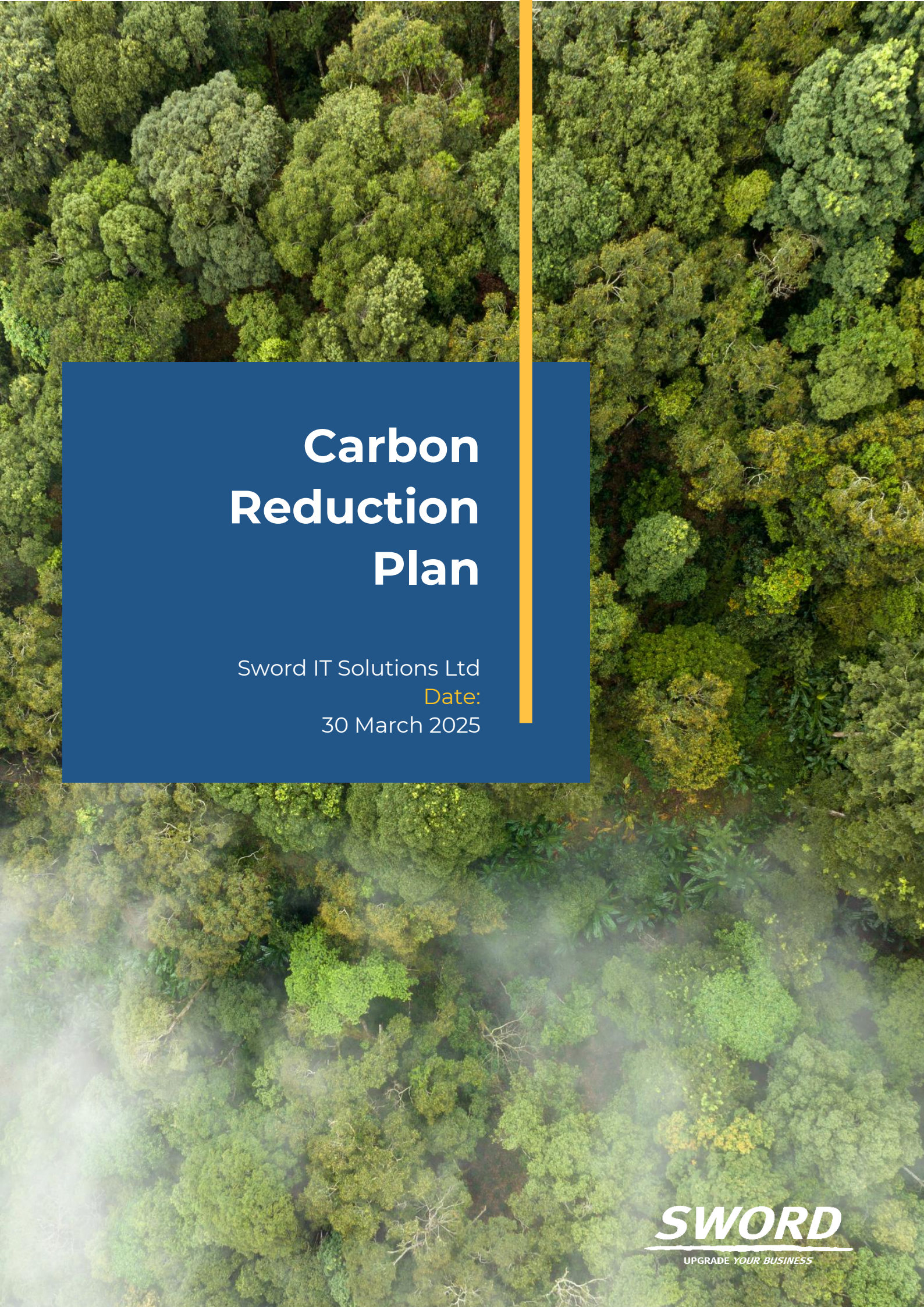




Carbon Reduction Plan

Sword IT Solutions Ltd
Date:
30 March 2025

Commitment to achieving Net Zero

Sword IT Solutions Limited is firmly committed to achieving **Net Zero greenhouse gas emissions by 2050**. This ambition is underpinned by a structured approach to carbon reduction, including the implementation of measurable targets and continuous improvement initiatives.

