transparity

# NET ZERO REPORT

Carbon Reduction Plan FY 2026



# EXECUTIVE SUMMARY

This document showcases the carbon footprint calculations Transparity Solutions Limited (hereafter referred to as 'Transparity') has undertaken and the corresponding Net Zero targets. Data was provided by Transparity and reviewed and processed to calculate our corporate carbon emissions for FY2026. This granularity allows us to understand the sources of emissions and locate emission hotspots, and to further develop Net Zero strategy and reduction pathways.

Overall, in FY26 the majority of our carbon dioxide equivalent ($CO_2e$) emissions are Scope 3 (99.8%, 4,063.90 $tCO_2e$), followed by Scope 2 (0.2%, 6.41 $tCO_2e$), and Scope 1 (0.002%, 0.07 $tCO_2e$). The greatest source of $CO_2e$ in FY26 was Scope 3 Category 1: Microsoft License Sold (77.0%, 3,133.80 $tCO_2e$), followed by Scope 3 Category 1: Purchased Goods and Services (Excluding Microsoft License) (13.0%, 529.13 $tCO_2e$), Scope 3 Category 6: Business Travel (4.7%, 189.36 $tCO_2e$), and Scope 3 Category 7: Employee Commuting (4.1%, 166.09 $tCO_2e$). All other $CO_2e$ categories equated to less than 2% of the total FY26 emissions.

FY 2026 is the fourth year we have calculated our emissions. In FY 2024, we started to include the emissions from the sold Microsoft licenses to our customers, and therefore we have reset our emissions baseline year from FY 2023 to FY 2024 to reflect the more comprehensive scope of our emissions.

We are pleased to say that we have seen an 8% reduction against our FY24 baseline when looking at our absolute emissions.

Going forward, a focus on decarbonisation action related to our emission hotspots will continue as well as emission sources within our direct control or influence to reduce activity. As such, Transparity is considering the following recommended $CO_2e$ reduction actions:

1. Engage with tier 1 suppliers to first understand their carbon footprint (scopes 1 and 2) by sending out carbon surveys.
2. Request Scope 1 and 2 emissions data directly from customers who purchased the Microsoft licenses, so the emissions can be allocated to Transparity based on actual emissions rather than spend.
3. Continue to improve the quality of business travel data by collecting activity-based details rather than relying on spend, so emissions can be calculated on a more accurate basis.



# EXECUTIVE ENDORSEMENT



Paul Bolt, CEO

Welcome to Transparity's fourth annual Net Zero report for the period March 2025 to February 2026. As a leading Microsoft Partner supporting organisations across the UK on their cloud transformation journeys, we recognise the important role businesses must play in driving decarbonisation across the technology sector.

In 2026, the imperative for climate action remains clear. Businesses are operating in an environment of increasing climate-related risks, evolving regulation, and growing stakeholder expectations around transparency and sustainability performance. Organisations that proactively manage their environmental impacts are better positioned to build resilience, create long-term value, and respond to the changing needs of customers, employees and investors. The transition to a low-carbon economy presents both challenges and opportunities, making it more important than ever for businesses to understand, measure and reduce their greenhouse gas emissions.

At Transparity, we continue to take a proactive approach to managing our environmental impact. We have adopted ambitious emissions reduction targets, continued to report transparently on our full scope of emissions, and remain committed to achieving Net Zero by 2045. By taking action today, we not only support global climate objectives but also strengthen the long-term resilience of our business and the customers we serve.

We first calculated our emissions in FY23 and, following improvements to the quality and completeness of our data, restated FY24 as our baseline year to reflect a more comprehensive emissions inventory. Working alongside our external consultancy partner, Sustainable Advantage, we assess greenhouse gas emissions across our value chain each year to ensure we remain on track against our reduction pathway. This approach helps us understand the emissions reduction potential across each scope and category while accounting for operational realities, our degree of influence, and wider economic and regulatory developments.

In our fourth year of emissions reporting, we are pleased to have continued making progress towards our Net Zero ambition, achieving an 8% reduction compared with our restated FY24 baseline. This improvement has been driven primarily by reductions across several Scope 3 emission sources, including purchased goods and services, capital goods, upstream transportation and distribution, and waste generated in operations, alongside lower Scope 2 market-based emissions associated with increased procurement of renewable electricity during the reporting period.

This report provides a transparent account of our operational emissions, our targets, and the measures we are implementing to reduce our footprint. We remain committed to ongoing disclosure and continuous improvement, and we look forward to sharing further progress in the years ahead.



# ABOUT US

Transparity is a leading Microsoft-focused technology partner, helping organisations transform, innovate and operate more effectively through the Microsoft Cloud. With expertise spanning Azure, Data & AI, Application Innovation, Cybersecurity, Business Applications and the Modern Workplace, Transparity provides tailored consultancy, managed services and strategic support to organisations across the UK and beyond. Its global team of specialists combines deep technical knowledge with extensive Microsoft accreditations to help customers drive innovation, improve efficiency and achieve their business objectives.

At the heart of the business is The Transparity Way, a culture built on partnership, trust and clarity. This customer-centric approach has enabled Transparity to deliver hundreds of successful digital transformation projects while maintaining exceptional levels of service and support. Through its Winning From Anywhere model, the company also empowers employees to work flexibly, supporting a productive and digitally connected workforce while helping to reduce travel-related emissions.

Sustainability remains an important part of Transparity's business strategy. Alongside helping customers reduce the environmental impact of their cloud operations, the company continues to integrate sustainability considerations into its own activities and supports wider environmental initiatives through its partnership with the Woodland Trust. Transparity is committed to achieving Net Zero by 2045, five years ahead of the UK Government's target, and continues to invest in robust emissions measurement, reduction initiatives and innovation across its value chain.



# COMMITMENT TO NET ZERO

Transparity is committed to ensuring that we play our role in working alongside other UK organisations to achieve the UK Government's Net Zero target of at least a 100% reduction in the net UK carbon emissions by 2050 (based on 1990 levels) for our UK Operations.

