SMARTCO CONSULTING LIMITED

CARBON REDUCTION PLAN PPN 006

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Carbon Reduction Plan
PPN 006, April-September 2025

Reporting Period: 1 April 2025 — 1 September 2025

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Prepared by: ESG PRO Limited

Introduction

SmartCo Consulting Limited is a management consultancy that operates in the technology sector, offering strategic, operational and technological guidance to support the long term success of its clients. The company provides advice across areas such as digital transformation, product and technology strategy, market expansion, organisational change and operational efficiency. Its role is to help organisations adapt to evolving market conditions and to make effective use of new technologies in order to achieve sustainable growth.

The company's services also extend to supporting data driven decision making, ensuring regulatory compliance, improving customer experience and developing approaches to talent management. Clients range from early stage start ups seeking to establish themselves, through to global technology leaders and non technology businesses undergoing significant digital transformation. Typical assignments may involve growth strategy, mergers and acquisitions, process improvement and the integration of emerging technologies into existing operations.

This document represents the company's fourth cycle of carbon reporting and demonstrates an ongoing commitment to measuring and disclosing environmental impacts. The figures presented cover the first five months of the reporting year, from April to August, which aligns with the company's financial year that runs from 1 April to 31 March. As a result, the data at this stage provides an interim position rather than the full year outcome.

A complete and finalised report will be published once the financial year concludes. By providing an interim report, the company ensures that stakeholders have visibility of progress and access to information on its emissions profile during the year. This approach supports transparency while recognising that the year end report will present the full and verified dataset for the period.

The framework of Streamlined Energy and Carbon Reporting, known as SECR, is central to this process. SECR establishes a consistent and transparent method for organisations to disclose their energy consumption and associated greenhouse gas emissions. The framework ensures that disclosures are comparable across companies and sectors, enabling stakeholders to evaluate environmental performance and commitments. It also encourages organisations to monitor their use of energy more closely, to identify potential efficiency measures and to contribute to the wider reduction of carbon emissions in the economy. In this way, SECR plays both a regulatory and a practical role, reinforcing accountability while promoting the transition to more sustainable business practices.

Methodology

SmartCo Consulting Limited has retained full responsibility for the internal controls governing the collection, management and verification of the data presented in this Carbon Reduction Plan. In preparing the report, the company has worked in partnership with ESG Pro Limited to ensure that all emissions calculations are accurate, transparent and consistent with recognised reporting standards. The methodology applied is based on the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard together with the Corporate Value Chain (Scope 3) Standard. Both frameworks are internationally recognised and provide a consistent and credible basis for measuring greenhouse gas emissions across operations and supply chains.

All emissions disclosed in this plan have been calculated using the most recent UK Government GHG Conversion Factors for Company Reporting, published by the Department for Energy Security and Net Zero in collaboration with DEFRA. These factors provide a uniform national benchmark for emissions reporting and ensure compliance with the requirements of PPN 06/21, including those relating to Carbon Reduction Plan disclosures.

For the current reporting cycle, SmartCo Consulting Limited is in its fourth year of carbon reporting. This report covers only the first five months of the financial year, from April to September, reflecting the company's interim position. The financial year runs from 1 April to 31 March, and therefore the complete year's dataset will be compiled and published once the reporting period concludes.

The partial reporting period is a continuation of SmartCo's established approach to monitoring and disclosing its environmental impacts. By issuing an interim report, the company ensures that stakeholders have early access to accurate and verified data, while the final year end report will provide a full and complete account of performance.

The disclosure of this interim data strengthens transparency and provides a reference point against which subsequent reductions can be assessed. It also reinforces the company's commitment to maintaining consistent reporting practices and to contributing to long term sustainability goals through accurate measurement and disclosure of its greenhouse gas emissions.

Scope 1 and 2

SmartCo Consulting Limited operates from a serviced office where all energy use is managed centrally by the landlord. Electricity and heating are provided through shared building services, and the tenant does not hold individual supply contracts or meters. According to the Greenhouse Gas Protocol, Scope 1 emissions are defined as direct emissions from the combustion of fuels owned or controlled by the reporting entity, while Scope 2 emissions are defined as indirect emissions from purchased electricity, heat, steam or cooling where the supply contract is held by the reporting entity. As SmartCo Consulting does not directly combust fuels on site and does not hold energy supply contracts in its own name, there are no reportable Scope 1 or Scope 2 emissions for this office. These impacts are instead reported under Scope 3, Category 8, in line with recognised guidance for landlord supplied energy in serviced office arrangements.

