



CARBON REDUCTION PLAN

Version No. 6

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Our commitment to achieving Net Zero

Q3 Services Ltd is committed to achieving Net Zero emissions by 2040.

Introduction

This Carbon Management and Reduction Plan (CMRP) demonstrates our commitment to achieving Net Zero emissions across Q3’s UK operations by 2040. The company’s approach to the environment and sustainable business is embodied in the Q3 Environmental Policy (Q3-026), supported by our ISO14001 Environmental Management System.

Baseline Emissions Footprint

Baseline emissions provide the reference point against which carbon reduction progress is measured. Q3’s original baseline year was 2020-21. At that stage, the boundary of reporting reflected the requirements and maturity of the organisation’s carbon management approach at the time, covering Scope 1 and Scope 2 emissions together with a limited element of Scope 3 emissions, primarily business travel.

In the 2024-25 reporting year, Q3 expanded the reporting boundary to include a much broader and more comprehensive assessment of Scope 3 emissions. This development materially changes the basis of comparison with previous years. For that reason, 2024-25 will now be treated as a new, enhanced baseline for future reporting, enabling more meaningful year-on-year comparisons across Scope 1, Scope 2 and the expanded Scope 3 categories.

(Original) Baseline Year: 2020-21
Additional details relating to the Baseline Emissions calculations.
<p>Q3 has now completed the fifth 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, and we were recognised in the Planet Mark Awards in November 2025 for our progress on reduction of scope 1 and 2 emissions in the Carbon Reduction per Employee category.</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 move to a new energy efficient office in Theale where we benefit from energy supply on a renewables-based contract.</p>

From the outset, we have worked with Planet Mark to identify, record and independently verify the data presented in the baseline figures and subsequent reporting years. The tables below show both the original reporting boundary and the enhanced 2024-25 baseline.

The original 2020-21 baseline data included Scope 1 and Scope 2 emissions, and business travel emissions from Scope 3. In 2024-25, Q3 took an important step forward in the maturity of its carbon management by broadening the Scope 3 audit to capture a more complete view of emissions across the wider value chain. This is consistent with the purpose of Scope 3 reporting, which is to help organisations understand emissions beyond their direct operations and identify where reduction activity can have the greatest impact.

1: Purchased Goods and Services

3. Fuel and energy related activities

4: Upstream Transportation and Distribution

5: Waste

6: Business Travel

7: Employee Commuting

8: Upstream Leased Assets

Once the final audited data was confirmed, incorporating this expanded dataset, the Scope 3 figure was significantly higher than previously recorded. This change does not represent a sudden deterioration in operational performance; rather, it reflects the more complete measurement of emissions sources that had not previously been captured within Q3's reported footprint.

This expanded Scope 3 assessment provides a much more transparent and robust understanding of Q3's overall environmental impact. It highlights where the most material emissions arise across the value chain and creates a stronger evidence base for future decision-making. The final audited 2024-25 figures therefore establish a new and more reliable baseline from which future reduction targets, supplier engagement activity and year-on-year progress can be measured with greater confidence.

(Original) 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
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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 (tCO₂e)
Scope 1	118.6
Scope 2	2.0
Scope 3 (Included Sources)	33.0
Total Emissions	153.6

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

Current Emissions Reporting

Reporting Year: 2024-2025	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	29.9
Scope 2	1.9
Scope 3 (Expanded Sources)	1459.3
Total Emissions	1492.8

Emissions reduction targets

To progressively reduce our carbon footprint and deliver our Net Zero target by 2040, we have adopted a range of measures to support our desired carbon reduction pathway. The expansion of the Scope 3 boundary in 2024-25 changes the shape of the reported emissions profile and provides a clearer picture of where future reduction effort should be focused.

In parallel with the Planet Mark audit this year, we have worked with Planet Mark to ensure compliance with Phase 3 of ESOS, the Energy Savings Opportunity Scheme, as Q3 has

now reached the threshold at which participation is legally required. ESOS has also provided additional recommendations to support our Net Zero ambition.

We anticipate that in the immediate future, reported emissions will reflect the fuller Scope 3 boundary now included in Q3's audit. This creates a more challenging but more meaningful platform for reduction, particularly as the company continues to grow and add new contracts. The priority will be to use the enhanced data to identify the most significant emissions hotspots and target reduction initiatives where they can deliver the greatest long-term impact.

