Prizeshark Limited & Loyalty Works Limited

CARBON REDUCTION PLAN PPN 006

PRIZESHARK LIMITED & LOYALTY WORKS LIMITED
Carbon Reduction Plan
PPN 006 2024-25

Reporting Period: 1 April 2024 — 31 March 2025

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Prepared by: ESG PRO Limited

Introduction

Prizeshark Limited and Loyalty Works Limited are two closely aligned organisations that operate within the incentive, reward and fulfilment industry in the United Kingdom. Both businesses play a key role in helping clients design and deliver creative engagement strategies that motivate customers and employees. They work collaboratively to combine innovation, technology and operational excellence, enabling companies across multiple sectors to run effective campaigns that strengthen brand loyalty and enhance commercial outcomes.

Prizeshark Limited specialises in the design, execution and delivery of prize fulfilment and promotional campaigns. The company manages every stage of the process, from prize sourcing and supplier liaison to logistics, winner communication and prize delivery. This end-to-end approach ensures that each campaign is managed seamlessly, with transparency and precision at every step. Prizeshark's ability to handle large-scale national and international promotions makes it a trusted partner for well-known brands seeking reliable fulfilment with a high standard of customer service and compliance.

Loyalty Works Limited, based in Leeds, focuses on the development and management of bespoke incentive and loyalty programmes that drive customer retention, sales growth and employee engagement. The company provides consultancy, data analysis, technology platforms and operational support, enabling clients to measure and improve the impact of their reward schemes. Loyalty Works' expertise lies in blending behavioural insight with practical programme design, ensuring that incentives are not only creative but also strategically aligned with business objectives. This combination of analytical depth and operational delivery allows the company to achieve sustained, measurable results for its clients.

Both Prizeshark and Loyalty Works acknowledge the increasing importance of environmental accountability and transparent reporting in the modern business environment. As qualifying organisations under the Streamlined Energy and Carbon Reporting (SECR) framework, they are required to disclose their annual energy consumption, greenhouse gas emissions and actions taken to improve energy efficiency. SECR was introduced by the UK Government to encourage responsible environmental management, increase awareness of energy performance within organisations, and drive behavioural change across all business sectors.

This SECR report consolidates the energy and emissions data for both companies within the reporting period and sets out the methodology, data sources and assumptions used in the calculations. It reflects a commitment to integrity, transparency and continuous improvement in environmental performance. Through this reporting process, Prizeshark Limited and Loyalty Works Limited demonstrate their alignment with the principles of responsible business, supporting the wider transition towards sustainable and energy-efficient operations across the UK business landscape.

Methodology

Prizeshark Limited and Loyalty Works Limited have retained full responsibility for the internal controls governing the collection, management, and verification of the data presented in this Carbon Reduction Plan. In preparing this report, both companies have worked in close collaboration with ESG PRO Limited to ensure that all emissions calculations are accurate, transparent, and compliant with internationally recognised standards. The methodology applied follows the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard together with the Corporate Value Chain (Scope 3) Standard, both of which are globally respected frameworks designed to promote consistency and credibility in greenhouse gas assessments across operational and supply chain activities.

All emissions reported in this plan have been calculated using the most recent UK Government Greenhouse Gas Conversion Factors for Company Reporting, published by the Department for Energy Security and Net Zero in partnership with the Department for Environment, Food and Rural Affairs. These conversion factors serve as the national benchmark for calculating emissions from business activities, ensuring consistency and comparability across UK organisations. They also align with the requirements of Procurement Policy Note (PPN) 006, which sets out the standards for Carbon Reduction Plan disclosures for suppliers to the UK public sector.

For the reporting period covering 1 April 2024 to 31 March 2025, Prizeshark Limited and Loyalty Works Limited have completed their first full greenhouse gas inventory. This represents the baseline year for both companies' carbon reporting and provides the foundation for tracking progress in future years. The baseline encompasses emissions across all relevant scopes and operational boundaries, offering a clear representation of the companies' environmental impact. It also serves as a strategic reference point for identifying opportunities to improve energy efficiency, reduce emissions, and strengthen overall sustainability performance.

