



CARBON REDUCTION PLAN

Version No. 5

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Author: Ian Adams

Our commitment to achieving Net Zero

Q3 Services Ltd is committed to achieving Net Zero emissions by 2035.

Introduction

This Carbon Management & Reduction Plan (CMRP) demonstrates our commitment to Net Zero for Q3's UK operations. The company's approach to the environment and a sustainable business is embodied in the Q-Aware programme, supported by our ISO14001 Environmental Management System.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced by our organisation, measured prior to the introduction of any strategies or initiatives to reduce emissions. Baseline emissions are the reference point against which emissions reductions are now being measured.

Baseline Year: 2020-21
Additional details relating to the Baseline Emissions calculations.
<p>Q3 has now completed the fourth year of monitoring and reporting its CO₂ emissions.</p> <p>The original baseline calculations were significantly skewed by the COVID lockdown. Disruption to the delivery of our services had a positive impact on the carbon emissions of our business, particularly in relation to reducing fleet vehicle emissions, which accounted historically for most of our CO₂ activity.</p> <p>Since then, year-on-year CO₂ reduction has shown good progress over the subsequent years.</p> <p>From the time the organisation was established, we have operated a lean operating model with most senior and middle managers embracing remote, flexible working. Consequently, our investment in corporate real estate is relatively small and as a result, the output from buildings is smaller than many organisations of our size and turnover. This year, that situation was further enhanced by the closure of the Newtons office in Southend and the mothballing of the Farnborough office</p> <p>We have worked with the Planet Mark organisation to identify and record the data presented in the baseline figures and subsequent years - see tables, below.</p> <p>The 2020-21 baseline data includes Scope 1 and 2 emissions, and business travel emissions from Scope 3 (category 6 of the Greenhouse Gas Protocol). Data is not currently available for the following categories, which will be added as part of our assessments in future years:</p> <ul style="list-style-type: none">4: Upstream Transportation and Distribution5: Waste Generated in Operations7: Employee Commuting9: Downstream Transportation and Distribution

Any subsequent changes required to the Baseline Emissions calculations as a result of incorporating the above, will be applied to the figures retrospectively. It is our intention to expand the scope of the Planet Mark's audit to start to cover Scope 3 emissions in the 2024-25 period.

Baseline year emissions: 2020-2021

EMISSIONS	TOTAL (tCO₂e)
Scope 1	230.7
Scope 2	1.4
Scope 3 (Included Sources)	31.7
Total Emissions	263.9

Reporting Year: 2021-2022

EMISSIONS	TOTAL (tCO₂e)
Scope 1	162.3
Scope 2	1.6
Scope 3 (Included Sources)	18.9
Total Emissions	202

Reporting Year: 2022-2023	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	118.6
Scope 2	2.0
Scope 3 (Included Sources)	33.0
Total Emissions	153.6

Current Emissions Reporting

Reporting Year: 2023-2024	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	12.7
Scope 2	4.0
Scope 3 (Included Sources)	37.5
Total Emissions	54.2

Emissions reduction targets

To progressively reduce our carbon footprint and ultimately deliver our Net Zero target, we have adopted a range of measures to achieve our desired carbon reduction target.

In the latest figures, significant reductions have been achieved through the reduction in fixed office assets mentioned above.

In parallel with the Planet Mark audit this year, we have been working with Planet Mark to ensure we are compliant with Phase 3 of the ESOS (Energy Savings Opportunity Scheme), as we have now reached a size where we are legally required to participate.

It is our intention to expand next year's analysis to include Scope 3 emissions reporting.

We anticipate continuing our progress in reducing CO₂ emissions with a further forecast decrease to **50 tCO₂e** by 2025, based on current scope of analysis. This represents a reduction of **77%** on the baseline year. These figures may be subject to review as Scope 3 emissions are factored in.