The final audited 2024-25 figures establish a new enhanced baseline of 1492.8 tCO₂e. Future progress will therefore be assessed against this broader and more transparent baseline, rather than against earlier years that captured only a limited range of Scope 3 emissions. Q3's current objective is to reduce reported emissions to below 1000 tCO₂e by the turn of the decade, while maintaining focus on the longer-term Net Zero target of 2040.

Carbon Reduction Projects

Q3's carbon reduction programme is now being refocused around the enhanced 2024-25 baseline. Working with Planet Mark, and supported by ESOS compliance and ISO14001 accreditation, the organisation will use the fuller emissions data to prioritise actions that address the most material sources of carbon across both direct operations and the wider value chain.

We will continue to encourage remote and flexible working where operationally appropriate, helping to minimise business travel, reduce reliance on corporate real estate and limit emissions associated with office-based activity.

Across our cleaning contracts, we are prioritising environmentally responsible products and processes, including the use of chemicals supplied in recyclable containers.

We are also deploying Toucan Eco cleaning systems on selected larger contracts. These systems produce cleaning solution on site in reusable batches, reducing the need to transport ready-mixed chemicals and cutting the use of single-use plastic containers.

We currently operate three electric vans for mobile engineers and will continue to transition fleet vehicles to electric alternatives as leases expire and vehicles are due for renewal or replacement.

Future activity will be guided by the emissions hotspots identified through the enhanced Scope 3 audit and the recommendations emerging from ESOS. Current and planned measures include:

- 2026: Maintain 100% renewable electricity provision for office operations, now in place at the Theale office and supported by REGO certificates supplied by the landlord.
- 2027: Transition all privately operated senior management cars used for business purposes to electric vehicles, where practical and within Q3's influence.
- 2029: Transition vans and operational fleet vehicles to electric alternatives as diesel vehicles reach the end of their lease periods.

- 2030: Engage Q3's top five suppliers by emissions impact, encouraging them to adopt credible Net Zero policies, reduction plans and improved carbon reporting.
- A procurement strategy focused on sourcing suppliers locally to better match supply with demand, reducing travel distances and therefore cutting carbon emissions. We will prioritise suppliers committed to reaching net zero and who use sustainable modes of transportation, helping to reduce Q3's scope 3 emissions and accelerate progress toward our net zero goal.