Scope 1, Scope 2, and Scope 3 Category 8: Upstream Leased Assets

The companies' greenhouse gas inventory includes emissions from two leased office locations that fall outside their direct operational control. Both sites receive electricity and natural gas through landlord-managed supply contracts. The tenants do not hold the energy accounts in their own names and do not manage the associated metering infrastructure. Because of this arrangement, the energy use within these premises is treated as part of the landlord's operational boundary, while the tenant's proportionate share of the resulting emissions is reported under Scope 3 of the Greenhouse Gas Protocol.

Under the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard, Category 8, Upstream leased assets, covers emissions from leased facilities where the reporting company is the lessee but does not control or own the assets. Both

Loyalty Works Limited and Prizeshark Limited fall into this category. Their offices are leased within multi-tenant buildings where the energy supply, maintenance, and consumption data are managed by the property owner. The tenant's influence is therefore limited to occupying a defined area and adopting internal energy efficiency measures, while the landlord retains operational control. Category 8 is therefore the appropriate classification for reporting these emissions.

To quantify emissions for each office, an area-based allocation method was applied. Total building energy consumption was obtained from landlord-provided metered data or, where necessary, estimated from the relevant Energy Performance Certificate (EPC). The proportion of total floor area occupied by each company was then used to calculate the share of energy attributable to the tenant. This allocation method is widely accepted in UK greenhouse gas accounting where tenants do not have individual metering or their own supply contracts but seek to report their share of building emissions accurately.

For the Loyalty Works office, approximations were made based on the electricity data provided by the landlord, which covered part of the 2025 calendar year, and on the available natural gas figures. The partial consumption data were annualised using reasonable proportional estimates to represent the full reporting year from April 2024 to March 2025. This approach ensures that the reported figures provide a representative picture of the company's energy footprint within the building while acknowledging the data limitations inherent in shared-occupancy arrangements.

For the Prizeshark office, assumptions were made using the Energy Performance Certificate that applied when West Oxfordshire District Council occupied the building. The EPC sets out the building's primary energy intensity value, which was used to estimate overall consumption for Elmfield House. The company's proportion of floor area was then applied to this building total to derive the tenant's share of electricity and natural gas use. This method aligns with accepted practice for serviced offices where metered consumption data are not available and ensures that estimates are grounded in authoritative property performance information.

Because the companies neither own nor directly control the energy supplies, the related emissions cannot be reported as Scope 1 or Scope 2. Scope 1 covers direct fuel combustion from assets owned or controlled by the reporting entity, and Scope 2 covers indirect emissions from purchased electricity or heat where the supply contract is held in the company's name. Since both office sites are managed by landlords who retain control over the energy accounts and infrastructure, the resulting emissions are correctly reported under Scope 3, Category 8, Upstream leased assets, in accordance with the Greenhouse Gas Protocol and UK SECR guidance.

Scope 3 Category 4: Upstream Transportation and Distribution and Category 9: Downstream Transportation and Distribution

The companies fully recognise the vital role that Scope 3 Category 4 (Upstream transportation and distribution) and Scope 3 Category 9 (Downstream transportation and distribution) play in understanding the broader environmental impact of their operations. These categories capture the indirect emissions associated with the movement of goods before and after the company's direct control, reflecting an essential part of the value chain's total carbon footprint. Although these areas are not included within the current reporting year, this decision arises solely from the unavailability of consistent and verifiable data rather than a lack of commitment to comprehensive environmental disclosure.

Both companies view these categories as integral to their long-term sustainability strategies and acknowledge that their accurate measurement is indispensable for achieving a complete and transparent greenhouse gas inventory. Over the coming year, focused efforts will be directed towards developing and implementing structured data collection frameworks, engaging suppliers and logistics partners, and integrating emission-tracking systems capable of capturing detailed transportation data across all stages of distribution.

Through this process, the companies aim to strengthen their capacity to calculate and report emissions from both upstream and downstream transportation and distribution in line with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard. This commitment demonstrates not only a dedication to methodological precision but also a genuine intent to foster accountability and progress towards a more sustainable and resilient supply chain.