We are committed to taking action to reduce our annual emissions and achieving Net Zero emissions by 28th February 2045, five years earlier than the UK governments target. We will aim to reduce our carbon intensity year on year and will achieve:

- 47% reduction in our Scope 1 and 2 emissions by 2030[1]
- 96% overall reduction in all Green House Gas (GHG) emissions across Scopes 1, 2 and 3 by 2045 – off setting any residual emissions via high-quality nature based or direct air capture projects and becoming Net Zero

To achieve these goals, we have taken the following actions:

1. We have appointed an external specialist carbon consultancy to collate and verify data, calculate GHG emissions and help advise on carbon reduction options
2. Calculated our carbon footprint in line with the GHG protocol for FY26 including the following Scopes and categories:

**Scope 1**

i. Stationary combustion

ii. Refrigerant gases

**Scope 2**

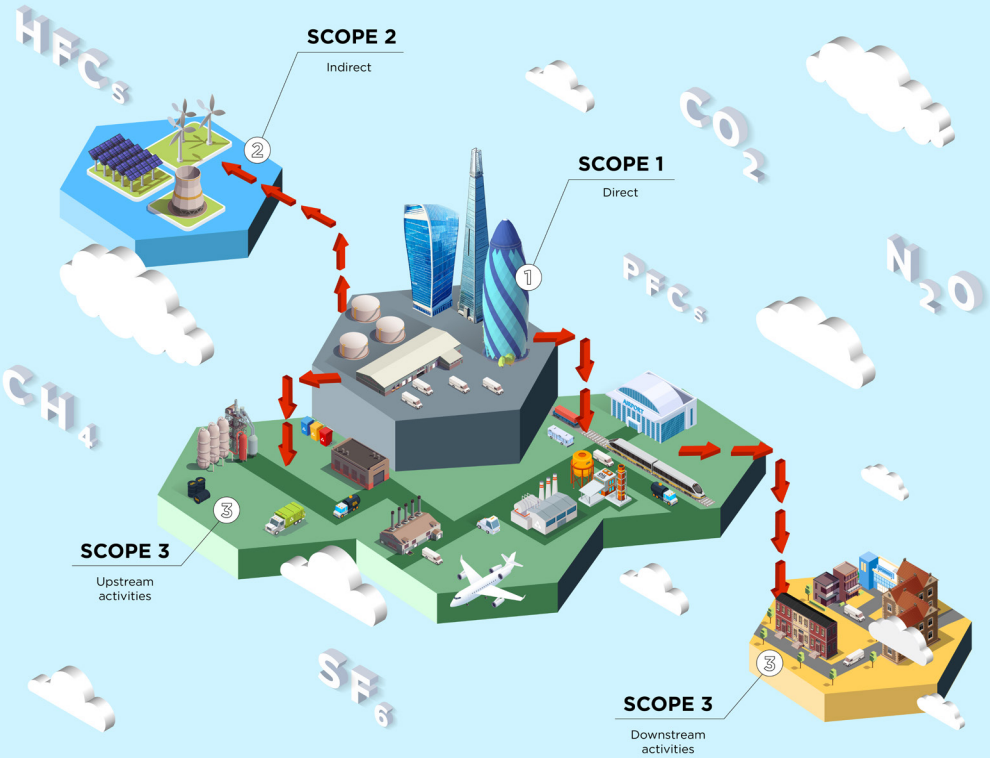
i. Electricity

**Scope 3**

i. Category 1: Purchased goods and services
ii. Category 2: Capital goods
iii. Category 3: Fuel and energy-related activities (not included in Scope 1/2)
iv. Category 4: Upstream transportation and distribution
v. Category 5: Waste
vi. Category 6: Business travel
vii. Category 7: Employee commuting (including home working)

3. Created a carbon reduction pathway for each Scope and category
4. Set the Net Zero date and committed to updating our carbon footprint at least annually, with this being the second calculation since our restated base year, but fourth in total

Figure 1. Sources of Greenhouse gas emissions by Scope and category. Source: GHG Protocol




[*] Amended due to restating FY24 as the new base year

# EMISSIONS FOOTPRINT MARCH 2025 – FEBRUARY 2026

This report follows on from our preceding carbon inventories – (restated) baseline year FY2024 and FY2025. The baseline year is a record of the greenhouse gases that were produced in a financial year prior to the introduction of any strategies to reduce emissions. It provides a breakdown of our carbon emissions from which our emissions reduction pathway has been created, with target reductions provided for each Scope and category.

In addition to this, we have also provided emission intensity metrics for each year which shows us how we are progressing on our carbon journey whilst accounting for the fact that our operations are expanding.

This report contains Transparity's FY 2026 results as shown below. Comparisons with our FY 2024 and FY 2025 results follow.