Scope 3, Category 1 — Purchased Goods and Services

Scope 3, Category 1 relates to emissions from the production of goods and services purchased during the reporting period. These upstream emissions, while indirect, are significant in the overall footprint. The company applied the spend based method, whereby expenditure across categories such as equipment, financial services and professional activities is multiplied by emission factors reflecting the average carbon intensity of each sector. SmartCo Consulting shares certain suppliers and contracts with its related entity, SmartCo Future Health. To avoid double counting, the total emissions initially calculated for Purchased Goods and Services were divided equally between the two companies. This results in 13.39 tonnes of carbon dioxide equivalent being attributed to SmartCo Consulting, with the same figure assigned to SmartCo Future Health. This approach ensures a fair and transparent allocation of supply chain impacts and will be refined in future cycles should supplier specific data become available.

Scope 3, Category 2 — Capital Goods

Scope 3, Category 2 addresses emissions from capital goods, which represent the embodied carbon of long term assets purchased during the reporting period. These were assessed using the spend based method, applying the emission factor for computer and electronic equipment to reflect the acquisition of laptops. This ensures that the upstream embodied impact of these assets is captured within capital goods reporting while avoiding any overlap with Purchased Goods and Services.

Scope 3, Category 4 — Upstream Transportation and Distribution

Scope 3, Category 4 covers upstream transportation and distribution. SmartCo Consulting has formally declared that it does not own, operate or contract transportation services for the delivery of goods or materials to its offices. This position has been confirmed in a signed statement by the Chief Executive Officer. On this basis, no emissions are reported for this category. The declaration aligns with recognised greenhouse gas accounting standards and accurately reflects the operational circumstances of the company.

Scope 3, Category 5 — Waste

The calculation of waste-related greenhouse gas emissions for this reporting period has been based on an estimation approach, as direct contractor records were not available from the serviced office provider. The methodology draws upon recognised benchmarks for office waste generation in the United Kingdom, considering both the occupied floor area and the number of employees, in order to derive a reasonable estimate of total waste arising during the six month period. This estimated total was then apportioned across waste categories that are typical for an office environment, namely residual waste, organic food waste, mixed plastics and mixed paper and board. The categorisation reflects the materials most likely to be generated in a serviced office setting and aligns with the structure of the government's conversion factor tables.

Once the waste composition was defined, treatment pathways were assigned in line with common commercial practice in central London, where the majority of office waste is directed to recycling and energy recovery, with only a small proportion going to landfill. Each fraction of waste was then mapped to the corresponding activity type within the 2025 UK Government GHG Conversion Factors for Company Reporting. Emission factors for landfill, incineration with energy recovery, anaerobic digestion and both open and closed loop recycling were applied to the estimated tonnages, allowing the associated emissions to be calculated. This approach ensures consistency with the Greenhouse Gas Protocol and government guidance, and provides a transparent representation of waste in operations under Scope 3, Category 5.

Scope 3, Category 6 — Business Travel

Scope 3, Category 6 relates to business travel. Emissions were calculated using data extracted from the company's finance system. Air travel was assessed on the basis of passenger kilometres and flight class, applying the official UK Government emission factors. Land travel included petrol and hybrid vehicle use, with taxi journeys incorporated into the respective vehicle categories, calculated using mileage records. Hotel stays were included by applying the national average emission factor per room night to the number of stays recorded. Rail travel was identified in the data set, but distances were not available, and no reliable method of estimation was possible. For this reason, rail travel has not been included in the interim totals, though it is expected that improvements in data collection will allow its inclusion in the year end disclosure.

Scope 3, Category 7 — Employee Commuting

Scope 3, Category 7 covers employee commuting. These emissions are to be assessed using survey data collected from employees, recording commuting modes, patterns and approximate distances. As the financial year has not yet ended, survey data is not available at this stage. The category will be reported once the year concludes, ensuring that the data reflects the complete reporting period.