Scope 3 Category 5: Waste in Operations

Both the Loyalty Works and Prizeshark offices operate within serviced premises where waste management is provided by the respective local councils. All waste generated is municipal in nature and arises from normal office activity. Waste and recycling are collected weekly by the local authorities, with separate bins for general waste and mixed recyclables. At Loyalty Works, there are two large waste bins and two large recycling bins, while at Prizeshark there are three of each. As waste disposal is managed under shared building services and no direct weight or collection data are available, emissions have not been calculated for this reporting year.

Preliminary projections indicate that this category would represent an immaterial proportion of total greenhouse gas emissions, given the limited office-based activities and the shared nature of waste management. Future reporting periods may incorporate estimated waste data if more specific information becomes available from the landlords or local authorities.

Scope 3 Category 6: Business Travel

The calculation of greenhouse gas emissions for Scope 3 Category 6, covering business travel, was completed in accordance with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard. Emissions were determined using activity data multiplied by recognised emission factors from the UK Government's conversion tables. Air travel emissions were estimated by calculating the great-circle distance between London Heathrow Airport and Gibraltar International Airport, applying a return flight factor and the standard emission factor for short-haul flights. Land travel included both car and rail journeys. Distances travelled were multiplied by the respective emission factors for each mode of transport. For car travel, an energy conversion factor based on average vehicle efficiency was used to derive equivalent energy use in kilowatt hours, ensuring consistency with other emission categories.

Emissions from hotel stays were calculated by multiplying the total number of nights spent in accommodation within the United Kingdom by the standard emission factor for hotel occupancy as provided in national greenhouse gas reporting guidance. All activity data were expressed in kilograms of carbon dioxide equivalent ($kgCO_2e$) and subsequently converted into tonnes of carbon dioxide equivalent (tCO_2e) for reporting clarity. Rounded figures were adopted for presentation while maintaining accuracy within accepted reporting limits. This approach ensures transparency, traceability, and comparability of results, allowing the companies to assess the relative contribution of travel-related activities to their overall carbon footprint.

Scope 3 Category 7: Employee Commuting

Employee commuting emissions have been calculated in alignment with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard, Category 7: Employee Commuting. This category covers emissions generated from the daily travel of employees between their homes and places of work using various modes of transport. To quantify these emissions, data were collected from staff surveys that recorded the number of commuting days per week, distances travelled by each mode of transport, and vehicle types where applicable. These data were then multiplied by the most recent UK Government conversion factors for greenhouse gas reporting to determine total carbon dioxide equivalent (CO_2e) emissions.

For journeys undertaken by personal vehicles, the analysis differentiated between fuel types and market segments such as petrol, diesel, hybrid, and electric vehicles. Each segment was matched with its respective emission factor, expressed in kilograms of CO_2e per mile, as published in the UK Department for Environment, Food and Rural Affairs (Defra) conversion tables. For battery electric vehicles, energy consumption was calculated using published kWh-per-mile factors specific to the vehicle class, which were then converted into emissions using the UK grid electricity factor. The method ensured that electric and non-electric vehicle journeys were treated appropriately, reflecting the true energy and emissions profile of each transport mode.

Commuting by public transport such as buses and trains was estimated using the same Defra emission factors per passenger mile. Employees who reported walking or cycling were included for completeness but assigned zero emissions in accordance with the GHG Protocol's classification. The total emissions for all employees were summed to determine the company's overall Scope 3 Category 7 footprint. Finally, energy use and emissions were scaled to the total workforce to provide a representative estimate of commuting emissions for the reporting year.

Greenhouse Gas Inventory 2024-25

Emission Source	GHG (tCO_2e)	Energy Use (kWh)
Scope 1	0	0
Scope 2	0	0
Scope 3-4 UTAD	N/A	N/A
Scope 3-5 Waste	N/A	N/A
Scope 3-6 Business Travel	6.76	37,846.76
Scope 3-7 Employee Commuting	16.00	76,812.71
Scope 3-8 ULA	6.23	30,528.10
Scope 3-9 DTAD	N/A	N/A
Totals	28.99	145,187.57

Scope 3-8 UTAD (Natural Gas)	Energy (kWh)	GHG tCO_2e
Loyalty Works, Leeds	5,040.00	1.02
Prizeshark, Witney	15,560.00	3.15

