4ThoughtDigital
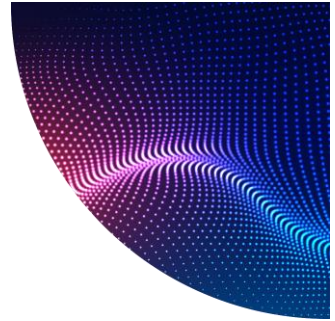
Carbon Reduction Plan

2024 - 2025

Commitment to achieving Net Zero

4ThoughtDigital is committed to achieving Net Zero emissions by 2045. This report covers the period April 24 to March 25.

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.

Baseline Year: 2024/25
Additional Details relating to the Baseline Emissions calculations.
This is 4ThoughtsDigital's first baseline year and involves no Scope 1 or 2 emissions. As a growing SME, we anticipate that our total emissions may increase over the next few years due to planned team expansion and service delivery. However, this growth will be managed in line with our commitment to Net Zero. In order to continue accurately recording our emissions we will be utilising carbon intensity with total carbon emissions also recorded as emissions per employee.
Baseline year emissions: 2024/25

EMISSIONS	TOTAL (tCO$_2$e)
Scope 1	**0**
Scope 2	**0**
Scope 3 (Included Sources)	**17.7 Tonnes**
Total Emissions **Total Emissions Per Employee (5)**	**17.7 Tonnes** **3.54 Tonnes Per Employee**

Current Emissions Reporting

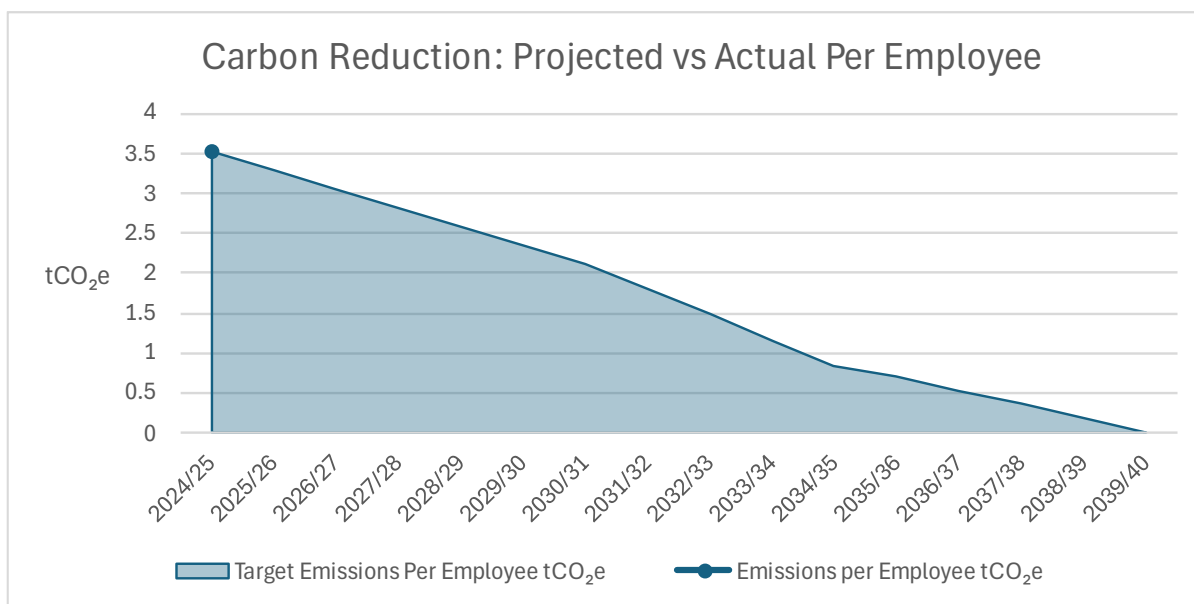| Reporting Year: 2024/25 (Baseline)	
EMISSIONS	**TOTAL (tCO$_2$e)**
Scope 1	0
Scope 2	0
Scope 3 (Included Sources)	17.7 Tonnes
Total Emissions **Total Emissions Per Employee (5)**	17.7 Tonnes 3.54 Tonnes Per Employee

Emissions reduction targets

As an early-stage SME, we recognise that total emissions may rise in the short term as the business grows and our workforce expands. This projected increase is a natural consequence of scaling, but it will be carefully monitored and managed in line with our long-term Net Zero ambition. Our immediate focus is on reducing carbon intensity measured relative to headcount by embedding low-carbon practices that can scale as we grow. We acknowledge that emissions growth during this period does not conflict with the objectives of our Carbon Reduction Plan and will use this phase to strengthen data collection, operational efficiency, and readiness for sustained emissions reduction.