Scope 3, Category 8 — Upstream Leased Assets

Scope 3, Category 8 addresses upstream leased assets, capturing the emissions associated with energy supplied by the landlord. For this reporting period, the landlord provided energy consumption data covering the five months from 1 April to 30 September 2025. The figures, which included both electricity and natural gas, were apportioned to SmartCo Consulting's share of the premises. These were converted into emissions using the 2025 UK Government conversion factors. Electricity emissions were calculated using the grid average factor of 0.177 kilograms of carbon dioxide equivalent per kilowatt hour, while natural gas emissions were calculated using the net calorific value factor of 0.20270 kilograms of carbon dioxide equivalent per kilowatt hour. The office space is jointly occupied by SmartCo Consulting and SmartCo Future Health. To ensure fairness and transparency, the calculated emissions were divided equally between the two companies. In the absence of sub metered data, this allocation method is considered reasonable and will continue unless more detailed consumption data becomes available.

Scope 3, Category 9 — Downstream Transportation and Distribution

Scope 3, Category 9 concerns downstream transportation and distribution. SmartCo Consulting has declared that it does not manage or oversee the distribution of products or services to end users. This position is confirmed in a signed statement by the Chief Executive Officer. As no such activity takes place, no emissions are reported for this category. This declaration ensures that the Scope 3 inventory remains accurate, transparent and consistent with the requirements of the Greenhouse Gas Protocol.

Greenhouse Gas Inventory April-September 2025

Emission Source	GHG (tCO_2e)	Energy Use (kWh)
Scope 1	N/A	N/A
Scope 2	N/A	N/A
Scope 3 – Category 1: Purchased goods and services	13.39	N/A
Scope 3 – Category 2: Capital Goods	0.90	N/A
Scope 3 – Category 4: Upstream transportation and distribution	N/A	N/A
Scope 3 – Category 5: Waste generated in operations	0.05	N/A
Scope 3 – Category 6: Business travel	1.46	4,137.77
Scope 3 – Category 7: Employee commuting	N/A	N/A
Scope 3 – Category 8: Upstream leased assets	0.54	3,039.59
Scope 3 – Category 9: Downstream transportation and distribution	N/A	N/A
Totals	16.35	7,177.36

Intensity Ratio	GHG (tCO_2e)	Energy Use (kWh)
tCO_2e per Full-Time Employee (FTE)	0.82	358.87
tCO_2e per £100,000 Revenue	0.08	35.89

The emissions and energy data presented above provide an overview of SmartCo Consulting Limited's greenhouse gas profile for the reporting period from April to September 2025. The figures reflect only the first five months of the financial year and will be updated once the full year's data is available. The largest contribution arises from purchased goods and services under Scope 3, Category 1, followed by business travel. Smaller contributions are recorded under capital goods, waste generated in operations and upstream leased assets, with no reportable Scope 1 or Scope 2 emissions given the serviced office arrangements. The total interim footprint for the company is 16.35 tonnes of carbon dioxide equivalent and 7,177.36 kilowatt hours of associated energy use.

The accompanying intensity ratios provide context by relating emissions and energy consumption to the scale of business activity. On a per employee basis, the interim footprint equates to 0.82 tonnes of carbon dioxide equivalent and 358.87 kilowatt hours of energy use per full time equivalent. When measured against turnover, the footprint represents 0.08 tonnes of carbon dioxide equivalent and 35.89 kilowatt hours per £100,000 of revenue. These ratios allow year on year comparisons of performance and provide a normalised measure of environmental impact that can be tracked as the company grows and its operations evolve.