As part of the wider Sword Group, a signatory of the **United Nations Global Compact since 2011**, we uphold its ten principles across human rights, labour, environmental stewardship, and anti-corruption. These principles, along with the **UN Sustainable Development Goals (SDGs)**, form the foundation of our Corporate Social Responsibility (CSR) strategy, guiding our efforts to address the pressing environmental and social challenges of our time.

We have a longstanding commitment to climate action, which we are formalising through the **annual review of our greenhouse gas (GHG) emissions** and the establishment of forward-looking targets. These efforts ensure we are consistently reducing our carbon footprint and contributing meaningfully to global climate goals.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2023
Additional Details relating to the Baseline Emissions calculations.
In 2023, Sword IT Solutions calculated its carbon emissions in accordance with the Greenhouse Gas (GHG) Protocol, ensuring alignment with internationally recognised standards. We are actively working to identify all relevant GHG sources and define our emissions boundaries, with the goal of reducing both energy consumption and greenhouse gas emissions. That same year, we launched our Environmental, Social, and Governance (ESG) programme, beginning with a comprehensive gap analysis to identify the key actions required to support our Net Zero ambitions. As part of this initiative, we are conducting a two-year baselining exercise (2023–2024) to establish accurate data capture and reporting processes. This will provide a robust foundation for setting realistic and effective carbon reduction targets. We collaborate closely with the Sword Group ESG Steering Group to ensure alignment across the organisation and to collectively advance toward our shared goal of achieving Net Zero by 2050.

Baseline year emissions: 2023	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	13.72
Scope 2	49.49
Scope 3 (comprising of)	520.65
1. Purchased goods and services, 6. Business Travel and 7. Employee Commuting	520.65
Total Emissions (Rounded to complete figure)	583.86

Current Emissions Reporting

The baselining activities conducted in 2023 and 2024 will serve as the foundation for setting achievable emissions reduction targets in the years ahead.

Current Year: 2024	
Additional Details relating to Current Emissions calculations.	
The following emissions were calculated in line with GHG Protocol and will allow us to identify our key actions required to reach net zero ambitions. There were no changes to the organisational boundaries during the reporting period. We will use both 2023 and 2024 emissions to formalise our baseline.	
2024 Emissions	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	29.52
Scope 2	66.10
Scope 3 (comprising of)	539.23
1. Purchased goods and services, 6. Business Travel and 7. Employee Commuting	539.23
Total Emissions	634.86

(Rounded to complete figure)	
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Emissions reduction targets

Sword is currently undertaking a comprehensive emissions baselining exercise across 2023 and 2024. This data collection and analysis effort forms a key component of our ESG strategy, enabling us to establish a clear and accurate emissions profile. By reviewing this baseline over a two-year period, we aim to set informed and achievable reduction targets aligned with our Net Zero commitments.

To maintain momentum toward our 2050 Net Zero goal, we have already adopted a set of interim carbon reduction targets. While we acknowledge an increase in emissions intensity in 2024, our commitment to ESG remains steadfast. We are prioritising energy efficiency initiatives, including a review of our UK office footprint to better align energy consumption with occupancy across all five sites.

Carbon Reduction Projects

Sword IT Solutions have devised a strategy to reduce our carbon footprint significantly including the following completed initiatives:

Completed Carbon Reduction Initiatives

- Support a precautionary approach to environmental challenges
- Undertaken initiatives to promote greater environmental responsibility
- Encouraged the development and diffusion of environmentally friendly technologies
- Encouraged employees to purchase renewable technology cars i.e., hybrid vehicles
- Purchased energy efficient equipment where appropriate in our offices
- Replaced heating, ventilation and air conditioning systems with energy-efficient equipment where possible
- Adopted behavioural change measures where possible

Efficiency Measures Taken during baseline period (2024)

- **E-Waste Management:** Donated laptops and phones in good condition to charity when no longer required for business use, giving devices a second life.
- **Digital Transformation:** Increased use of digital tools—particularly for communication—to reduce paper consumption and improve operational efficiency.
- **Energy Procurement:** Reviewed and transitioned energy contracts to renewable energy suppliers.