Scope 3-8 UTAD (Electricity)	Energy (kWh)	GHG tCO_2e
Loyalty Works, Leeds	1,558.10	0.32
Prizeshark, Witney	8,370.00	1.73

Intensity Ratio	GHG tCO_2e
tCO_2e per Full-Time Employee (FTE)	0.78
tCO_2e per £100,000 Revenue	0.13

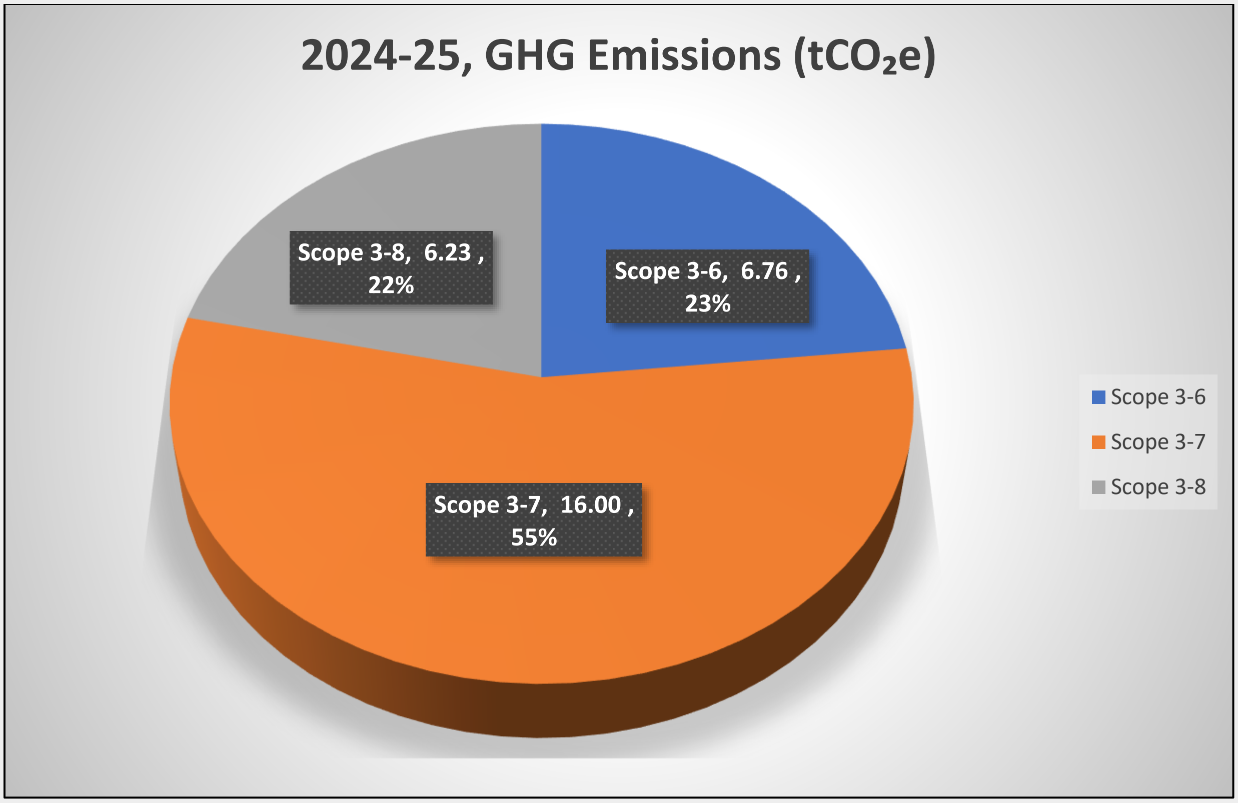
The total greenhouse gas emissions for the reporting period from 1 April 2024 to 31 March 2025 amount to 28.99 tonnes of carbon dioxide equivalent, with a total energy use of 145,187.57 kilowatt hours. Since both offices operate under landlord-managed supply arrangements, there are no reportable Scope 1 or Scope 2 emissions. Accordingly, all emissions arise under Scope 3, representing indirect sources within the companies' value chain.

