IT QED LTD

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Carbon Reduction Plan

Revision 4.0 | Reporting period 1st July 2024 to 30th June 2025 | Baseline period 1st July 2023 to 30th June 2024

Introduction

itQED published its first Carbon Reduction Plan in December 2024, covering the baseline year 1st July 2023 to 30th June 2024. This revision reports our second year of measured emissions, covering 1st July 2024 to 30th June 2025, and sets out our progress against the reduction targets committed to in the baseline plan.

As a provider of managed IT, cloud services and cyber security solutions, we operate in a digital and service-oriented environment. Our footprint is concentrated in a small number of sources: the electricity we purchase for our office, the travel our people undertake for business and to reach that office, and the energy they use when working from home. Measuring those sources consistently, year on year, is what allows us to manage them.

This year shows an overall reduction in our footprint, driven principally by lower employee commuting and reduced business travel. It also identifies one source that moved against us, purchased electricity, which is now the primary focus of our reduction activity. We have reported both movements openly, because a reduction plan that reports only favourable results is of no use to our customers, our people, or ourselves.

We have also corrected a methodology error carried in the baseline report and restated the baseline figures accordingly. That restatement is described in full under Methodology and References below.

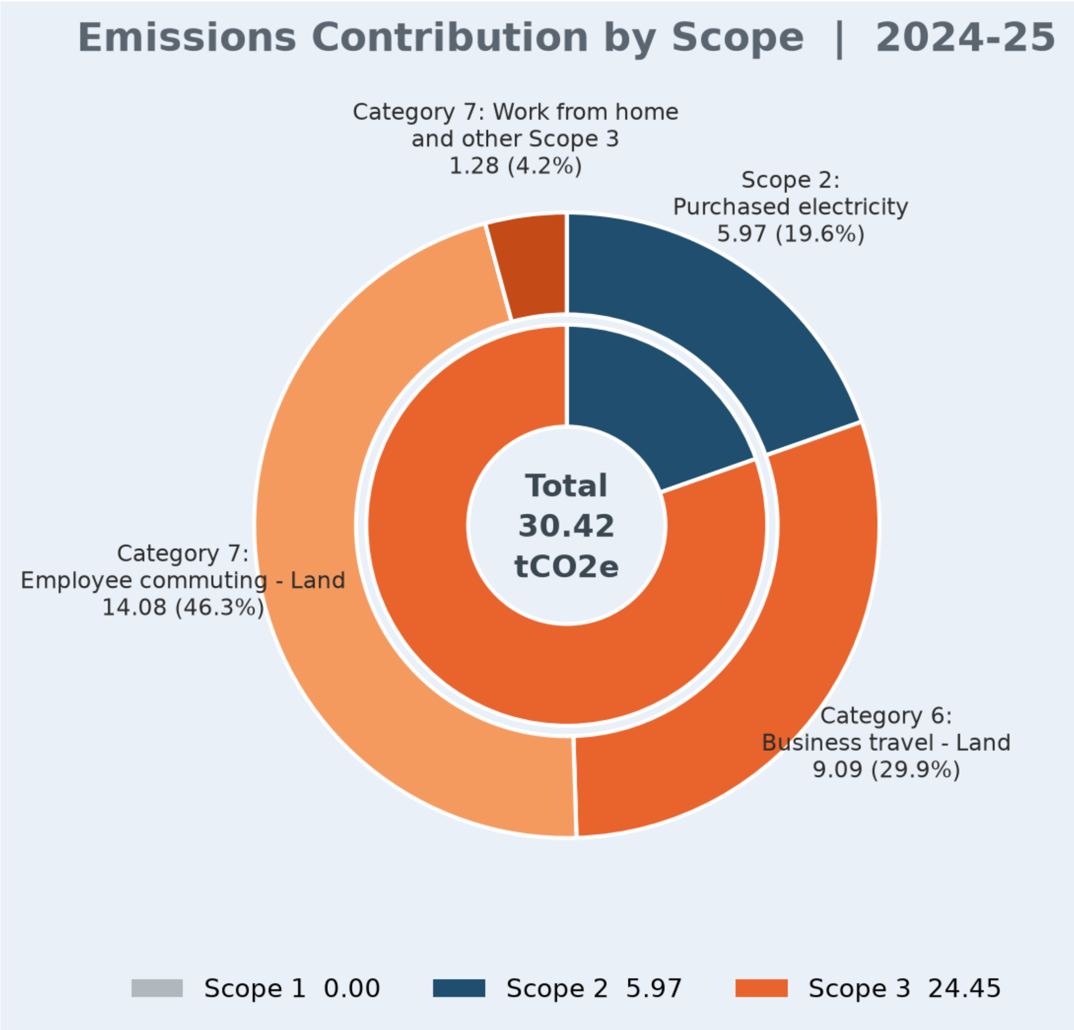
Commitment to achieving Net Zero by 2045