Historical Data

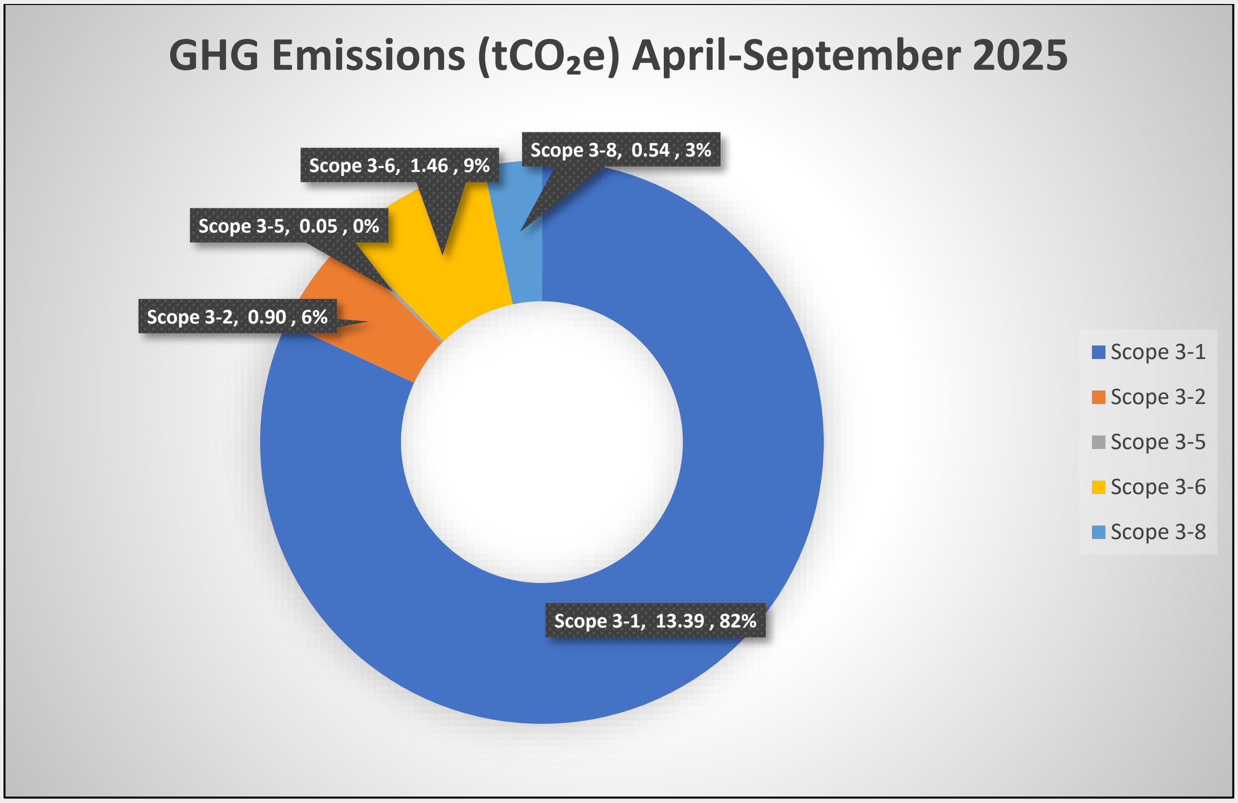
Emission Source	2021-22	2022-23	2023-24	April-September 2025
Scope 1	**0.02**	**0.02**	**0.00**	**N/A**
Scope 2	**2.06**	**0.61**	**0.63**	**N/A**
Scope 3 – Category 1: Purchased goods and services	**N/A**	**N/A**	**N/A**	**13.39**
Scope 3 – Category 2: Capital Goods	**N/A**	**N/A**	**N/A**	**0.90**
Scope 3 – Category 4: Upstream transportation and distribution	**N/A**	**N/A**	**N/A**	**N/A**
Scope 3 – Category 5: Waste generated in operations	**N/A**	**N/A**	**N/A**	**0.05**
Scope 3 – Category 6: Business travel	**8.98**	**21.81**	**19.00**	**1.46**

Scope 3 – Category 7: Employee commuting	**N/A**	**N/A**	**N/A**	**N/A**
Scope 3 – Category 8: Upstream leased assets	**N/A**	**N/A**	**N/A**	**0.54**
Scope 3 – Category 9: Downstream transportation and distribution	**N/A**	**N/A**	**N/A**	**N/A**
Totals	**11.06**	**22.44**	**19.63**	**16.35**

