

Carbon Reduction Plan

Supplier name: Freuds Group

Publication date: July 2025

Commitment to achieving Net Zero

Freuds is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

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

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| Baseline Year: 2023 |
| Additional Details relating to the Baseline Emissions calculations. |
| <p>This is our first year calculating greenhouse gas emissions, with 2023 selected as our baseline year. Prior to this, no formal emissions quantification had been conducted as the company was not subject to mandatory reporting requirements.</p> <p>At this stage, we are reporting Scope 1, Scope 2 (market-based), and Scope 3 Category 6 (business travel) and Category 7 (employee commuting) emissions, based on currently available data. We recognise that this is a partial baseline and are working to expand data collection across additional Scope 3 categories to strengthen the completeness of our baseline over time.</p> <p>As part of this process, we conducted an initial screening to identify the Scope 3 categories likely to account for more than 90% of our footprint, which were Category 6 (business travel) and Category 1 (purchased goods and services). Due to availability of data, we are only reporting Category 6 and Category 7 Scope 3 emissions at this stage.</p> <p>Specifically, Categories 4 (upstream transportation and distribution), 5 (waste generated in operations) and 9 (downstream transportation and distribution) were deemed not material, as Freuds is a services company.</p> <p>Establishing this baseline is an important step in understanding the company’s emissions profile, assess the impact of operations, and measure the effectiveness of future emissions reduction initiatives.</p> |

| Baseline year emissions: 2023 | |
|-------------------------------|----------------------------|
| EMISSIONS | TOTAL (tCO ₂ e) |
| Scope 1 | 34 |
| Scope 2 | 1 |
| Scope 3 (Included Sources) | 1,286 |
| Total Emissions | 1,320 |

Current Emissions Reporting

| Reporting Year: 2024 | |
|----------------------------|----------------------------|
| EMISSIONS | TOTAL (tCO ₂ e) |
| Scope 1 | 17 |
| Scope 2 | 1 |
| Scope 3 (Included Sources) | 942 |
| Total Emissions | 959 |

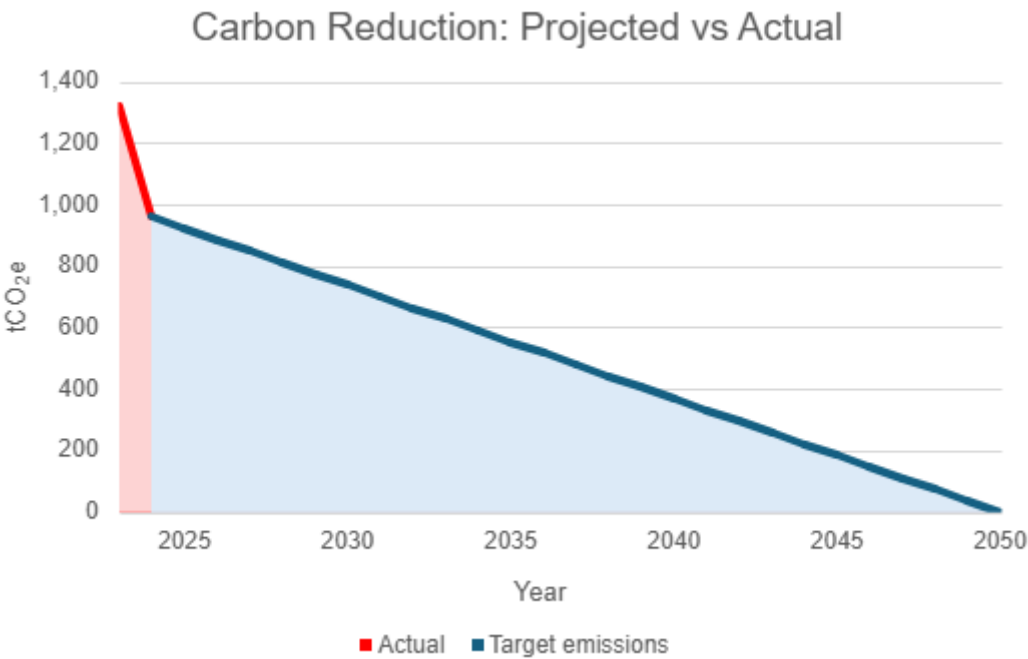
Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to 775 tCO₂e. This is a total reduction of 41% from our baseline.

As this is our first formal emissions reduction commitment, our targets are set from the baseline year, while also taking into account the reductions already achieved up to the 2024 reporting year.

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



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2023 baseline. The carbon emission reduction achieved by these schemes equate to 361 tCO₂e, a 27% reduction against the baseline and the measures will be in effect when performing the contract.

Key initiatives include:

- Changes in the heating system by replacing old chillers with air source heat pumps which are more efficient and reduce reliance on fossil fuels.

- Increasing the temperature in the server room from 20°C to 24°C when enrolling in the Mayor's Climate Challenge, in line with the recommendations suggested by them.

Future carbon reduction initiatives

In the future, we hope to implement further measures to reduce our carbon emissions. We have recently become a founding signatory of the Camden Breathe Better Charter, which sets out a series of commitments for organisations to reduce harmful emissions while supporting employee health and wellbeing. The Charter outlines a series of actions focused on energy efficiency, zero-emission vehicles, and sustainable commuting all with pre-agreed timescales.

As business travel is currently the company's largest known source of emissions, we are exploring the following options:

- Updating our travel policy to shift towards lower-emission options. This includes implementing a travel hierarchy that prioritises rail over air travel, encourage transport sharing, and the use of eco-certified hotel.
- Reducing the need for business travel by recruiting locally and using local freelancers with the required skills where possible in regions where we have new business opportunities.

In order to keep our employee commuting emissions low, we continue to offer an employee cycle-to-work scheme, along with secure bike storage in our office basement and on-site showers stocked with toiletries and towels.

We will offset any residual CO₂ emissions through the purchase of equivalent carbon emissions credits from an International Carbon Reduction & Offset Alliance (ICROA) approved organisation.

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 standard³ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁴.

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) Standard⁵.

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:

Signed by:
Arlo Brady
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Date: 21 July 2025
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³ <https://ghgprotocol.org/corporate-standard>
⁴ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>
⁵ <https://ghgprotocol.org/standards/scope-3-standard>