itQED is fully committed to achieving Net Zero emissions by 2045. Recognising the role we play in addressing climate change, we will proactively measure, reduce, and offset our carbon footprint. By embedding sustainable practices into our operations, adopting energy-efficient technologies, and working closely with our partners and stakeholders, we will ensure continual progress. As a provider of innovative IT solutions, we aim to set a standard for responsible business practices while contributing to a greener future. Our commitment reflects both our values and our responsibility to support the UK's Net Zero goals.

Baseline and Reporting Year Emissions Footprint

Baseline year: 1st July 2023 to 30th June 2024. Reporting year: 1st July 2024 to 30th June 2025. All figures in metric tonnes of CO2 equivalent (tCO2e). Baseline figures are as restated — see Methodology and References.

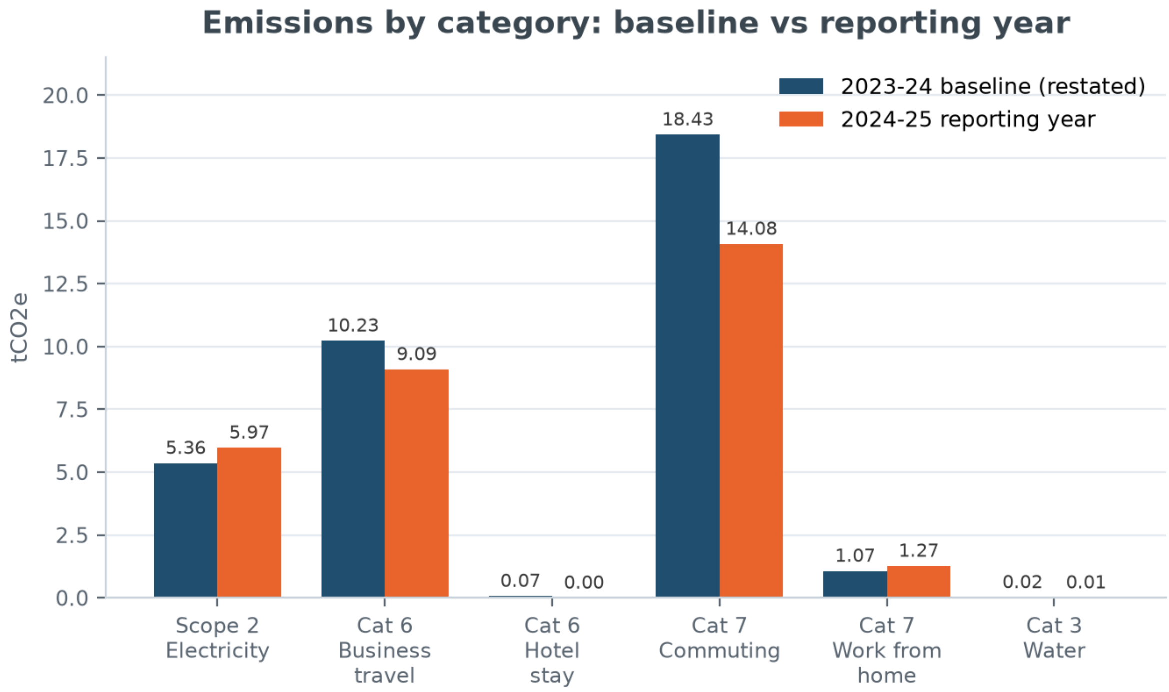
Scopes and categories	Baseline 2023-24	Reporting year 2024-25	Change
Scope 1: Direct emissions from owned/controlled operations	0.00	0.00	–
Scope 2: Indirect emissions from purchased electricity	5.36	5.97	+11.5%
Scope 3 Emissions Categories Breakdown			
Category 1: Purchased goods and services	0.00	0.00	–
Category 2: Capital goods	0.00	0.00	–
Category 3: Fuel- and energy-related activities — Water Supply	0.02	0.01	−51.3%
Category 4: Upstream transportation & distribution	0.00	0.00	–
Category 5: Waste generated in operations	0.00	0.00	–
Category 6: Business travel — Land	10.23	9.09	−11.2%
Category 6: Business travel — Air	0.00	0.00	–
Category 6: Hotel Stay	0.07	0.00	−100.0%
Category 7: Employee commuting — Land	18.43	14.08	−23.6%
Category 7: Work From Home	1.07	1.27	+18.7%
Category 8: Upstream leased assets	0.00	0.00	–
Category 9: Downstream transportation & distribution	0.00	0.00	–
Scope 1	**0.00**	**0.00**	**–**
Scope 2	**5.36**	**5.97**	**+11.5%**
Scope 3	**29.82**	**24.45**	**−18.0%**
Total Emissions	**35.17**	**30.42**	**−13.5%**



Emissions contribution by scope and category, 2024-25 reporting year (tCO2e).