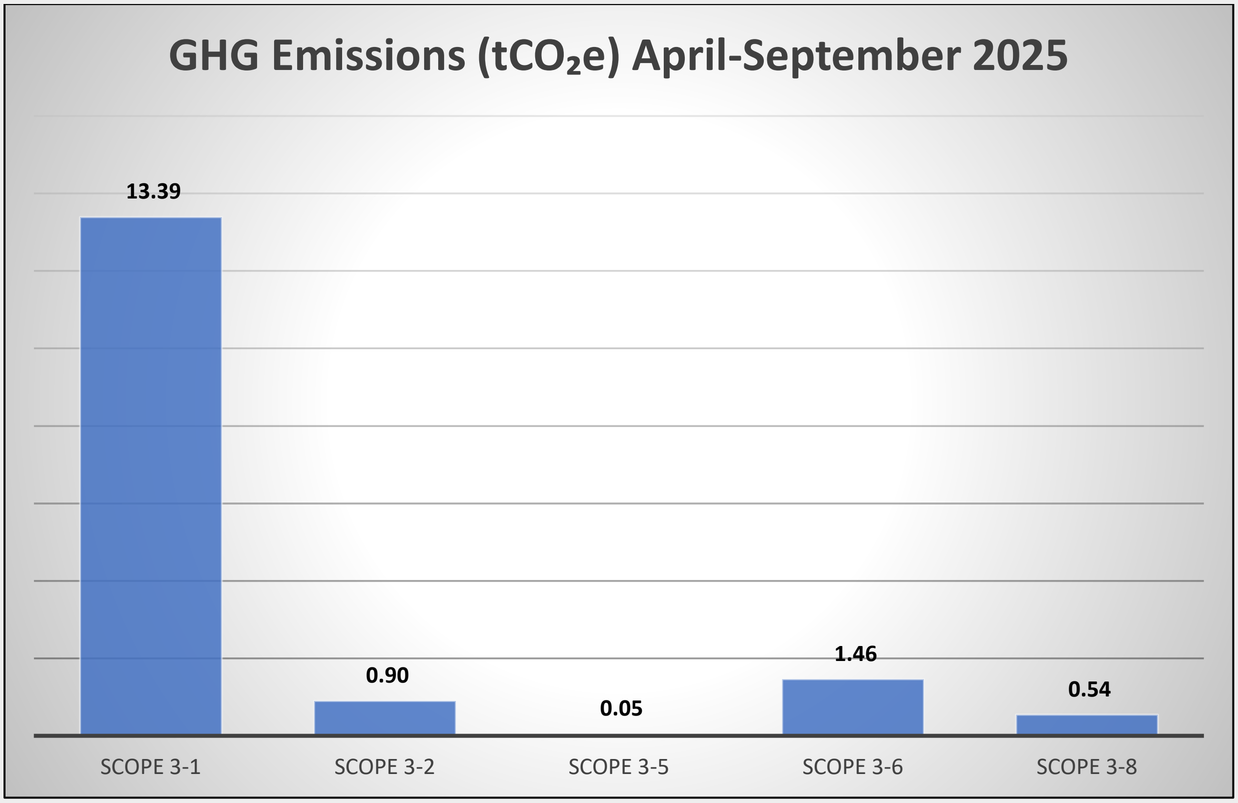
In previous reporting cycles, the categories of business travel and employee commuting were reported together under a combined figure. This approach was adopted due to limitations in the availability of detailed data that could distinguish between the two categories. For the current period, greater clarity in data collection processes has allowed business travel to be reported separately, while employee commuting has been reserved for inclusion once the full year survey data is available. This refinement ensures closer alignment with the Greenhouse Gas Protocol and provides a clearer distinction between different sources of indirect emissions.

It is also important to note that in earlier reports certain figures disclosed under Scope 1 and Scope 2 related to energy consumed in a serviced office environment where contracts and metering are held by the landlord. In line with best practice, these emissions should have been allocated to Scope 3, Category 8, which covers upstream leased assets. The reallocation in the current methodology represents a correction and ensures that disclosures accurately reflect the company's operational circumstances.

