Carbon Reduction Plan

Commitment to achieving net zero - SmarterPay Limited is committed to achieving net zero emissions by 2035.

Company: SmarterPay Ltd

Effective Date: 05/01/2026

Policy Owner: Chris Bell, COO

Review Frequency: At least annually

1. Purpose

SmarterPay Ltd is committed to reducing the environmental impact of its operations and working towards carbon neutrality and net zero.

As a software company, we recognise that our activities—including office operations, employee travel, procurement, cloud computing, data storage, and the use of third-party services—can result in greenhouse gas (GHG) emissions.

This policy establishes the principles and commitments that guide our approach to measuring, reducing, and responsibly addressing our carbon emissions.

2. Scope

This policy applies to SmarterPay's operations and, where reasonably practicable, its relevant suppliers, contractors, and business partners.

Our carbon management programme will consider emissions associated with:

- Company offices and facilities

    - Electricity, heating, cooling, and other purchased energy
    - Cloud computing, hosting, data centres, and software infrastructure
- Business travel and employee commuting
- Company vehicles, where applicable
- Purchased goods and services
- IT equipment and other business equipment
- Waste and water consumption
- Employee and customer-related activities where relevant and measurable
- Other material sources of greenhouse gas emissions identified through our emissions assessments

3. Commitment

SmarterPay Ltd will seek to achieve and maintain carbon neutrality through the following hierarchy:

- Measure our greenhouse gas emissions.
- Avoid and reduce emissions wherever reasonably practicable.
- Replace high-carbon activities with lower-carbon alternatives.
- Address residual emissions through credible carbon removal or offsetting mechanisms where appropriate.
- Monitor, report, and continuously improve our performance.

Carbon offsets or credits will not be used as a substitute for meaningful emissions reductions.

4. Emissions Measurement

SmarterPay Ltd will establish and maintain an annual greenhouse gas emissions inventory using recognised emissions-accounting principles.

The inventory will, where applicable, distinguish between:

Scope 1: Direct emissions from sources owned or controlled by the company.

Scope 2: Indirect emissions associated with purchased electricity, heating, cooling, or steam.

Scope 3: Other indirect emissions arising throughout the company's value chain.

We will establish a baseline year and review the methodology periodically to ensure that our emissions calculations remain appropriate and consistent.

Where precise data is unavailable, reasonable and transparent estimates may be used. Significant changes to assumptions or methodology will be documented.

5. Emissions Reduction

We will prioritise reductions at source. Measures may include:

Energy and offices

- Using renewable electricity where commercially and technically feasible.
- Improving energy efficiency in offices and facilities.
- Using energy-efficient lighting, heating, cooling, and equipment.
- Reducing unnecessary energy consumption.
- Cloud and technology infrastructure.
- Working with cloud and hosting providers that demonstrate credible environmental performance.
- Improving software and infrastructure efficiency to reduce unnecessary computing, storage, and network consumption.
- Optimising workloads, databases, storage, and data transfer where this can reduce energy use without compromising security, reliability, or customer requirements.
- Considering carbon impacts when selecting infrastructure and technology suppliers.

Business travel

- Prioritising remote collaboration where practical.

- Using rail and other lower-carbon forms of transportation where appropriate.
- Reducing unnecessary air travel.
- Considering emissions when planning business travel.

Procurement

- Considering environmental performance when selecting suppliers.
- Encouraging suppliers to measure and reduce their greenhouse gas emissions.
- Considering the lifecycle impact of IT equipment and other significant purchases.
- Extending equipment lifetimes where appropriate and securely disposing of equipment through responsible reuse or recycling programmes.

Remote and hybrid working

Where employees work remotely or in hybrid arrangements, SmarterPay Ltd will consider the associated environmental impacts and seek practical opportunities to reduce emissions without compromising employee wellbeing, productivity, security, or business requirements.

6. Renewable Energy

Where feasible, SmarterPay Ltd will increase its use of renewable energy.

This may include:

- Procuring electricity from renewable sources.
- Entering appropriate renewable electricity agreements.
- Working with landlords and facilities providers to increase renewable energy use.
- Selecting cloud and hosting providers with credible renewable-energy and emissions-reduction programmes.

Claims relating to renewable energy will be supported by appropriate evidence and will not be used to imply emissions reductions beyond what can reasonably be substantiated.

7. Residual Emissions

After reasonable emissions-reduction measures have been implemented, SmarterPay Ltd may address residual emissions through appropriate carbon credits or carbon removal projects.

The company will disclose the quantity and nature of residual emissions addressed through such mechanisms and will distinguish emissions reductions from carbon removal or compensation activities.

9. Suppliers and Business Partners

Where practical, SmarterPay Ltd will engage suppliers and business partners on climate-related matters.

For material suppliers, we may consider:

- Their emissions-reduction commitments.
- Availability of emissions data.
- Renewable-energy use.
- Environmental management practices.
- Product and service lifecycle impacts.

Environmental performance may be considered as one factor in procurement and supplier-management decisions alongside cost, quality, security, resilience, compliance, and other business requirements.

10. Employee Engagement

SmarterPay Ltd will encourage employees to contribute to the company's environmental objectives.

This may include:

- Providing guidance on lower-carbon business practices.
- Promoting sustainable travel and commuting options.
- Encouraging responsible use of company equipment and technology.

- Providing relevant environmental training and communications.
- Inviting employees to suggest practical emissions-reduction initiatives.

- Participation in voluntary environmental initiatives will not be used to replace company-level emissions-reduction measures.

11. Governance and Responsibilities

Overall responsibility for this policy rests with COO, Chris Bell.

Operational responsibility may be assigned to Administration, with support from relevant functions including:

- Executive Management
- Marketing

Management will review progress against relevant targets at least annually.

12. Reporting and Transparency

SmarterPay Ltd will maintain appropriate records supporting its carbon inventory, reduction activities, and any use of carbon credits or removals.

Where appropriate, the company may publish information regarding:

- Its emissions footprint
- Emissions-reduction targets
- Progress against targets
- Significant reduction initiatives
- Renewable-energy use
- Treatment of residual emissions

Environmental claims will be accurate, proportionate, and supported by available evidence.

13. Compliance

SmarterPay Ltd will comply with applicable environmental laws, regulations, contractual requirements, and reporting obligations in the jurisdictions in which it operates.

Where recognised standards or frameworks are adopted, the company will document the relevant methodology and any material limitations.

14. Continuous Improvement

This policy will be reviewed at least annually and updated where appropriate to reflect:

- Changes in the company's operations or organisational structure.
- Improvements in emissions data and measurement methodologies.
- Changes in relevant legislation or standards.
- Advances in technology.
- Developments in climate science and best practice.
- Progress towards the company's emissions-reduction targets.

15. Approval

This policy has been approved by:

Name: Chris Bell

Position: COO

Date: 05/01/2026

Next Review Date: 05/01/2027