the performance of the contract	<p>Environmental management measures are detailed in the main body of this Carbon Reduction Plan, including those that have been completed and will be in effect in the delivery of contracts.</p> <p>Planned future initiatives are referenced. Future initiatives are feasible and not based off speculative technologies.</p>

Table 2. Scope 3 emissions, table adapted from [Technical standard for Completion of Carbon Reduction Plans](#) . Full details of category descriptions can be found within this link. Scope 3 emissions are defined in the GHG Protocol.

Scope 3 Category	Minimum Boundary	Justification for Inclusion/Exclusion
4. Upstream transportation and distribution	The scope 1 and scope 2 emissions of transportation and distribution providers that occur during use of vehicles and facilities (e.g., from energy use) Optional: The life cycle emissions associated with manufacturing vehicles, facilities, or infrastructure	<p>Excluded</p> <p>The company does not engage in the transportation or distribution of physical products.</p>
5. Waste generated in operations	The scope 1 and scope 2 emissions of waste management suppliers that occur during disposal or treatment Optional: Emissions from transportation of waste	<p>Excluded</p> <p>Waste is not generated from company owned facilities as there are none.</p>
6. Business travel	The scope 1 and scope 2 emissions of transportation carriers that occur during use of vehicles (e.g., from energy use) Optional: The life cycle emissions	<p>Included</p> <p>Business travel via grey fleet, rail, air travel, taxis and hotel stays included. Estimates were made based on a</p>

	associated with manufacturing vehicles or infrastructure	narrative of business travel provided by staff.
7. Employee commuting	The scope 1 and scope 2 emissions of employees and transportation providers that occur during use of vehicles (e.g., from energy use) Optional: Emissions from employee teleworking	Included Commuting excluded as staff work remotely. Homeworking calculations based off total estimated home working hours over the year.
9. Downstream transportation and distribution	The scope 1 and scope 2 emissions of transportation providers, distributors, and retailers that occur during use of vehicles and facilities (e.g., from energy use) Optional: The life cycle emissions associated with manufacturing vehicles, facilities, or infrastructure	Excluded The company does not engage in the transportation or distribution of physical products.

Produced in collaboration with Carbonology® Ltd.



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

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

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