CARBON REDUCTION PLAN

# H3O Digital Limited

Measuring honestly, reducing steadily, Net Zero by 2050.

15 September 2026 · Version 4.0 · Public

Supplier name is H3O Digital Limited. Publication date, 15 September 2026. This plan covers the reporting year June 2025 to May 2026 and follows directly from our previous plan (version 3.0, published 10 June 2025) so that reporting is continuous with no gap between periods.

## Commitment to achieving Net Zero

H3O Digital is committed to achieving Net Zero emissions by 2050.

## Baseline emissions footprint

Baseline emissions are a record of the greenhouse gases produced before the introduction of any strategies to reduce emissions. They are the reference point against which reduction is measured. Our baseline year is 2025 (June 2024 to May 2025), our first year of reporting under the Carbon Reduction Plan framework. It covers Scope 1, Scope 2 and the five required Scope 3 categories, and reflects the organisation at that time, 9 employees, a dedicated Mayfair office and directly procured 100% renewable electricity backed by Renewable Energy Guarantees of Origin (REGO) certificates.

| Emissions | Total ($tCO_2e$) |
|---|---|
| **Scope 1** | **0 $tCO_2e$**<br>No owned or controlled combustion sources such as boilers, furnaces or company vehicles. Office heating and cooling were powered by electric systems. |
| **Scope 2** | **0 $tCO_2e$ (market-based method)**<br>100% of electricity was procured from a UK renewable provider on a REGO-backed tariff. Using the location-based method, estimated Scope 2 emissions for FY25 would be 2.83 $tCO_2e$ (2024 UK Government factor of 0.19338 kg $CO_2e$ per kWh). |
| **Scope 3 (included sources)** | Upstream transport and distribution, 1.75 $tCO_2e$<br>Waste generated in operations, 0.04 $tCO_2e$<br>Business travel, 0.70 $tCO_2e$<br>Employee commuting, 5.78 $tCO_2e$<br>Downstream transport and distribution, 0.00 $tCO_2e$ |

| Emissions | Total ($tCO_2e$) |
|---|---|
| **Total** | **8.26 $tCO_2e$** |

*Table 1. Baseline year emissions, June 2024 to May 2025.*

# Current emissions reporting

Reporting year, 2026 (June 2025 to May 2026). During this year the business grew from 9 to 14 employees, took on client work in Dublin that introduced air travel for the first time, and moved into a shared office building where electricity is procured by the landlord and included in the rent.

| Emissions | Total ($tCO_2e$) |
|---|---|
| **Scope 1** | **0 $tCO_2e$**<br>No owned or controlled combustion sources such as boilers, furnaces or company vehicles. Direct emissions from fuel combustion are zero. |
| **Scope 2** | **0 $tCO_2e$**<br>Following our move to a shared office building, electricity is procured by the landlord and included in the rent, and the building is not sub-metered by tenant. No purchased electricity is therefore reported under Scope 2 this year. We are engaging the landlord to obtain our estimated share of consumption and confirmation of the building's tariff, and will report an estimated figure in our next plan. This methodology change from the prior year is disclosed for transparency. |
| **Scope 3 (included sources)** | Upstream transport and distribution, 1.60 $tCO_2e$<br>Waste generated in operations, 0.04 $tCO_2e$<br>Business travel, 3.21 $tCO_2e$ (rail and car travel consistent with the prior year at 0.70 $tCO_2e$, plus approximately 15 return flights between London and Dublin estimated at 2.51 $tCO_2e$)<br>Employee commuting, 7.71 $tCO_2e$<br>Downstream transport and distribution, 0.00 $tCO_2e$ (as a digital services business we do not distribute physical products to customers) |
| **Total** | **12.56 $tCO_2e$** |

*Table 2. Reporting year emissions, June 2025 to May 2026.*

# Emissions reduction targets

Our reported emissions for FY26 are 12.56 $tCO_2e$, above the FY25 baseline of 8.26 $tCO_2e$. We report this openly. The increase is driven by growth, headcount rose 56% from 9 to 14 employees, and by new client delivery in Ireland which introduced business flights for the first time. On an intensity basis, emissions per employee fell from 0.92 $tCO_2e$ to 0.90 $tCO_2e$, a reduction of around 2%, reflecting our remote-first working policy and tighter travel controls.