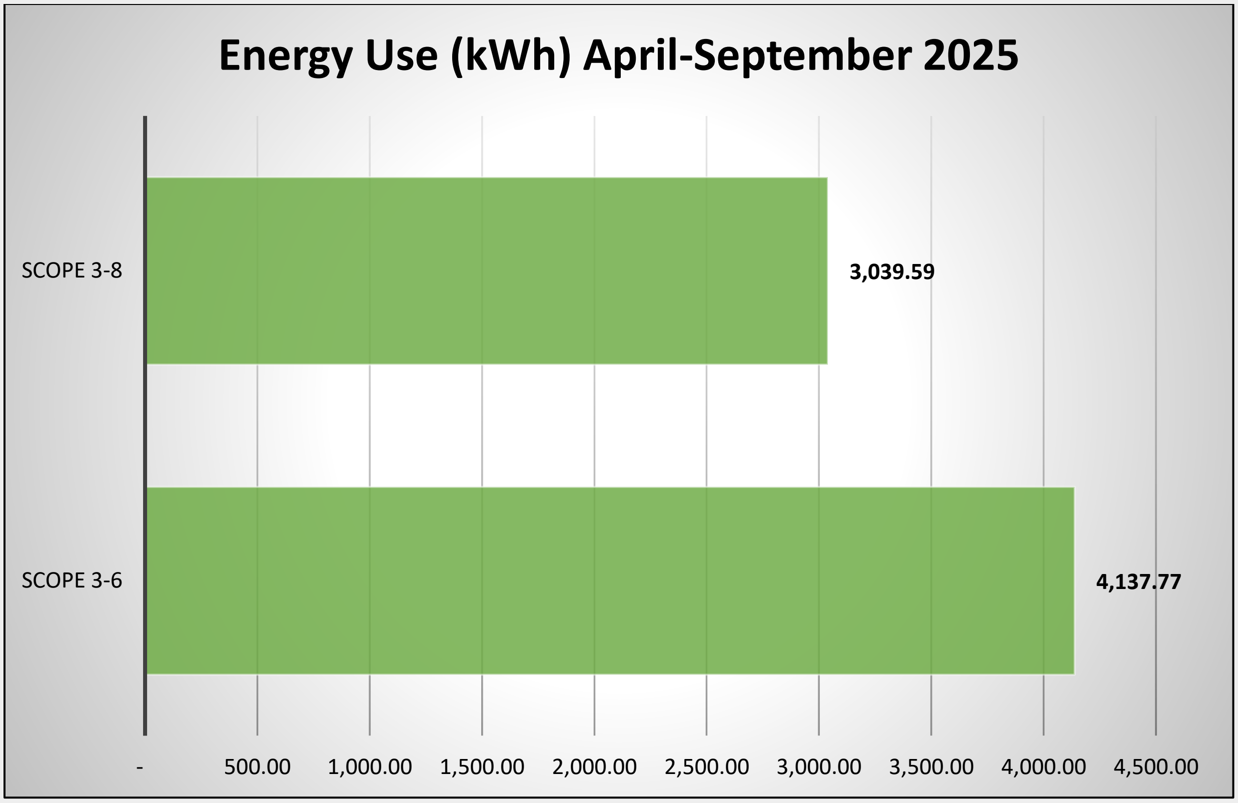
These changes are the result of improvements in methodology and data collection, reflecting a process of continual refinement in reporting. The adjustments enhance the precision, transparency and comparability of the company's carbon disclosures, ensuring that future reports are more consistent with recognised standards and provide a more reliable baseline for assessing progress over time.



GHG Emissions (tCO_2e) April-September 2025
Scope 3-8, 0.54 , 3%
Scope 3-6, 1.46 , 9%
Scope 3-5, 0.05 , 0%
Scope 3-2, 0.90 , 6%
Scope 3-1, 13.39 , 82%
Scope 3-1
Scope 3-2
Scope 3-5
Scope 3-6
Scope 3-8



GHG Emissions (tCO_2e) April-September 2025
13.39
0.90
0.05
1.46
0.54
SCOPE 3-1
SCOPE 3-2
SCOPE 3-5
SCOPE 3-6
SCOPE 3-8


Energy Use (kWh) April-September 2025
SCOPE 3-8
3,039.59
SCOPE 3-6
4,137.77
-
500.00
1,000.00
1,500.00
2,000.00
2,500.00
3,000.00
3,500.00
4,000.00
4,500.00

Emissions Management

Scope 1 and Scope 2

No reportable Scope 1 or Scope 2 emissions arise from SmartCo Consulting's operations, as energy supply is managed by the landlord of the serviced office. Although the company has no direct control over fuel combustion or electricity supply contracts, it can still take steps to influence outcomes. Engaging with the landlord on opportunities for greater energy efficiency, promoting the use of renewable energy sources, and encouraging transparent disclosure of building level emissions data would help to reduce the indirect impact associated with these categories. Internal measures such as switching off equipment when not in use and monitoring heating and cooling practices can further contribute to lowering overall energy demand.