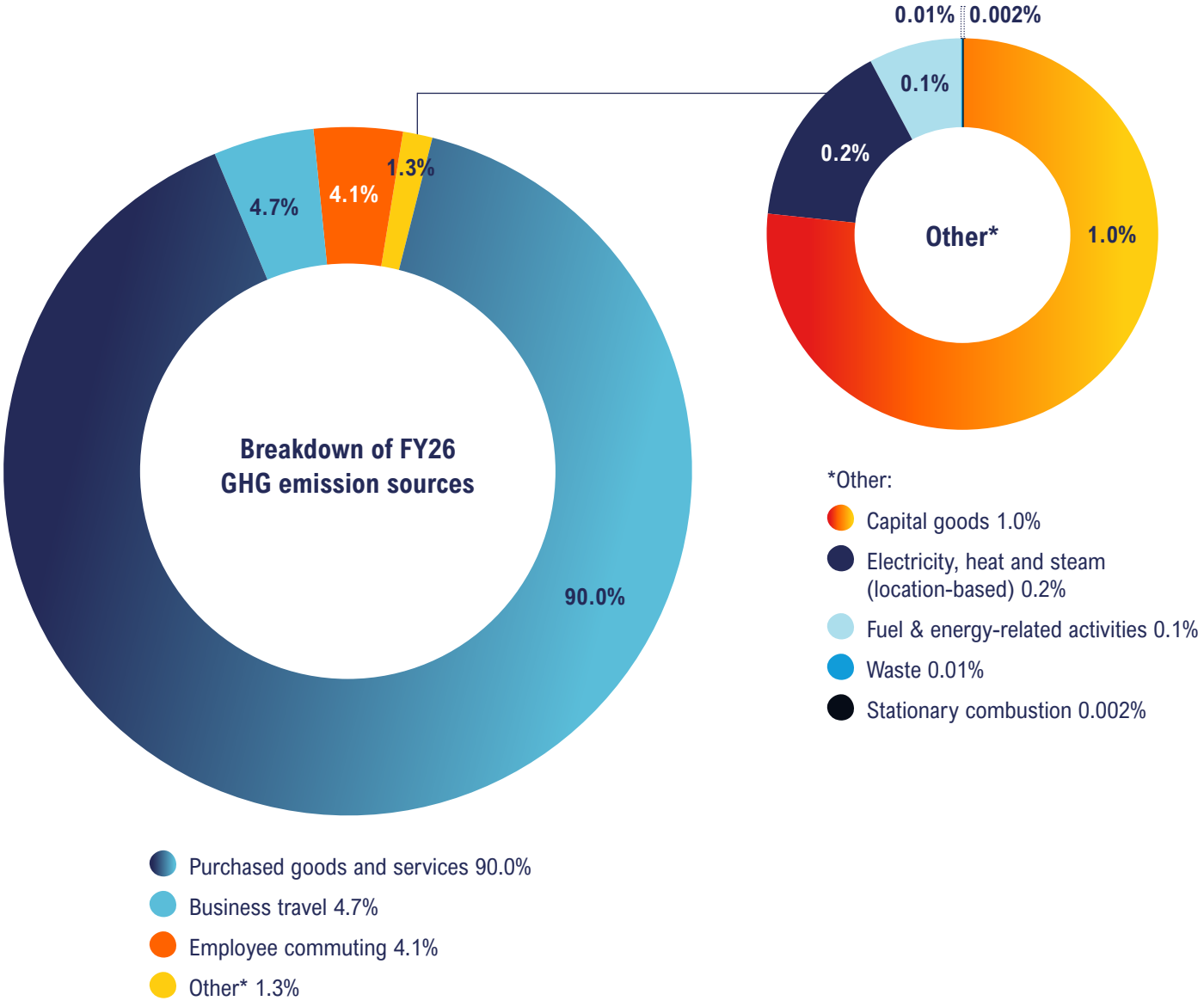



Figure 2. Pie charts displaying Transparity's FY26 $tCO_2e$ emissions, split by category. In the main pie chart, all categories with emissions totalling less than 2% of Transparity's total FY26 emissions have been aggregated into an 'Other' category, which has been broken into categories in the other pie chart to provide a more granular breakdown of emissions by category.

Below is an itemised breakdown showing emissions ($tCO_2e$) by each Scope and category from FY26 calculations.

Table 1. Transparity's FY26 $CO_2e$ Inventory

| Category | Description | Total $tCO_2e$ FY26 | % of FY26 total $tCO_2e$ |
|---|---|---|---|
| **SCOPE 1** | | | |
| Stationary combustion (Gas) | Gas consumed | 0.07 | <0.0% |
| Transportation | Owned and leased ICE vehicles | - | - |
| Refrigerants | HVAC's | - | - |
| **SCOPE 2** | | | |
| Electricity (Location-based)[2] | Purchased electricity, for own use (grid average) | 7.34 | N/A |
| Electricity (Market-based)[3] | Purchased electricity, for own use (specific contract) | 6.41 | 0.2% |
| Electricity (Electric Vehicles) | Owned and leased EVs | - | - |
| **SCOPE 3** | | | |
| Category 1: Purchased goods and services | Goods and services (Excluding Microsoft Licenses) | 529.13 | 13.0% |
| Category 1: Purchased goods and services | Microsoft Licenses sold | 3,133.80 | 77.0% |
| Category 2: Capital goods | CapEx expenditure | 42.25 | 1.0% |
| Category 3: Fuel and energy-related activities | WTT[4] & T&D[5] losses from electricity, stationary combustion of fuels and transport | 2.85 | 0.1% |
| Category 4: Upstream transportation and distribution | Transport between tier 1 suppliers or paid transport for goods (upstream & downstream) (WTW)[6] | - | - |
| Category 5: Waste | Waste disposal from operations | 0.41 | <0.0% |
| Category 6: Business Travel | Land and air travel and hotel stays for business purposes (WTW) | 189.36 | 4.7% |
| Category 7: Employee commuting & homeworking | Employees commuting to and back from work (WTW). Employees working from home | 166.09 | 4.1% |
| **Total Gross Emissions (Location-based)** | | **4,071.30** | |
| Less emissions avoided by procurement of renewable electricity | | -4.23 | |
| Additional emissions generated from the procurement of non-renewable electricity (residual grid mix) | | 3.31 | |
| **Total Gross Emissions (Market-based)** | | **4,070.38** | **100.0%** |
| Less carbon offsets | | - | |
| **Total Net Emissions** | | **4,070.38** | |

[2] Location-based represents emissions from electricity consumption based on grid average emissions

[3] Market-based represents emissions from electricity consumption based on specific energy contracts

[4] WTT - Well-to-tank emissions. Emissions associated with the extraction, refinement, and transport of fuels before consumption

[5] T&D losses – Transmission and distribution losses. Emissions associated with the energy lost during the transmission of electricity through the network

[6] WTW – Well-to-wheel emissions. Includes emissions associated with the extraction, refinement, transport, and consumption of fuels

Table 2. Transparity's FY26 $CO_2e$ Inventory compared to FY24 base year and FY25

| Category | Description | Total $tCO_2e$ FY24 | Total $tCO_2e$ FY25 | Total $tCO_2e$ FY26 | % change from base year FY24 | % change from previous year FY25 |
|---|---|---|---|---|---|---|
| **SCOPE 1** | | | | | | |
| Stationary combustion (Gas) | Gas consumed | - | - | 0.07 | 100% | 100% |
| Transportation | Owned and leased ICE vehicles | - | - | - | - | - |
| Refrigerants | HVAC's | - | - | - | - | - |
| **SCOPE 2** | | | | | | |
| Electricity (Location-based) | Purchased electricity, for own use (grid average) | 5.61 | 5.92 | 7.34 | 31% | 24% |
| Electricity (Market-based) | Purchased electricity, for own use (specific contract) | 10.38 | 11.91 | 6.41 | -38% | -46% |
| Electricity (Electric Vehicles) | Owned and leased EVs | - | - | - | - | - |
| **SCOPE 3** | | | | | | |
| Category 1: Purchased goods and services | Goods and services (Excluding Microsoft Licenses) | 1,129.65 | 122.36 | 529.13 | -53% | 332% |
| Category 1: Purchased goods and services | Microsoft Licenses sold | 3,020.28 | 3,164.85 | 3,133.80 | 4% | -1% |
| Category 2: Capital goods | CapEx expenditure | 51.96 | 7.93 | 42.25 | -19% | 433% |
| Category 3: Fuel and energy-related activities | WTT & T&D losses from electricity, stationary combustion of fuels and transport | 1.84 | 1.95 | 2.85 | 55% | 46% |
| Category 4: Upstream transportation and distribution | Transport between tier 1 suppliers or paid transport for goods (upstream & downstream) (WTW) | 1.52 | 1.07 | - | -100% | -100% |
| Category 5: Waste | Waste disposal from operations | 13.94 | 0.16 | 0.41 | -97% | 154% |
| Category 6: Business Travel | Land and air travel and hotel stays for business purposes (WTW) | 39.53 | 320.20 | 189.36 | 379% | -41% |
| Category 7: Employee commuting & homeworking | Employees commuting to and back from work (WTW). Employees working from home | 154.26 | 177.03 | 166.09 | 8% | -6% |
| **Total Gross Emissions (Location-based)** | | **4,418.59** | **3,801.46** | **4,071.30** | **-8%** | **7%** |
| Less emissions avoided by procurement of renewable electricity | | - | - | -4.23 | 100% | 100% |
| Additional emissions generated from the procurement of non-renewable electricity | | 4.77 | 5.99 | 3.31 | -31% | -45% |
| **Total Gross Emissions (Market-based)** | | **4,423.36** | **3,807.45** | **4,070.38** | **-8%** | **7%** |
| Less carbon offsets | | 216.51 | - | - | -100% | - |
| **Total Net Emissions** | | **4,206.85** | **3,807.45** | **4,070.38** | **-3%** | **7%** |

# EMISSIONS REDUCTION TARGETS

In setting Net Zero targets and developing a Net Zero roadmap in FY 2024, we assessed the $CO_2e$ reduction potential of each scope and category. This assessment considered the degree of control we have over the activity, operational considerations (e.g. availability of green energy tariffs by geography, available waste disposal methods), and wider politico-economic factors including the UK government's commitment to decarbonise the UK National Grid and the ban on the sale of ICE vehicles post-2030. The reduction pathway is science-based and aligned to the Paris Agreement's commitment of limiting global warming to 1.5°C above pre-industrial levels.