We maintain our commitment to Net Zero by 2050 and our internal target of a 10% year-on-year reduction against the baseline trajectory. Recognising that absolute emissions have risen with growth, we will track both absolute emissions and emissions per employee, and the measures set out in this plan, particularly around travel and landlord energy data, are intended to bring absolute emissions back towards the target trajectory. Projected against the baseline, the trajectory reaches approximately 4.98 $tCO_2e$ by 2029, a 40% reduction over five years. These targets are reviewed annually.

Progress against the target trajectory is shown in the graph below.

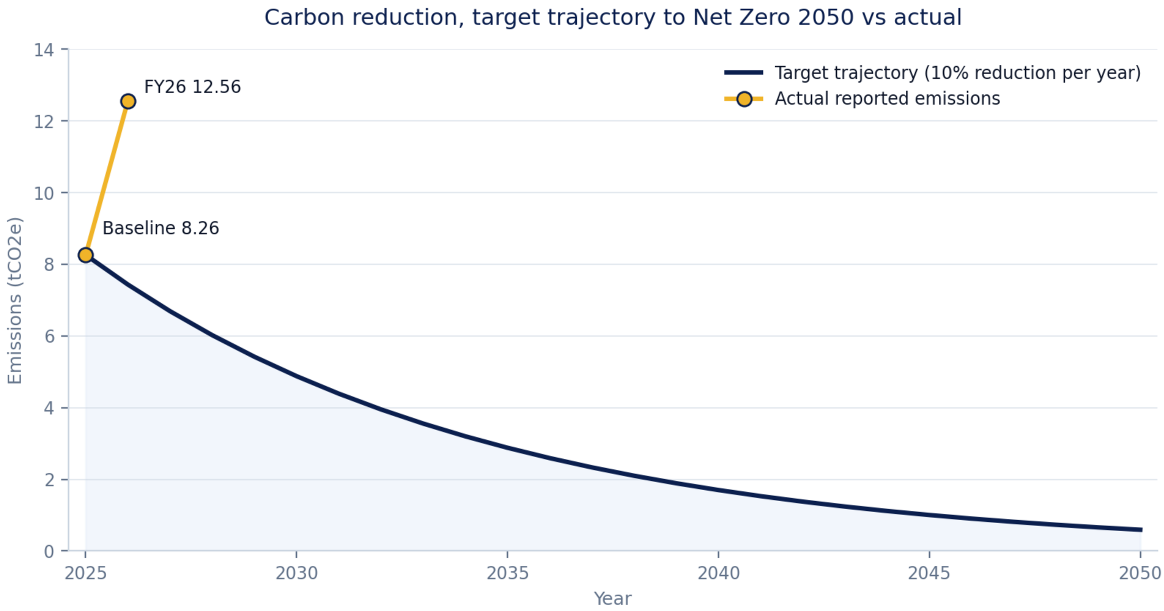


*Figure 1. Target trajectory from the FY25 baseline (10% reduction per year) against actual reported emissions.*

## Scope 2 emissions

In prior years we procured 100% renewable electricity directly, backed by REGO certificates, and reported market-based Scope 2 emissions of zero. Following our move to a shared office building, electricity is procured by the landlord and included in the rent, and the building is not sub-metered by tenant. No purchased electricity is therefore reported under Scope 2 for FY26. We recognise this creates a data gap. We are requesting our estimated share of building consumption and details of the building's electricity tariff from the landlord, and we will include an estimated figure, using UK Government conversion factors where the tariff is not renewable, in our next submission.