Scope 3, Category 1: Purchased Goods and Services

Purchased goods and services represent the largest share of SmartCo Consulting's footprint. These emissions can be addressed by integrating environmental considerations into procurement processes. The company may seek to prioritise suppliers with robust sustainability practices, request emissions data directly from key vendors, and explore collaborative initiatives to lower supply chain emissions. Over time, moving from a spend based methodology to supplier specific reporting will provide more accurate insights and allow targeted reduction strategies.

Scope 3, Category 2: Capital Goods

Capital goods emissions are linked to the embodied carbon of laptops purchased during the reporting period. To manage these emissions, the company could extend the lifespan of equipment through maintenance, repair and refurbishment. Procurement decisions could also focus on devices with recognised sustainability certifications, energy efficiency credentials and circular design features. At the end of product life, responsible reuse or recycling schemes would further reduce the need for additional capital purchases and lower embodied carbon over time.

Scope 3, Category 5: Waste Generated in Operations

Although a smaller contributor, waste emissions still represent an important area for improvement. The company could focus on reducing waste generation at source by encouraging digital practices and minimising the use of disposable materials. Ensuring that recycling facilities are available and widely used within the office environment would increase the proportion of waste diverted from landfill. Continued dialogue with the landlord to obtain more precise data on waste treatment pathways will improve reporting accuracy and support reductions in future years.

Scope 3, Category 6: Business Travel

Business travel is a material source of emissions for the company. Emissions management in this area could involve prioritising virtual meetings when possible and setting clear internal guidelines that encourage the use of lower carbon travel modes, such as rail instead of short haul flights. Hotel selection policies that prefer providers with credible environmental certifications could also contribute to reductions. Monitoring business travel activity against defined targets would help ensure continuous improvement in this area.

Scope 3, Category 7: Employee Commuting

Employee commuting has not been included in this interim disclosure, as survey data covering travel patterns and modes of transport will be collected at the end of the financial year. Once available, this information will provide a fuller picture of commuting emissions. Management actions in this area could include the promotion of sustainable travel choices such as cycling, public transport and car sharing. The company may also consider flexible working arrangements to reduce the frequency of commuting and provide support for employees adopting low carbon alternatives. These measures would contribute to reductions while improving employee well-being and engagement.

Scope 3, Category 8: Upstream Leased Assets

Emissions from upstream leased assets reflect the company’s share of energy consumption in the serviced office. While SmartCo Consulting does not directly control the energy supply, it can influence outcomes by encouraging the landlord to procure renewable electricity and implement efficiency measures at building level. The company can also lead by example through efficient office practices, including responsible energy use and employee awareness campaigns, ensuring that its operational footprint remains as low as possible within the constraints of a leased environment.

Absolute and Intensity Ratio Reduction Targets

SmartCo Consulting Limited has set a net zero target year of 2040 for all reported greenhouse gas emissions across Scopes 1, 2 and 3. This commitment reflects the company's intention to manage and reduce its environmental impact in line with national climate goals and international best practice.

Scope 1 and Scope 2 emissions are already reported as zero, owing to the nature of the company's serviced office operations where energy supply is managed by the landlord. Maintaining this position will remain a priority, with ongoing engagement aimed at encouraging renewable energy procurement and improved efficiency in building services to ensure that these categories continue to contribute no additional emissions.

Scope 3 emissions currently make up the entirety of the company's reported footprint. These include purchased goods and services, capital goods, waste, business travel, employee commuting and upstream leased assets. Reductions in these areas will require collaboration with suppliers, service providers and employees, alongside the adoption of sustainable procurement practices, responsible travel policies and measures to promote efficient office operations.

Progress will be measured in both absolute terms and through intensity ratios, using full time employees and turnover as benchmarks. The company will track year on year reductions to ensure that its emissions fall even as the business grows. The baseline established through the current reporting cycle provides the reference point against which future progress will be assessed.

By setting 2040 as the target year for net zero, SmartCo Consulting commits to a clear and ambitious pathway. This strategy ensures that operational decisions made today contribute directly to long term climate objectives and demonstrates accountability to stakeholders through transparent and verifiable emissions reporting.

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:

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Date: 30.09.2025

[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