To continue our progress to achieving Net Zero, we mapped out and planned a number of positive actions to achieve the following carbon reduction targets:

**31%** absolute reduction in Scope 1, 2 and 3 emissions by 2030 from 2024 baseline levels

**53%** absolute reduction in Scope 1, 2 and 3 emissions by 2035 from 2024 baseline levels

**74%** absolute reduction in Scope 1, 2 and 3 emissions by 2040 from 2024 baseline levels

**96%** absolute reduction in Scope 1, 2 and 3 emissions by 2025 from 2024 baseline levels

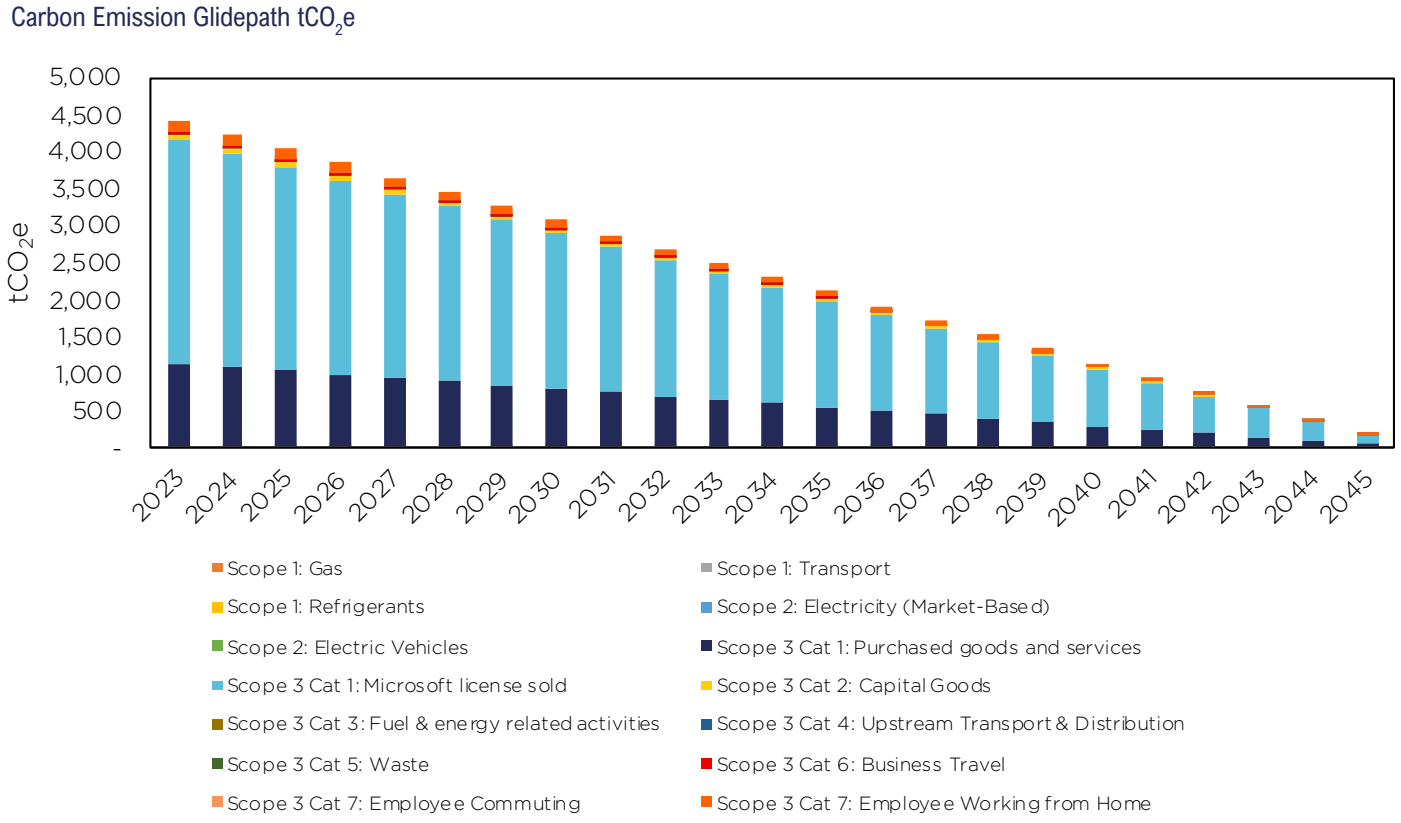



Figure 3. Transparity's Net Zero glidepath - roadmap to achieve Net Zero (-96% $tCO_2e$ by 2045 against the FY 2024 base year)

We are proud to report that FY 2025 absolute emissions were 8% lower than our FY 2024 base year. However, this remains below the FY 2025 reduction target of 13% shown in Figure 4.