- **Energy-Efficient Equipment:** Ongoing replacement of aging office equipment with energy-efficient alternatives.
- **Lighting Upgrades:** Replaced inefficient lighting with low-energy LED solutions across office spaces.
- **Remote Collaboration:** Expanded use of video conferencing, home-working, and virtual meetings to reduce travel-related emissions.
- **EV Infrastructure:** Proposed additional installations of electric vehicle charging points at various premises where feasible.
- **Employee Engagement:** Conducted a staff survey to better understand and promote low-carbon commuting options.
- **Awareness & Training:** Delivered internal communications to raise awareness of carbon reduction goals and progress.
- **Governance & Reporting:** Regularly reviewed and enhanced internal processes, with GHG assessment results communicated at Board level.
- **Sustainable Finance:** Monitored workplace pension provider to ensure alignment with ESG principles, targeting over 65% exposure to sustainable investments.

Objectives for 2025

In the future we hope to implement further measures and actions:

- **Leadership & Governance:** Appointed a Chief Sustainability Officer to define and lead our sustainability vision, set GHG emission reduction targets, and implement action plans across the Group.
- **Office Consolidation:**
Streamlined office footprint by consolidating three sites into one energy-efficient location, featuring electric vehicle charging stations.
Explore the closure of under utilised office in one of our key locations
- **Energy Management:** Committed to reducing baseline electricity consumption, with 2026 targets to be set following a comprehensive two-year energy usage analysis (2023–2024).
- **Strategic Alignment:** Embed sustainability as a core strategic principle—not only to meet regulatory requirements but to create tangible value for our services and customers, with a strong focus on achieving Net Zero.
- **Supplier Engagement & Procurement:**
 - a) Integrated eco-criteria into procurement policies to promote sustainable purchasing.
 - b) Initiated reviews of supplier contracts to assess the feasibility of transitioning to renewable energy sources.

- c) Engaged landlords of serviced offices to advocate for renewable energy adoption.
- **Stakeholder Communication:** Actively communicate our carbon footprint, reduction targets, and action plans to key stakeholders to foster transparency and accountability.
 - **Science-Based Targets:** Committed to aligning with the Science Based Targets initiative (SBTi) to ensure our goals are measurable and science-aligned.
 - **Ecosystem Collaboration:** Engaging suppliers and customers to understand their emission reduction strategies and prioritize partnerships with sustainability-minded organizations.
 - **Awareness & Training:** Rolled out climate change awareness training across the business and are reviewing internal policies to identify further opportunities for emissions reduction.
 - **Business Travel:** Launch Employee EV Scheme & Issue updated guidelines for use of business travel portal to select the most carbon efficient methods wherever possible.

Declaration and Sign Off

This Carbon Reduction Plan has been developed in alignment with **Procurement Policy Note (PPN) 06/21**, adhering to the associated guidance and reporting standards. Emissions data has been compiled and reported in accordance with the **GHG Reporting Protocol – Corporate Standard**, using the appropriate **UK Government conversion factors** for greenhouse gas reporting.

Scope 1 and Scope 2 emissions have been disclosed in line with **Streamlined Energy and Carbon Reporting (SECR)** requirements. Additionally, the relevant subset of **Scope 3 emissions** has been reported in accordance with both the Carbon Reduction Plan standard and the **Corporate Value Chain (Scope 3) Standard**. In our Carbon Reduction Plan, we have reported on the two mandatory Scope 3 categories that are **relevant to our operations**. The remaining three mandatory categories have been assessed and determined to be **not applicable** to Sword IT Solutions.

Sword does not procure, produce or transport physical goods or products as part of its core business operations. As a **professional services organisation**, our primary outputs are knowledge-based and digital in nature, with minimal reliance on physical supply chains, with **operations** that are **office-based** with limited physical waste generation. Our services are delivered digitally or on-site by our consultants, and therefore **various Scope 3 categories** do not apply to our business model. We remain committed to **transparency** and continuous improvement in our sustainability reporting. As our operations evolve, we will **continue to review** the relevance of all Scope 3 categories and update our reporting accordingly.

This plan has been formally reviewed and approved by the **Sword Executive Team**, reinforcing our commitment to transparency and accountability in our journey toward Net Zero.

Signed on behalf of Sword IT Solutions:

Name: *R Moreton*

Position: Chief Executive Officer

Date: 30 March 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>