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

- We are committed to achieving Net Zero by 30th September 2045.

- As part of this commitment, we have adopted the following targets relative to our 2024/25 baseline of 3.54 Tonnes Per Employee tCO$_2$e (Scope 3 only):

  - By 2028 reduce emissions by 20% to 2.83 tCO$_2$e
  - By 2030 reduce emissions by 40% to 2.12 tCO$_2$e
  - By 2035 reduce emissions by 80% to 0.71 tCO$_2$e
  - By 2040 reduce emissions by 100% to achieve Net Zero

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

Carbon Reduction: Projected vs Actual Per Employee

tCO$_2$e

(Chart showing target emissions per employee declining from 3.5 tCO$_2$e in 2024/25 to 0 in 2039/40. X-axis years from 2024/25 to 2039/40. Y-axis from 0 to 4.)

Legend:
- Target Emissions Per Employee tCO$_2$e
- Emissions per Employee tCO$_2$e

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Our current annual carbon footprint of 17.7 tCO$_2$e (Scope 3) reflects a substantial reduction already achieved through core operational policies. These include a hybrid working-first model, a paperless-by-default policy, and a shared travel approach for site visits. While it is difficult to calculate the precise counterfactual footprint without these measures, we conservatively estimate that they have reduced our emissions by 50–70%, particularly through avoided commuting, reduced business travel, and the elimination of routine printing.

The following environmental management measures and projects have been implemented in our 2024/25 baseline year, the measures will be in effect when performing the contract

Shared Travel Policy - We have adopted a shared travel policy for client site visits, encouraging employees to coordinate travel using shared vehicles or public transport wherever feasible. This reduces the number of individual journeys made, helping to lower our overall travel-related emissions.

Hybrid Working - We have adopted a hybrid working-first strategy, with employees primarily based at home and travelling to client sites only when necessary. For internal collaboration, we utilise on-demand flexible workspaces rather than maintaining a fixed office. This approach significantly reduces emissions by minimising non-essential travel and eliminating the need to heat, cool, or power a permanent premises, ensuring all travel contributes positively to project outcomes.

Paperless-by-default - As part of our commitment to reducing environmental impact, we have adopted a paperless-by-default policy across all operations. Internal and external documentation is managed digitally through secure cloud platforms, minimising the need for physical printing. Where printing is unavoidable, we use recycled paper and energy-efficient

devices. This approach not only reduces waste and emissions associated with paper production and disposal but also supports more efficient, collaborative working practices.
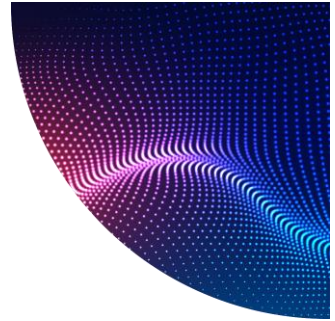
Ongoing Carbon Reduction Initiatives

In the future we hope to implement further measures such as:

Increasing Employee Awareness - We recognise that employee awareness is key to driving meaningful and sustained carbon reduction. As part of our ongoing approach, we will actively engage staff by sharing updates on our emissions performance and sustainability goals through quarterly internal communications. We will also provide practical guidance on reducing individual environmental impact, such as adopting low-carbon commuting options, reducing unnecessary travel, and following digital-first and paperless practices. By embedding environmental awareness into our company culture, we aim to empower all employees to contribute to our Net Zero journey both individually and collectively.

Sustainable Procurement - We are committed to reducing our indirect (Scope 3) emissions by working with and purchasing from environmentally conscious suppliers. As part of our procurement approach, we will seek to prioritise vendors and service providers who demonstrate clear sustainability credentials such as published carbon reduction plans, net zero targets, or environmental certifications. Over time, we aim to integrate sustainability considerations into our supplier selection and onboarding processes, helping to reduce the upstream environmental impact of our operations while encouraging positive change across our value chain.

ISO14005 - As part of our commitment to continuous improvement in environmental performance, we are exploring the implementation of ISO 14005, a phased approach to establishing and enhancing an Environmental Management System (EMS). This standard is well-suited to small and growing businesses, enabling us to build structured, scalable environmental practices aligned with our maturity and capacity. Pursuing ISO 14005 will help formalise our sustainability efforts, support future compliance needs, and provide a credible framework to reduce environmental impacts as we grow.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standards 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 have 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:

……Steven Martinez……………

……4ThoughtDigital Director….

Date: …21st of May 2025..………

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[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