Year-on-year movement

Total emissions fell by 4.75 tCO2e, a reduction of 13.5% against the restated baseline. The reduction is concentrated in employee commuting, which fell by 4.35 tCO2e as commuting car mileage dropped from 67,100 to 52,218 miles. Business travel by land fell by 1.14 tCO2e on a 7.7% reduction in car mileage and a 53.9% reduction in rail passenger-kilometres. No overnight hotel stays were required during the reporting year, against five in the baseline year, and no business air travel was undertaken in either year.

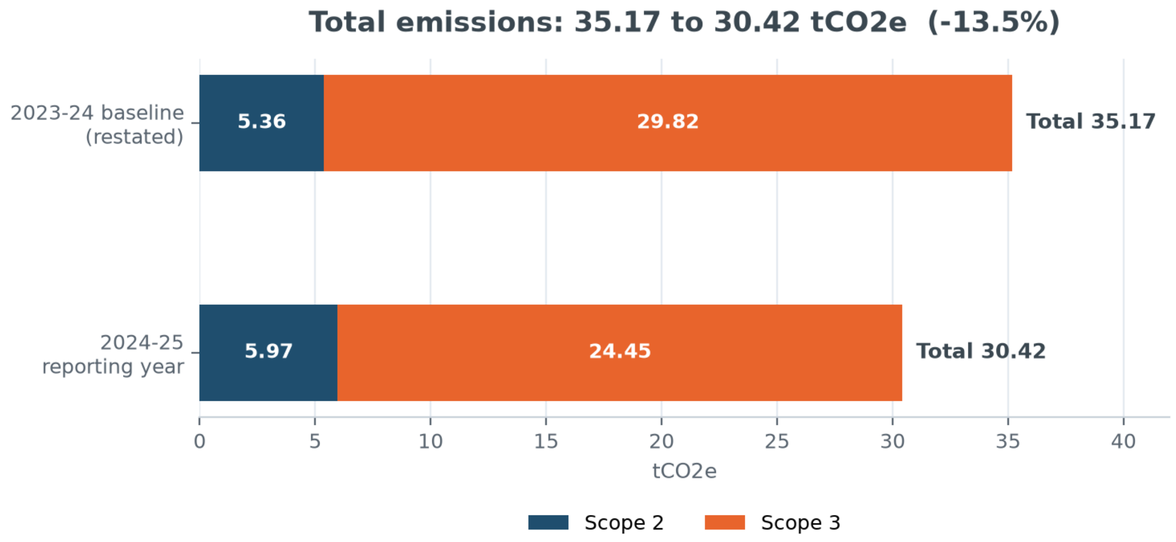


Emissions by category, baseline year against reporting year (tCO2e).

Purchased electricity moved against us. Consumption rose from 25,868 kWh to 33,751 kWh, an increase of 30.5%, and reported Scope 2 emissions rose by 11.5% to 5.97 tCO2e. The most likely cause is increased air conditioning load during the sustained period of high temperatures in summer 2025; this will be investigated, and the finding reported in the next revision of this plan.

The reported increase is smaller than the consumption increase because the UK grid conversion factor fell by approximately 15% between the two factor sets. Measured on a like-for-like basis using a single factor set, Scope 2 emissions rose by 30.5%. Grid decarbonisation is not a reduction we have earned, and we have not presented it as one.

Work from home emissions rose by 18.7%, tracking a rise in recorded homeworking days from 400 to 475. Water supply emissions fell by just over half on a 55% reduction in metered consumption.



Total emissions by scope, baseline year against reporting year (tCO2e).

Measured on a consistent factor basis, stripping out the effect of the change in published conversion factors, total emissions fell by 9.3% rather than 13.5%. Both figures are presented so that the underlying change in our activity is visible separately from the change in the published factors.