# EMISSIONS REDUCTION TARGETS

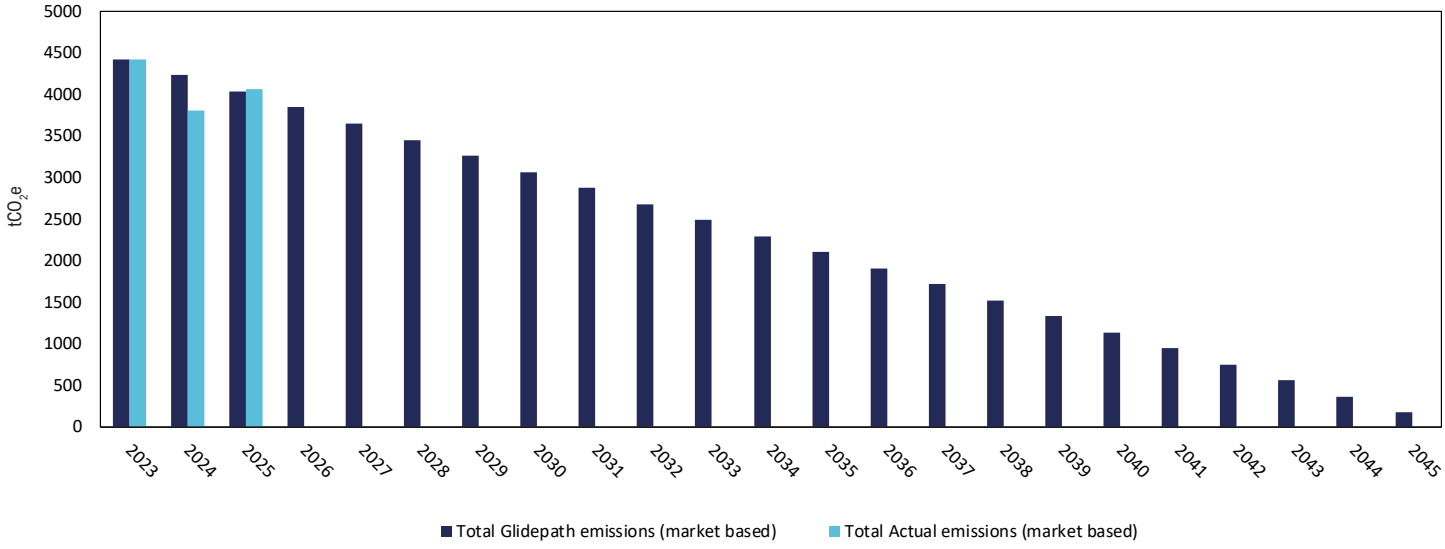



Figure 4. Transparity's progress against the original Net Zero glidepath – dark blue is estimated based on the reduction projections modelled in the original glidepath, light blue is the actual reported emissions.

Our primary focus is on reducing our own emissions, supported by dedicated planning and financial resources. However, a substantial share of our carbon footprint falls under Scope 3 emissions, which are challenging to address in the short term as they originate within our supply chain – an area where we have influence but not direct control. To help drive reductions in these emissions, we will leverage our purchasing power and supplier selection to promote and encourage carbon-reducing practices across our supply chain.



# INTENSITY METRICS AND REDUCTION TARGETS

In addition to reporting our absolute emissions, we also track GHG intensity over several key metrics. We are focusing on the intensity metrics which capture greenhouse gas emissions per employee and turnover, hence providing a more informative insight into our decarbonisation journey alongside our company growth.

Table 3. Transparity Intensity Metrics FY 2024, FY 2025 and FY 2026 (Gross emissions – market-based)

| | FY 2024 | FY 2025 | FY 2026 | % Difference from Base Year | % Difference from Previous Year |
|---|---|---|---|---|---|
| $tCO_2e$ per employee | 14.00 | 15.21 | 14.94 | 7% | -2% |
| $tCO_2e$ per million GBP turnover | 86.39 | 62.52 | 57.62 | -33% | -8% |

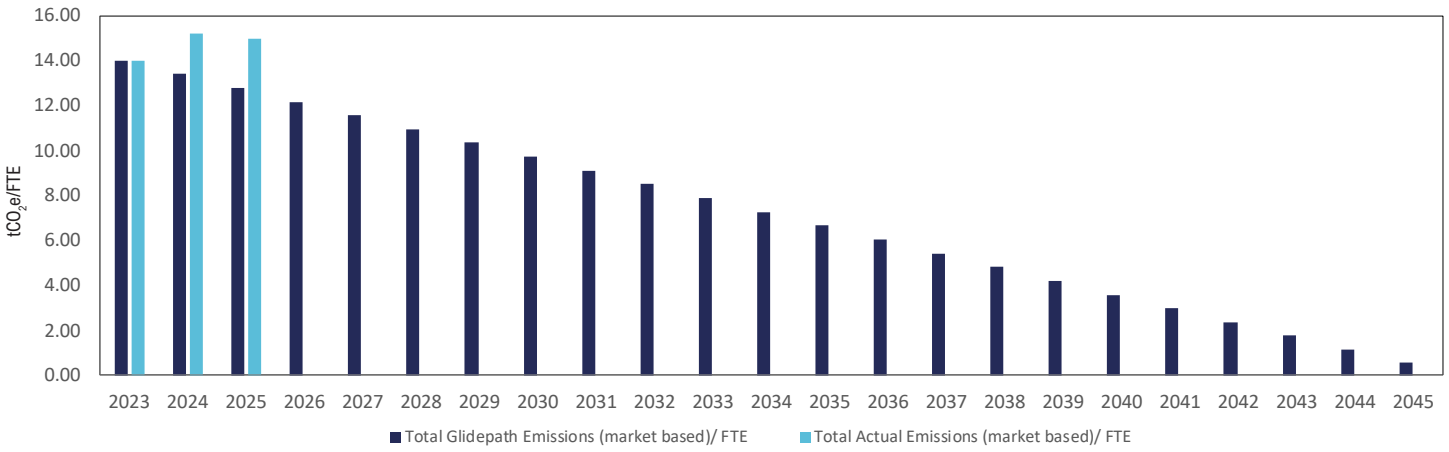



Figure 5. Transparity's progress against the FTE/$tCO_2e$ Net Zero glidepath – dark blue is estimated based on the reduction projections modelled in the original glidepath, light blue is the actual reported emissions.

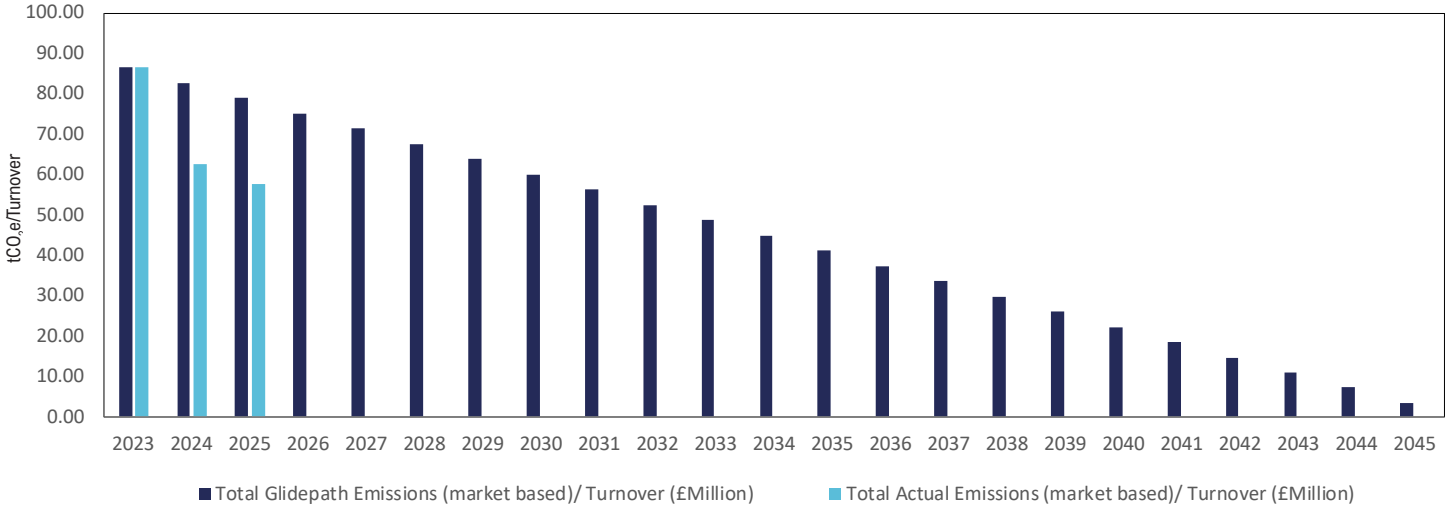



Figure 6. Transparity's progress against the £Turnover/$tCO_2e$ Net Zero glidepath – blue is estimated based on the reduction projections modelled in the original glidepath, orange is the actual reported emissions

