

Environment

PayPoint's main impact on the environment stems from our use of resources to run offices in the UK, Ireland and Romania and our communications with our retailers.

We measure our carbon footprint in accordance using the Green House Gas (GHG) protocol. This allows us to monitor, by region, our carbon footprint and implement, where practical, targets to reduce our carbon footprint.

The two primary sources of PayPoint's carbon emissions are energy consumption and business travel. We visit existing and prospective retailers in the UK, Ireland and Romania. Routes are pre-planned to ensure efficiency where possible. Management regularly visits our businesses to review and improve performance but aim to avoid unnecessary travel. Energy consumption arises from our offices in the UK and Romania. We have a cycle to work scheme to encourage less motor vehicles and encourage electronic documents to reduce unnecessary printing, including our board papers.

PayPoint's services help consumers to reduce the number of unnecessary car journeys through the convenience of our outlets which are usually available within a short walking distance.

We recycle wherever possible, including paper, cans, plastic cups, cardboard, toners, print cartridges and computer equipment.

We have also improved our approach to waste management with the following initiatives undertaken during the year:

- Installation of LED lights throughout our head office which will reduce energy consumption.
- The replacement of drink vending machines from all sites which has eliminated a significant portion of single-use plastic cups waste. These were replaced with efficient hot water fountains and reusable cups, mugs and drinking glasses.
- Reducing waste to landfill with more office mixed recycle collection points throughout the offices. extending our recycling to include waste food and improved signage around collection points to encourage better recycling.

GHG emissions and waste

In this section we report on all required greenhouse gas (GHG) emissions in accordance with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

We report using a financial control approach to define our organisational boundary. A range of approaches can be taken to determine the boundaries of an organisation for the purposes of GHG reporting including financial control, operational control or equity share.

The methodology used to calculate our emissions is based upon the Environmental Reporting Guidelines: including mandatory greenhouse gas emissions reporting guidance (June 2013) issued by DEFRA which make it clear that, in most cases, whether an operation is controlled by the organisation or not does not vary based on whether the financial control or operational control approach is used. The 2013 UK Government GHG Conversion Factors for Company Global GHG emissions in the year reduced to 1,884 tCO₂ from 2,173 tCO₂ in 2017/18. Key drivers of the reduction:

- Mobile business greenhouse gas emission no longer part of the Group, offset by including Payzone.
- Transition of our Hatfield and head office data centres to hosted sites.
- The initiatives described above (LED lighting and drinks vending machines).

Impact	Units	Year ended 31 March 2018	Year ended 31 March 2017
Scope 1 (direct emissions from fuel combustion)	tonnes CO ₂ e	435	373
Scope 2 (indirect emissions from purchased electricity, heat and cooling)	tonnes CO ₂ e	922	1,120
Scope 3 (business travel, waste ² and water)	tonnes CO ₂ e	527	680
Total		1,884	2,173
Intensity measurement:			
Total tonnes of CO ₂ e per employee ¹		3.0	3.3

1. We have used the average number of employees to calculate our intensity measure as most of our emissions are directly related to business travel and energy consumption at our head office locations.

2. Includes waste from UK and Ireland. Romania does not track waste.

Waste	Year ended 31 March 2018 (tonnes)	Year ended 31 March 2017 (tonnes)
Landfill	21.6	23.0
Recycled	21.1	17.4
Total	42.7	40.4
% recycled	49.5%	43.1%

Renovation of our unit 2 building has increased our overall waste tonnage however internal initiatives have improved our ratio of recycled to landfill waste.

Approved by the board of directors and signed on behalf of the Board.

Dominic Taylor
Chief Executive
24 May 2018