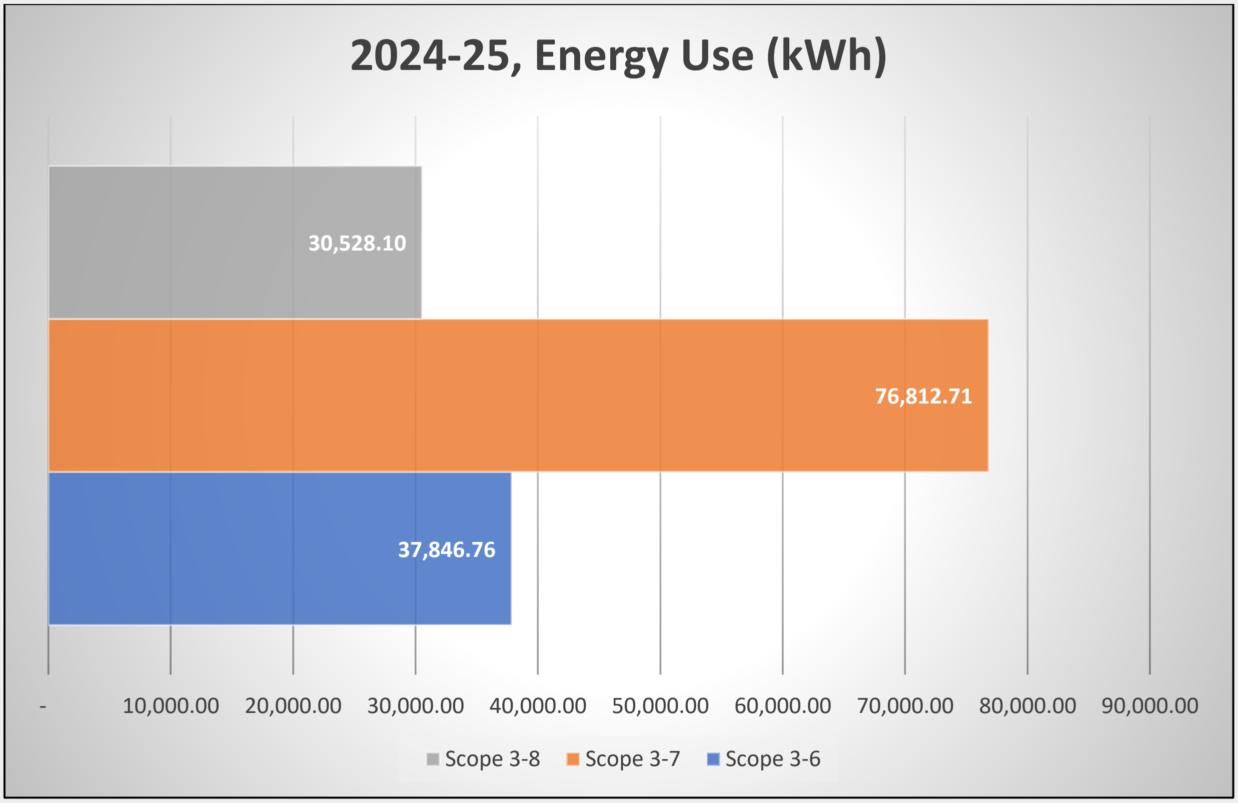
The largest contributor to total emissions is Scope 3 Category 7: Employee Commuting, which accounts for 16.00 tonnes of carbon dioxide equivalent and 76,812.71 kilowatt hours. This reflects the daily travel of staff by car and public transport. Scope 3 Category 6 (Business Travel) is the next largest source, totalling 6.76 tonnes of carbon dioxide equivalent and 37,846.76 kilowatt hours, derived from work-related car, rail and short-haul air travel.

Scope 3 Category 8 (Upstream Leased Assets) contributes 6.23 tonnes of carbon dioxide equivalent and 30,528.10 kilowatt hours. These emissions represent each company's share of energy used in their leased office spaces, allocated based on floor area and supported by landlord data and Energy Performance Certificate values. The Leeds office for Loyalty Works consumed an estimated 5,040 kilowatt hours of natural gas and 1,558 kilowatt hours of electricity, while the Witney office for Prizeshark consumed 15,560 kilowatt hours of natural gas and 8,370 kilowatt hours of electricity.