Activity data underlying the footprint

Activity	2023-24	2024-25	Unit
Purchased electricity	25,868	33,751	kWh
Water supply	130	58.5	cubic metres
Business travel — car (lower medium, petrol)	37,286	34,407	miles
Business travel — national rail	9,739	4,488	passenger-km
Business travel — air	0	0	passenger-km
Hotel stays	5	0	room-nights
Employee commuting — car (lower medium, petrol)	67,100	52,218	miles
Employee commuting — local bus (not London)	5,391	4,234	passenger-km
Homeworking	400	475	staff-days

Homeworking was undertaken on an occasional basis by 24 staff in the baseline year and 19 staff in the reporting year.

Data sources and reporting frequency

Scope and category	Types and sources of data used	Frequency	2024-25 tCO2e
Scope 2: Indirect emissions from purchased electricity	Monthly billing	Monthly	5.97
Category 3: Fuel- and energy-related activities — Water Supply	Monthly billing	Monthly	0.01

Scope and category	Types and sources of data used	Frequency	2024-25 tCO2e
Category 6: Business travel — Land — Car lower medium petrol	Journey refunds	Monthly	8.93
Category 6: Business travel — Land — National Rail	Journey refunds	Monthly	0.16
Category 6: Business travel — Air	Expense records	Monthly	0.00
Category 6: Hotel Stay	Organisation events	Monthly	0.00
Category 7: Employee commuting — Car lower medium petrol	Journey refunds	Monthly	13.55
Category 7: Employee commuting — Bus	Journey refunds	Monthly	0.53
Category 7: Work From Home	Attendance records	Monthly	1.27

Zero emissions rationale

- **Scope 1: Direct Emissions —** We operate primarily in a digital and service-oriented environment, which significantly reduces the need for energy-intensive equipment or machinery typically associated with direct emissions. itQED owns and operates no vehicles; all business mileage is undertaken in employee-owned vehicles and is therefore reported under Scope 3, Category 6.
- **Category 1: Purchased Goods and Services —** itQED primarily engages in services that do not require the purchase of physical goods. As a result, there is no procurement of goods that would contribute to emissions in this category.
- **Category 2: Capital Goods —** itQED operates primarily in a digital and service-oriented environment, which does not require capital goods. Most of the company's resources are intangible, such as software and intellectual property, which do not fall under the typical capital goods category.
- **Category 4: Upstream Transportation and Distribution —** We do not produce, purchase, or distribute physical products. Consequently, there are no upstream transportation and distribution activities that would contribute to emissions in this category.
- **Category 5: Waste Generated in Operations —** Any minimal waste generated is managed through sustainable practices, such as recycling, which are handled by third-party providers with low or zero associated emissions. Veolia manages our recycling collections for recycling generated internally. IT equipment for ourselves and our customers is WEEE recycled via Tech Recycle, who we work with closely to ensure that equipment is recycled responsibly and securely.
- **Category 6: Business Travel — Air —** No business air travel was undertaken in either the baseline year or the reporting year. This category is reported as zero on the basis of a nil return rather than exclusion.
- **Categories 8 and 9 —** Our operations involve minimal use of couriers. Where couriers are used, it is for the delivery of documents or small items, which are

infrequent and result in negligible emissions that do not warrant separate reporting. Additionally, any courier services used may already offset their emissions or account for them within their own Scope 1, 2 or 3 emissions, not the company's.

Methodology and References

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

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.

- **Conversion factors —** The reporting year 2024-25 has been calculated using the 2025 UK Government greenhouse gas conversion factors for company reporting, published by the Department for Energy Security and Net Zero on 10th June 2025. The baseline year was calculated using the 2023 factor set and has not been recalculated onto the 2025 factors, in line with the principle that each reporting year uses the factor set published for it. Where the change in factors materially affects comparability, a like-for-like figure on a single factor basis is given alongside.
- **Scope 2 method —** Scope 2 emissions are reported on a location-based basis using the UK grid average generation factor, as required by the Environmental Reporting Guidelines. Transmission and distribution losses are not currently included; their inclusion is planned for the next reporting year.
- **Restatement of the baseline year —** The baseline report applied the homeworking conversion factor of 0.33378 kgCO2e as a per-day rate. The UK Government publishes this factor per full-time-equivalent working hour, not per day, and work from home emissions for the baseline year were therefore understated. The baseline figure has been restated from 0.13 tCO2e to 1.07 tCO2e on the basis of 400 homeworking days at 8 working hours per day, and the reporting year is calculated on the same basis of 475 days at 8 hours. The restatement raises the baseline total from 34.24 tCO2e to 35.17 tCO2e. All comparisons and percentage movements in this plan are made against the restated baseline. No other element of the baseline has been changed, and the baseline period itself is unchanged.

https://ghgprotocol.org/corporate-standard
https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
https://ghgprotocol.org/standards/scope-3-standard

Progress against emissions reduction targets

The baseline plan set reduction targets to be achieved by 2025. Performance against each is set out below, measured against the restated baseline.