Carbon Reduction Projects

Q3 has been implementing a programme of initiatives aimed at reducing our carbon footprint. We have engaged with the Planet Mark organisation to help deliver our CMRP in conjunction with ESOS compliance and our ISO14001 accreditation.

We will continue to pursue our policy for encouraging remote working and minimising reliance on corporate real estate, to reduce the carbon impact created by large buildings.

All our cleaning contracts are now operating with environmentally friendly chemicals, supplied in recyclable containers.

In the future we hope to implement further measures, identified as recommendations by the ESOS in addition to the measures already identified below:

- 2025: 100% of office electricity provision generated from renewables (Scope 1)
- 2025: 100% of cars operated privately by senior management will be electric (Scope 1)
- 2028: 100% of all vans and operational fleet vehicles will be electric, achieved by switching out diesel vehicles at the end of existing lease period (Scope 1)
- 2030: Our top five suppliers will be operating a Net Zero policy and plans (Scope 3)

Plan Review

To ensure we deliver on our commitments, the CMRP will be reviewed annually as part of our year-end financial reporting process.

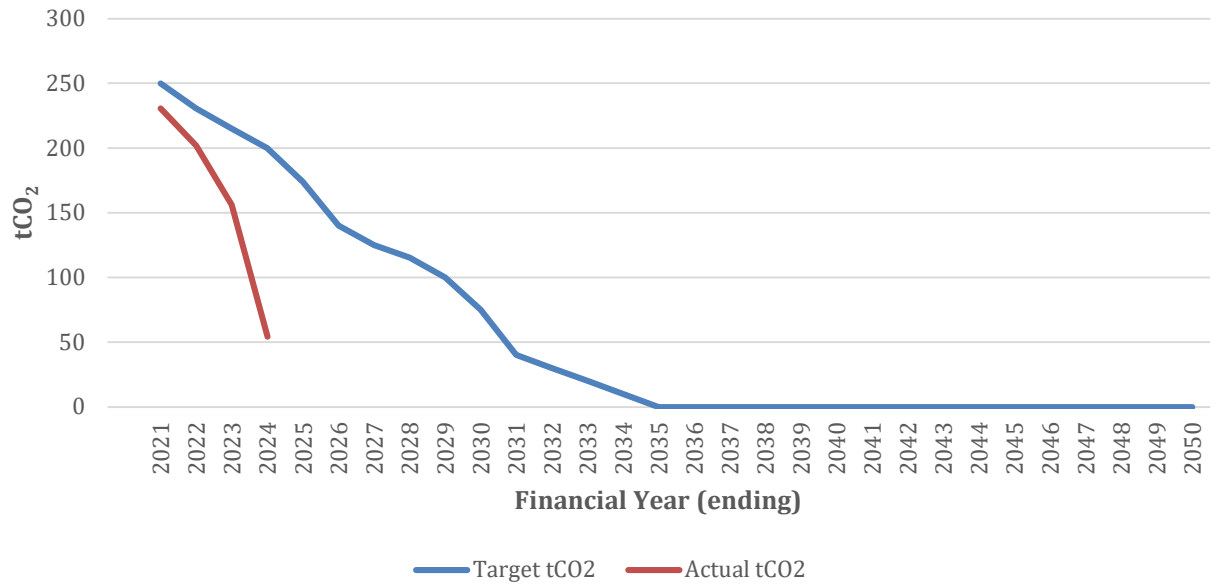
Approach to offsetting

Q3 aims to pursue our strategy for achieving Net Zero through aggressive reduction of our carbon footprint, avoiding wherever possible the deployment of carbon offsetting as a means of attaining carbon neutral status. This will be reviewed in the current year if a suitable, truly sustainable form of offsetting can be identified.

As a result of the measures outlined in this plan, we project that carbon emissions will decrease over the next five years to **29 tCO₂** by 2028-29.

Progress against these targets can be seen in the graph below:

Q3 carbon reduction - projected and actual



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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

Signed on behalf of Q3:



Martyn Freeman, CEO

Date: 8th October 2024

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>