# ENVIRONMENTAL MANAGEMENT MEASURES / EMISSION REDUCTION PLAN

As a responsible business, we have for many years had a focus on the environment and reducing our carbon emissions. To drive this to the next level, we engaged the services of Sustainable Advantage to advise the Transparity Board on global best practices on carbon reduction.

We have a detailed carbon emissions reduction plan, the key actions of which are summarised below:



## Scope 1: Stationary combustion

- This is a very low-impact area, accounting for only 0.07 $tCO_2e$ in FY26. It is a new emissions source following the head office move to The Hub in Paddington and relates to diesel consumed in backup generators. Although use is expected to be limited and may sit partly outside Transparity's direct operational control, we will work with the building management team where possible to understand generator testing and usage requirements and identify opportunities to minimise associated emissions.
- Engage with the landlord/building management team to understand the purpose, frequency and fuel consumption associated with diesel generator use.
- Request that generator testing is limited to the minimum required for safety, compliance and resilience purposes.
- Explore whether lower-carbon alternatives, such as hydrotreated vegetable oil (HVO) or other verified low-carbon fuels, could be used in place of conventional diesel where technically feasible.
- Encourage the building management team to consider low-carbon backup power solutions when generators are replaced or upgraded.
- Continue to monitor diesel consumption annually to confirm that emissions remain immaterial and identify any unexpected increases.



## Scope 1: Refrigerants

Transparity reported no fugitive emissions during the reporting period, as no refrigerant top-ups were required and no refrigerant gas losses were identified. While this remains a low-impact area, Transparity will continue to promote best practice in the management of refrigeration and air conditioning systems, working with landlords, building management teams and maintenance providers where relevant.

- Maintain regular servicing and preventative maintenance schedules to minimise the risk of refrigerant leaks.
- Consider leak-detection systems where appropriate, particularly for larger or higher-risk HVAC systems.
- Ensure refrigerant gases are recovered, handled and disposed of correctly during maintenance, system upgrades or decommissioning.
- Prioritise systems using refrigerants with zero ozone depletion potential and low global warming potential where equipment is replaced or upgraded.
- When renewing HVAC systems, select energy-efficient equipment that uses lower-impact refrigerants, including next-generation HFOs or natural refrigerants where technically and commercially feasible.
- Work with building management teams to understand refrigerant management practices in leased offices and encourage best-practice maintenance and end-of-life treatment.
- Use refrigeration and air conditioning systems efficiently, limiting unnecessary cooling or heating where practical.




## Scope 2: Electricity

During the first half of the reporting period, electricity used at the Reading office was supplied through a non-renewable energy tariff. Following the move to The Hub in Paddington during the second half of the year, electricity is now procured on a renewable energy tariff, with supply meeting the Scope 2 Quality Criteria[7] (supported by REGOs or equivalent). While this has reduced Transparity's market-based electricity emissions, we will continue to focus on reducing overall electricity demand through the following actions:

- Issue energy-efficiency guidance to employees to encourage positive behavioural change and minimise unnecessary electricity use.
- Appoint Green/Energy Champions to gather ideas from colleagues, share best practice and support ongoing engagement on energy reduction opportunities.
- Monitor electricity consumption where data is available, including working with the landlord or facilities management team to access regular energy performance information.
- Encourage the facilities management team at our leased office to undertake an energy survey to identify operational and capital investment opportunities to improve energy efficiency.
- Explore opportunities with the landlord or building management team to increase onsite renewable energy generation, such as solar panels, where technically and commercially feasible.
- Use energy-efficient systems wherever possible, including LED lighting, passive infra-red sensors and other smart energy controls where practical.



## Scope 3: Categories 1 and 2: Purchased goods and services (excluding Microsoft licenses sold) and Capital goods

This remains a material impact area in FY26, accounting for 14.0% of Transparity's total emissions when purchased goods and services, excluding Microsoft licenses, and capital goods are combined. Emissions in these categories are largely influenced by the goods, services and capital investments we procure, as well as the carbon maturity and reduction progress of our suppliers. While a significant proportion of reductions will depend on suppliers decarbonising their own operations and value chains, Transparity will continue to take an active approach by improving procurement data quality, engaging suppliers and embedding carbon considerations into purchasing decisions.

We will explore opportunities to obtain lifecycle assessment data, product-level emissions information or supplier-specific carbon data for key goods and services. This will help improve the accuracy of future calculations and support more informed decision-making when selecting products, services and suppliers. To drive positive change across our supply chain, we will:

- Engage priority tier 1 suppliers to better understand their carbon footprint, including their Scope 1, Scope 2 and relevant Scope 3 emissions.
- Issue supplier carbon surveys to assess supplier maturity, emissions measurement practices, reduction targets and existing environmental management controls.
- Collaborate with key suppliers to encourage the development and delivery of credible emissions reduction targets.
- Support less mature suppliers by signposting practical actions, guidance and expectations, while prioritising partnerships with suppliers that demonstrate stronger carbon management and lower-carbon products or services.
- Embed environmental and carbon considerations into procurement decision-making, including consideration of supplier location, emissions performance, product durability, lifecycle impacts and available lower-impact alternatives.
- Request lifecycle assessments, product carbon footprints or equivalent environmental information for material purchases where available and proportionate.

[8] https://ghgprotocol.org/sites/default/files/2023-03/Scope%202%20Guidance.pdf. P.63

- Continue to improve supplier and procurement data quality to reduce reliance on spend-based emissions estimates over time.
- Develop the supply chain environmental management approach as the organisation grows, enabling Transparity to monitor supplier performance, identify improvement opportunities and strengthen environmental expectations across the supply base.



## Scope 3: Category 1: Purchased goods and services (Microsoft licenses sold only)

Emissions associated with Microsoft licenses sold continue to be reported as a separate subcategory within Scope 3 Category 1. As Transparity operates as a Microsoft-focused cloud consultancy and managed services provider, a substantial proportion of our Scope 3 emissions arise from Microsoft licenses purchased on behalf of clients.