No emissions were reported for Scope 3 Category 4 (Upstream Transportation and Distribution) and Scope 3 Category 9 (Downstream Transportation and Distribution) for this period. These categories are considered highly significant and will be included in the next reporting cycle once data collection systems are established. Scope 3 Category 5 (Waste Generated in Operations) has been evaluated and deemed immaterial, as both offices produce limited municipal waste managed by local councils.

The calculated intensity ratios show total emissions equivalent to 0.78 tonnes of carbon dioxide per full-time employee and 0.13 tonnes per £100,000 of revenue. These results confirm that both companies operate with a low carbon intensity, consistent with their office-based business model. The findings establish a credible baseline for future reporting and continuous improvement, aligning with the Greenhouse Gas Protocol and SECR guidance.


2024-25, GHG Emissions (tCO₂e)
Scope 3-8, 6.23 , 22%
Scope 3-6, 6.76 , 23%
Scope 3-7, 16.00 , 55%
Scope 3-6
Scope 3-7
Scope 3-8


2024-25, Energy Use (kWh)
30,528.10
76,812.71
37,846.76
-
10,000.00
20,000.00
30,000.00
40,000.00
50,000.00
60,000.00
70,000.00
80,000.00
90,000.00
Scope 3-8
Scope 3-7
Scope 3-6

Emissions Management

Prizeshark Limited and Loyalty Works Limited recognise that meaningful emissions management requires both strategic oversight and practical measures. As service-based organisations operating from leased offices, their carbon footprint is largely composed of indirect emissions within Scope 3 of the Greenhouse Gas Protocol. The following sections outline how each category reported in the 2024–25 greenhouse gas inventory can be better managed, with opportunities for improving data quality and reducing emissions over time.

Scope 1 and Scope 2

Both companies currently report zero emissions under Scope 1 and Scope 2 because their office energy supplies are managed under landlord-controlled contracts. Nevertheless, influence can still be exercised indirectly through active engagement with building owners and property managers. The companies can collaborate with landlords to encourage the procurement of renewable electricity, the introduction of sub-metering for tenant spaces, and investment in energy-efficient lighting, heating, and cooling systems. Internally, they can adopt behavioural energy management practices, such as ensuring equipment is switched off when not in use, optimising temperature controls, and procuring office equipment with high energy-efficiency ratings. These small operational improvements can collectively reduce shared energy use within the buildings.

Scope 3 Category 6: Business Travel

Emissions from business travel arise mainly from car, rail, and air transport used for client meetings and professional events. The companies can manage these emissions by adopting a formal travel policy that prioritises virtual meetings wherever feasible and encourages staff to select lower-carbon modes of travel. Rail travel should be preferred for domestic journeys, while shared transport or electric vehicles should be chosen over conventional cars. To improve data accuracy, the companies can use a travel booking or expense management system that automatically records distance, mode of transport, and purpose of each journey. This would enable detailed year-on-year analysis of travel activity and more reliable emissions reporting.

Scope 3 Category 7: Employee Commuting

Employee commuting is currently the largest contributor to total emissions. The companies can reduce this category by encouraging flexible and hybrid working arrangements, thereby lowering the frequency of commuting. Incentives such as cycle-to-work schemes, public transport support, and electric vehicle salary sacrifice options can further promote sustainable commuting choices. Data quality may be improved through annual employee surveys designed to capture precise information about commuting distances, frequency, and vehicle types, supplemented by anonymous mapping tools to verify estimates.

Scope 3 Category 8: Upstream Leased Assets

For the leased offices in Leeds and Witney, emissions are reported under Scope 3 Category 8 because the companies do not own or directly control the energy supplies. To improve management within this category, both organisations can strengthen collaboration with landlords by reviewing building energy performance and encouraging investment in renewable energy contracts and smart metering. Regularly obtaining updated building energy data will enhance the accuracy of future calculations. The inclusion of green lease provisions in future tenancy agreements would help align operational responsibilities for energy management and promote ongoing efficiency improvements.