Target set in the baseline plan	Baseline 2023-24	2024-25	Outcome
Scope 2 purchased electricity: reduce by 10%	5.36	5.97	Not achieved
Category 3 water supply: reduce by 5%	0.02	0.01	Achieved
Category 6 business travel (car/rail): reduce by 10%	10.23	9.09	Achieved
Category 6 hotel stays: reduce overnight stays by 10%	0.07	0.00	Achieved
Category 7 employee commuting: reduce car emissions by 10%	17.79	13.55	Achieved
Category 7 work from home: reduce by 10%	1.07	1.27	Not achieved

Five of the six targets were met, four of them by a wide margin. Two were not.

Purchased electricity is the material failure. Consumption rose by 30.5% against a target of a 10% reduction, most likely as a result of increased air conditioning load during the hot summer of 2025. Confirming that and acting on it is the first action listed below.

Work from home emissions rose by 18.7% because recorded homeworking days rose from 400 to 475. We regard this target as poorly constructed rather than simply missed: an absolute reduction target on homeworking penalises a shift away from commuting, and our commuting emissions fell by 4.35 tCO2e in the same year, far outweighing the 0.20 tCO2e increase from homeworking. The replacement target below is expressed per homeworking day so that it measures efficiency rather than discouraging home working.

Emissions reduction targets

itQED will continue to reduce emissions across Scopes 2 and 3 against the restated 2023-24 baseline of 35.17 tCO2e, with the following targets:

- **Overall —** reduce total emissions by 30% against the restated baseline by 2030, and achieve Net Zero by 2045.
- **Scope 2, purchased electricity —** return consumption to no more than the baseline 25,868 kWh by 30th June 2026, and reduce to 20% below baseline consumption by 2030.

- **Category 3, water supply —** hold consumption at or below the 2024-25 level of 58.5 cubic metres.
- **Category 6, business travel —** reduce land travel emissions by a further 15% by 2030, through continued use of rail and virtual meetings and progressive transition of employee vehicles to hybrid and electric.
- **Category 6, hotel stays and air travel —** maintain the nil position wherever a virtual alternative exists.
- **Category 7, employee commuting —** reduce land commuting emissions by a further 15% by 2030.
- **Category 7, work from home —** reduce emissions per homeworking day by 10% by 2030 through energy efficiency awareness, rather than by reducing home working.

Progress will be reviewed annually to ensure targets remain aligned with our 2045 Net Zero goal.

Carbon Reduction Initiatives

The following actions were completed or in progress during the 2024-25 reporting year:

- Continued expansion of virtual meeting practice, contributing to the elimination of overnight hotel stays and a 7.7% reduction in business car mileage.
- Continued operation of WEEE recycling for internal and customer IT equipment through Tech Recycle, and recycling collections through Veolia.
- Reduction in metered water consumption of 55% against the baseline year.

The following actions are committed for the 2025-26 reporting year and beyond:

- **Investigate and address the increase in electricity consumption —** analyse consumption data to confirm the air conditioning load indicated for summer 2025, review cooling set-points and controls, and act on the finding. This is the highest priority action in this plan.
- **Transition to a renewable electricity tariff —** at the Arborfield office, and report Scope 2 on both a location-based and a market-based basis from the next reporting year.
- **Complete the transition to LED lighting —** and introduce timed or occupancy-based control of lighting, heating and cooling in the office.
- **Include transmission and distribution losses —** in Scope 3 Category 3 reporting from the next reporting year, improving the completeness of the inventory.

- **Introduce incentives for lower-carbon commuting —** including public transport, carpooling and a cycle to work scheme.
- **Promote hybrid and electric vehicles —** for business mileage, and install or arrange workplace charging provision.
- **Provide homeworking energy efficiency guidance —** to all staff who work from home on an occasional or regular basis.
- **Improve homeworking data capture —** by recording actual homeworking hours rather than days, removing the need for a working-hours assumption in future reports.

Annual progress will be tracked against targets and published in the next revision of this plan.

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 standard, and use the appropriate Government emission conversion factors for greenhouse gas company reporting.

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.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of IT QED LTD:

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Name: Colin Weeks

Position: Director

Date: 15/12/25