In FY26, this remained Transparity's largest emissions source, totalling 3,133.8 $tCO_2e$ and accounting for 77.0% of total emissions. This represents a slight reduction compared with FY25, when Microsoft license emissions totalled 3,164.9 $tCO_2e$ and accounted for 83.1% of total emissions. Although this category continues to dominate Transparity's footprint, its relative share of total emissions has decreased year-on-year.

Emissions in this category will be strongly influenced by Microsoft's own decarbonisation trajectory and the emissions intensity of its products and services. However, Transparity will continue to take an active role by improving data quality, engaging clients on cloud efficiency and seeking opportunities to reduce unnecessary or underutilised license consumption. Over time, Transparity will aim to move away from spend-based emission factors by collecting more client-specific and activity-based data where available.

To support reductions in this category, Transparity will:

- Optimise license usage:
  - Review client licenses to ensure there are no unnecessary or underutilised licenses.
  - Support clients to right-size license requirements and consolidate services where appropriate.
  - Encourage regular license reviews as part of account management and cloud optimisation discussions.
- Collaborate with high-usage clients on cloud efficiency:
  - Identify high-emission or high-usage client environments and explore opportunities for optimisation.
  - Encourage clients to adopt energy-efficient practices across the Microsoft ecosystem, such as optimising virtual machines, shutting down unused resources and improving storage efficiency.
  - Promote the use of Microsoft sustainability and optimisation tools to help clients track, manage and reduce emissions associated with cloud usage.
  - Share best-practice guidance with clients on efficient cloud architecture, resource utilisation and responsible digital transformation.
- Improve data quality:
  - Explore opportunities to collect client-specific license, usage or emissions data to improve the accuracy of future calculations.
  - Engage Microsoft and relevant data providers to understand whether more granular product-level or customer-level emissions data can be accessed.
  - Continue to review the calculation methodology as better-quality data becomes available, with the aim of reducing reliance on spend-based estimates over time.

## Scope 3: Category 4: Upstream transportation and distribution

In FY26, no emissions were reported under Scope 3 Category 4: Upstream transportation and distribution, as there was no postage or freight-related spend during the reporting period. This therefore remains a non-material category for Transparity. However, where postage, courier or logistics services are used in future years, Transparity will seek to improve data quality by collecting activity-based freight and logistics information rather than relying solely on P&L spend.

- Monitor postage, courier and freight spend annually to identify whether emissions arise in future reporting periods.
- Where logistics services are used, request activity-based data from providers, including shipment weight, distance, transport mode and delivery type.
- Prioritise lower-carbon delivery options where practical, including avoiding next-day delivery unless required.
- Request the use of electric vehicles or lower-emission delivery fleets where available.
- Prefer logistics providers with credible environmental commitments, renewable electricity procurement for warehouses or storage facilities, and transparent emissions reporting.

## Scope 3: Category 5: Waste

Although waste remains a very low-impact emissions source in FY26, accounting for 0.41 $tCO_2e$ and less than 0.1% of total emissions, Transparity will continue to manage this category through improved data quality, waste reduction and responsible disposal practices. Future focus will be on replacing estimated waste tonnage with more accurate activity-based data, where available, and continuing to follow the waste hierarchy.

Transparity already applies the waste hierarchy by prioritising:

- Reducing waste generated in the first instance.
- Reusing and recycling materials wherever possible.
- Ensuring residual general waste is diverted from landfill where feasible, including through energy-from-waste routes where appropriate.

To further reduce waste-related impacts, Transparity will:

- Continue to improve the end-of-life treatment of IT equipment by recycling computers and electronic equipment through approved WEEE waste management providers, preventing components from entering landfill.
- Provide clear and consistent employee guidance to minimise waste generation and maximise recycling across office and home-working activities.
- Work with the landlord, facilities management team and waste providers to improve the availability and accuracy of waste data, including waste stream, weight and disposal route.
- Track disposal methods for key waste streams and encourage waste management providers to prioritise recycling, reuse and landfill diversion.
- Maintain a focus on zero waste to landfill where practicable, while recognising that waste management arrangements may be influenced by leased office facilities and third-party providers.
- Review waste performance annually to identify any changes in waste volumes, disposal routes or opportunities for improvement.

## Scope 3: Category 6: Business travel

Business travel remains a key emissions source in FY26, accounting for 189.36 $tCO_2e$ and 4.7% of total emissions. While emissions from this category have decreased by 41% compared with FY25, business travel continues to be an important area for targeted reduction due to the level of operational influence Transparity has over travel behaviours, policies and data quality. Our focus will remain on reducing unnecessary travel, encouraging lower-carbon travel choices where travel is required, and improving the granularity of business travel and hotel stay data.

To support continued reductions, Transparity will:

- Continue to promote virtual collaboration through Teams, Zoom and other digital tools, reducing the need for face-to-face meetings where virtual engagement is effective.
- Embed the Winning From Anywhere model to support flexible working and cloud-based collaboration, helping to minimise unnecessary business travel.
- Prioritise low-carbon travel modes when travel is required, including choosing rail over air or car travel wherever feasible.
- Encourage employees to consider the necessity, frequency and mode of travel before booking, particularly for high-emission journeys.
- Support the transition to electric vehicles by maintaining favourable mileage reclaim rates for EV use and car sharing where appropriate.
- Explore practical opportunities to support EV charging access at office locations, where this is within Transparity's influence.
- Improve the quality and granularity of business travel data, including more detailed information on journey distance, transport mode, class of travel and hotel stays.
- Use improved travel data to identify high-impact travel patterns and inform future travel policy, employee engagement and emissions reduction actions.

## Scope 3: Category 7: Employee commuting & homeworking

Employee commuting and homeworking remains a key emissions source in FY26, accounting for 166.09 $tCO_2e$ and 4.1% of total emissions. This category is primarily driven by emissions associated with employees working from home, reflecting Transparity's flexible working model. However, following the move to The Hub in Paddington, commuting emissions have now also been included for the Office Manager travelling to the office between September 2025 and February 2026. As this only reflects a partial reporting period, commuting emissions associated with The Hub are expected to increase in FY27 when a full year of office-based travel is captured.

While Transparity cannot directly control how employees travel to work or manage energy use at home, the business can influence behaviours through engagement, guidance and flexible working practices. Transparity already supports emissions reduction in this category through its Winning From Anywhere strategy, which enables remote and flexible working and helps reduce the need for regular commuting.

To support further reductions and improve data quality, Transparity will:

- Continue to embed the Winning From Anywhere strategy to support flexible working and reduce unnecessary commuting.
- Promote low-emission commuting options where office travel is required, including public transport, walking, cycling and car sharing.