Plan Review

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

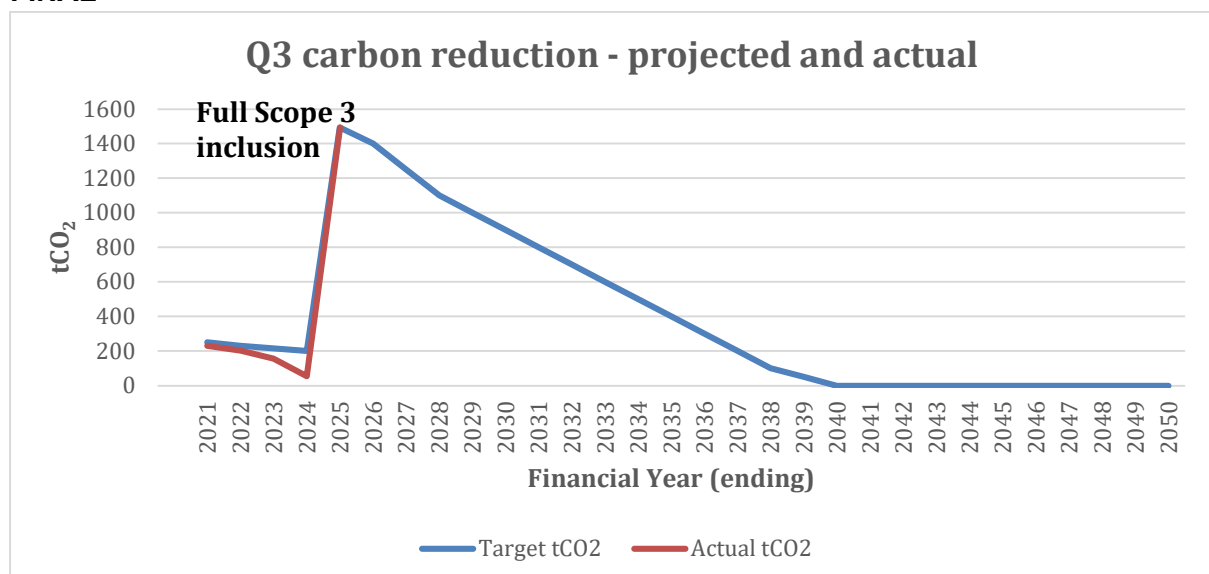
Approach to offsetting

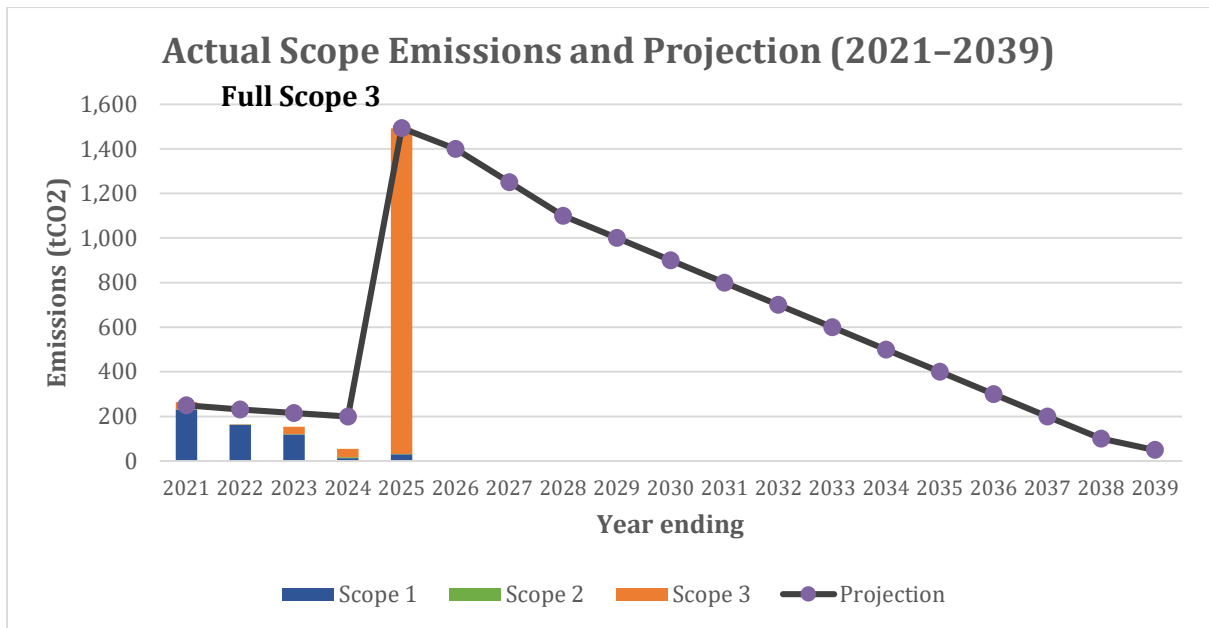
Q3's primary focus remains the direct reduction of emissions across our operations and value chain. However, the final audited 2024-25 figures confirm that the challenge is now more substantial than earlier provisional data suggested. In response, we will actively investigate credible carbon offsetting opportunities through sustainable projects that can complement, but not replace, our reduction programme and support our revised Net Zero target of 2040.

Based on the enhanced 2024-25 baseline of 1492.8 tCO₂e, our current objective is to reduce reported emissions to below 1000 tCO₂e by the turn of the decade, supported by targeted reduction initiatives, supplier engagement, fleet transition, improved data quality and the careful assessment of sustainable offsetting options where residual emissions cannot yet be eliminated.

Progress against the original reporting boundary, the new enhanced 2024-25 baseline and the future reduction pathway can be seen in the graph below:

FINAL





Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 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, the GHG Reporting Protocol corporate standard and 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 Scope 3 emissions have 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.

Signed on behalf of Q3:

Martyn Freeman, CEO

Date: 7th August 2026