Scope 3 Category 5: Waste Generated in Operations

Although emissions from waste are currently immaterial, the companies can still make incremental improvements in waste management. Both offices should continue to ensure effective segregation of recyclable and non-recyclable materials, and work with landlords or local authorities to obtain more detailed waste data. Encouraging reduced paper use, responsible purchasing, and supplier selection based on environmental standards will further contribute to waste minimisation and improved sustainability outcomes.

Scope 3 Categories 4 and 9: Upstream and Downstream Transportation and Distribution

These categories are currently excluded from reporting due to limited data availability but are recognised as important components of the value chain. The companies can begin collecting activity data from suppliers and logistics partners to capture emissions associated with the transportation of goods before and after their direct operations. Incorporating environmental performance criteria into supplier contracts and requesting verified carbon data will build a stronger emissions database over time.

Continuous Improvement

By taking these actions, Prizeshark Limited and Loyalty Works Limited can improve both the accuracy and completeness of their greenhouse gas inventory. Proactive engagement with landlords, suppliers, and employees will enable better data collection, while operational initiatives focused on efficiency and behaviour change will gradually reduce emissions. These measures support compliance with the Greenhouse Gas Protocol and SECR requirements, reinforcing both companies' commitment to environmental responsibility and continual improvement.

Emissions Reduction Targets

Prizeshark Limited and Loyalty Works Limited are committed to achieving sustained reductions in greenhouse gas emissions across their operations and value chains. The companies recognise that genuine progress towards decarbonisation depends on sound data management, transparent reporting and alignment with recognised international standards. Their reduction strategy is guided by the principles of the Science Based Targets initiative, ensuring that all targets remain consistent with a global pathway that limits temperature rise to 1.5 degrees Celsius.

Absolute Reduction Targets

As both companies report zero emissions under Scope 1 and Scope 2, the focus of reduction efforts is directed towards Scope 3 emissions, which represent the entirety of the current greenhouse gas inventory. Prizeshark Limited and Loyalty Works Limited have set an overarching goal to achieve net zero emissions by 2040, ten years ahead of the United Kingdom's national target. This ambition reflects a forward-looking approach to environmental responsibility, particularly within a service-based operational model that produces relatively low direct emissions.

The companies aim to reduce absolute Scope 3 emissions by at least fifty per cent by 2035 compared with the 2024–25 baseline year. This will be achieved through enhanced data collection across all Scope 3 categories, supplier engagement to obtain verified emissions data, and the adoption of low-carbon procurement, travel and operational practices. Collaboration with landlords to promote renewable energy sourcing, building efficiency improvements and the introduction of smart metering will also contribute to achieving long-term reductions.

As both organisations expand their reporting boundaries to include additional Scope 3 categories such as upstream and downstream transportation, total reported emissions are expected to increase. This increase will represent greater transparency rather than a rise in actual impact. The reduction strategy will therefore be reviewed and adjusted to reflect the inclusion of new categories, ensuring that the companies maintain a consistent and comprehensive approach to emissions management as data coverage improves.

Progress towards the absolute reduction targets will be reviewed annually and refined where necessary to remain aligned with the Science Based Targets initiative and emerging best practice in carbon accounting. As data accuracy increases, the companies will continue to adjust their reduction pathways to ensure that progress remains measurable, verifiable and scientifically credible.

Intensity Ratio Reduction Targets

In addition to absolute reduction targets, Prizeshark Limited and Loyalty Works Limited will monitor progress using intensity ratios to measure emissions efficiency relative to business growth. The 2024–25 reporting year establishes baseline intensity ratios of 0.78 tonnes of carbon dioxide equivalent per full-time employee and 0.13 tonnes per £100,000 of revenue. These figures provide a clear reference point for evaluating ongoing improvements in operational efficiency.

The companies intend to reduce their emissions intensity by at least thirty per cent by 2030 through measures such as enhanced energy management, expanded hybrid working practices, sustainable commuting initiatives and responsible business travel policies. Monitoring intensity ratios alongside absolute emissions ensures that any growth in business activity remains decoupled from carbon impact.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 and the 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[1] and uses the appropriate government emission conversion factors for greenhouse gas company reporting[2].

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions has been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard[3].

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:

James Kelly ....

Date: 20/10/2025

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[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