- Provide employees with information on sustainable travel options to The Hub in Paddington, including public transport routes and active travel where feasible.
- Consider practical opportunities to support lower-carbon commuting, such as cycle-to-work initiatives, carpooling arrangements or access to EV charging where within Transparity's influence.
- Regularly issue employee commuting surveys to understand travel patterns, commuting distances, transport modes and barriers to low-carbon travel.
- Use commuting survey results to improve the accuracy of future emissions calculations and identify targeted reduction opportunities.
- Support employees working from home to reduce their environmental impact by sharing guidance on energy efficiency, renewable energy tariffs, responsible waste management and water reduction.
- Continue to review homeworking and commuting emissions annually, particularly as The Hub office arrangements become embedded over a full reporting year.



# 1. NET ZERO CALCULATION BOUNDARIES

When calculating carbon emissions, the GHG Protocol Corporate Accounting and Reporting Standard states that a company must set its organisational boundaries.[8] This can be done either by an "Equity Share" or "Control" approach. The Equity Share approach reflects a company's economic interests and percentage ownership of companies or subsidiaries to assign GHG emissions. The Control approach can follow two routes and defines the boundary by looking at either how much Financial or Operational Control a company has.

To fully cover all our operations and subsidiaries, we have selected the Operational Control method when setting our organisational boundary which will cover 100% of the GHG emissions over which it has operational control.

The Operational boundary will include all three Scopes as outlined by the GHG Protocol. Our emissions are reported in $tCO_2e$ and have been calculated utilising the following formula:

**Source emissions data x conversion factor* = Total source emissions**

**Source unit x ($tCO_2e$/unit) = $tCO_2e$**

*Conversion factors are primarily derived from the latest:
- UK Government GHG conversion factors for Company Reporting
- DESNZ (Department for Energy Security & Net Zero)
- EPA's Environmentally extended input-output (EEIO) tables

[8] https://ghgprotocol.org/corporate-standard

# 2. METHODOLOGY

## Inclusions in FY 2026 inventory:

### Scope 1

Sources included in the inventory are onsite (or "stationary") fuel combustion and fugitive emissions from refrigerants, however there were no refrigerant refills and therefore no associated emissions. Excluded from the inventory is mobile fuel combustion from owned and leased vehicles as Transparity do not own or lease any vehicles.

- Stationary combustion: primary diesel fuel consumption quantity data provided (litres).
- Fugitive (refrigerants): no reported leaks

### Scope 2

Purchased electricity was the only identified scope 2 emissions source. However, per the GHG Protocol Scope 2 Guidance, scope 2 emissions have been calculated and reported using two separate methodologies:

- Location-based method reflecting the average emissions intensity of grids on which energy consumption occurs.
- A market-based method reflecting emissions from the electricity that we have purposefully chosen via our energy procurement activities. This accounts for energy purchased from green energy suppliers as well as the residual mix of energy purchased via non-renewable tariffs based on the reported residual mix of relevant national grids.

Primary electricity data has been used to complete calculations for the sites.

## Scope 3

**Category 1: Purchased goods and services (excluding Microsoft licenses sold)** – Includes all upstream (i.e., cradle-to-gate) emissions from the production of goods which we have purchased or acquired during the reporting year. Spend data taken from financial records have been used to calculate associated greenhouse gas emissions using the EEIO emission factors provided by the EPA.

**Category 1: Purchased goods and services (Microsoft licenses sold only)** – Includes emissions from the Microsoft license we have purchased on behalf of our clients during the reporting year. Spend data taken from financial records have been used to calculate associated greenhouse gas emissions using the EEIO emission factors provided by the EPA.

**Category 2: Capital goods** – Upstream emissions from both tangible and intangible CapEx additions purchased within the Group Fixed Asset Register have been included within the FY 2026 inventory. Spend data taken from financial records have been used to calculate associated greenhouse gas emissions using the EEIO emission factors provided by the EPA.

**Category 3: Fuel and energy-related activities** – This relates to transmission and distribution losses, and the well-to-tank emissions for all fuels consumed due to our operations.

- Well-to-tank emissions account for all the emissions related to the extraction, production, and shipping of fuels excluding only the direct combustion of the fuel. (e.g., fuel consumed by owned or leased vehicles, employees' vehicles used for commuting, vehicles used for business travel, etc).
- Transmission losses account for all the energy that is lost between the electricity production in the powerplant and when it is used (e.g., resistance in power lines).

**Category 4: Upstream transportation and distribution** – Paid transport for goods (upstream & downstream). No spend on relevant data this reporting period.

**Category 5: Waste** – Includes emissions from third-party disposal and treatment of waste generated by our operations during the reporting year. Waste emissions have been calculated based on estimates of bin size and frequency of pick-up from the waste service provider.

**Category 6: Business travel** – Includes emissions from the transportation of employees for business related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars.

- Expense data related to hotels, rail, taxis, air, and subsistence have been included.
- Mileage data related to employee reclaim was included as well.

**Category 7: Employee commuting and home working** – This includes emissions from employees travelling between their homes and our offices. While commuting emissions can result from cars, buses, trains, or taxis, Transparity covers the cost of the majority of employees' travel to the office; as a result, these emissions are already included under Scope 3 Category 6. Commuting emissions were included for one Hub Office Manager for the period September 2025 to February 2026, using the average commuting journey distance and transport mode provided. Homeworking emissions were calculated using employee headcount and typical working patterns. In future years, we will undertake employee travel surveys to collect data from employees on commuting and home working patterns (e.g., distance travelled, and mode used for commuting, energy tariff at home) and apply the appropriate emission factors for the modes used using the distance-based method.

## Non-material category exclusions for FY 2026 emissions:

**Scope 3 Category 8: Upstream leased assets** is excluded from FY 2026 inventory as Transparity does not have any leased assets.

**Scope 3 Category 9: Downstream transportation and distribution** is excluded from FY 2026 inventory as this is not relevant to our operations. Any movement of goods to customers will occur in our owned vans and therefore will be accounted for in Scope 1.

**Scope 3 Category 10: Processing of sold products** is excluded from FY 2026 inventory as we do not manufacture products.

**Scope 3 Category 11: Use of sold products** is excluded from the FY 2026 inventory as we do not sell physical products.

**Scope 3 Category 12: End-of-life treatment of sold products** is excluded from FY 2026 inventory as we do not sell physical products.

**Scope 3 Category 13: Downstream leased assets** is excluded from FY 2026 inventory, as we do not own any leased assets that we lease to other businesses.

**Scope 3 Category 14: Franchises** is excluded from FY 2026 inventory, as we do not operate franchises.

**Scope 3 Category 15: Investments** is excluded from FY 2026 inventory, as we do not have any investments.

transparity

SUSTAINABLE ADVANTAGE

Waterloo House, 207 Waterloo Road,
London, SE1 8XD

0203 544 2020

info@sustainable-advantage.com

sustainable-advantage.com