## Scope 3 emissions

In line with the requirements of PPN 006 (formerly PPN 06/21), we have calculated emissions from the five required Scope 3 categories. Total Scope 3 emissions for the reporting year are estimated at 12.56 $tCO_2e$. A breakdown follows.

1. Upstream transport and distribution. The delivery pattern is broadly consistent with the prior year, monthly van deliveries, approximately 12 hardware courier deliveries per month and weekly catering deliveries by bicycle, with a slight reduction in volume. Using DEFRA conversion factors, emissions are estimated at 1.60 $tCO_2e$.

2. Waste generated in operations. Waste volumes are consistent with the prior year, approximately 240 kg of operational waste of which 40% was recycled, plus one 10 kg WEEE collection. Estimated emissions are 0.04 $tCO_2e$.

3. Business travel. Rail and car travel remained consistent with the prior year, approximately 10 round-trip train journeys between London and Bristol and 2,000 miles by car, at 0.70 $tCO_2e$. New client delivery in Ireland introduced approximately 15 return flights between London and Dublin, estimated at 2.51 $tCO_2e$ using the DEFRA short-haul average passenger factor including radiative forcing. Total business travel emissions are estimated at 3.21 $tCO_2e$.

4. Employee commuting. The organisation now has 14 employees. Twelve commute to our Mayfair office 3 days per week using public transport, and two are remote workers who rarely attend the office. Scaling the baseline methodology to the number of regular commuters, estimated emissions are 7.71 $tCO_2e$.

5. Downstream transport and distribution. As a digital services business we do not distribute physical products to customers. All services are delivered remotely or on site by professional staff, so these emissions are negligible and reported as zero.

# Carbon reduction projects

## Completed carbon reduction initiatives

Since our FY25 baseline year we have implemented the following initiatives.

- We achieved ISO 14001 certification with the British Assessment Bureau, so our environmental management practices are now independently certified to an internationally recognised standard, alongside our ISO 27001 and ISO 9001 certifications.
- We adopted a remote-first working policy, employing remote workers where possible and reducing the travel associated with office attendance. Two of our 14 employees now work fully remotely.
- We introduced an expenses policy that requires travel to be justified as necessary before it is booked, encouraging video conferencing and low-emission transport options as the default.
- We maintain an active carbon offsetting agreement with Carbon Footprint Ltd, through which we offset 52 $tCO_2e$ per year, several times our reported footprint. In line with the Carbon Reduction Plan reporting standard, offsets are reported separately from our emissions figures and do not reduce the totals above.
- The business continues to run a digital-first operating model with collaboration platforms and video conferencing as the default, keeping business travel low relative to headcount.

The measures described above are fully embedded and will remain in effect throughout the duration of any contracts undertaken.

## Future carbon reduction initiatives

Looking ahead, we plan to implement the following further measures.

1. Obtain tenant-level energy consumption data from our landlord and confirmation of the building's electricity tariff, so shared office electricity can be estimated and reported, and advocate for a renewable tariff for the building.
2. Implement stricter supplier assessment criteria to prioritise low-carbon vendors and partners.

3. Introduce a sustainable travel plan for our Ireland engagements, defaulting to video collaboration, consolidating trips and using direct economy flights where travel is unavoidable.
4. Monitor emissions at a granular level using data-driven tools, to identify new opportunities for reduction.
5. Review our offsetting portfolio against recognised verification standards as guidance on high-quality offsets develops.

As a growing SME we believe every decision offers an opportunity to reduce our environmental impact, and we remain fully committed to reaching Net Zero well before 2050.

# Declaration and sign off

This Carbon Reduction Plan has been completed in accordance with PPN 006 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 the Supplier:*

D Sackfield

Name: D Sackfield

Role: Chief Operating Officer

Date: 15 September 2026

## References

GHG Protocol corporate standard, https://ghgprotocol.org/corporate-standard

Government conversion factors for company reporting, https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

Corporate Value Chain (Scope 3) Standard, https://ghgprotocol.org/standards/scope-3-standard