CLIMATE TRANSITION PLAN

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1. FOREWORD

1.1. Approach to Transition Planning

At Version 1, we believe that climate change and biodiversity loss are challenges that concern us all—and that everyone has a role to play. We are committed to taking action to reduce our environmental impact and to supporting others to do the same. Our climate ambition is grounded in both responsibility and opportunity. As we move forward, we remain committed not only to achieving our own environmental, social, and governance (ESG) goals, but also to enabling our customers to meet theirs. Through collaboration, shared learning, and innovative solutions, we see powerful potential to drive sustainability beyond our own operations.

In 2024, we deepened our understanding of our wider impact across the value chain—strengthening partnerships with suppliers and customers alike. These relationships are increasingly rooted in ethical and sustainable practices that support long-term growth. We have also evolved our social impact strategy by consolidating our *Education & Employability* and *Community First* pillars into a new *Giving Back* pillar. Our remaining five ESG pillars—*Environmental Sustainability, Health and Wellbeing, Diversity, Inclusion and Belonging, Responsible Procurement,* and *Giving Back*—remain aligned to the UN Sustainable Development Goals that are most material to our business.

Looking ahead to 2025 and beyond, Version 1 is progressing on its journey to a low-carbon economy. A major milestone this year was completing our first double materiality assessment (DMA) under the Corporate Sustainability Reporting Directive (CSRD). This rigorous process, shaped by sector screening and stakeholder engagement, confirmed *ESRS E1 – Climate Change* as a key material topic.

This Climate Transition Plan reflects our strategic commitment to climate action. It goes beyond regulatory alignment to embed decarbonisation into our business model. We have measured our emissions, identified key levers for reduction, mapped a roadmap for transition, and assessed both the risks and opportunities posed by climate change. These steps are helping to future-proof our operations—and those of our customers—through meaningful and measurable action.

1.2. Greenhouse Gas Emissions Target

In 2021, Version 1 set internal net zero targets using a 2019 baseline: to reach net zero in our operations (Scopes 1 and 2) by 2025, and across our full value chain (Scope 3) by 2035. As our ambition matured, we aligned with the Science Based Targets initiative (SBTi) Net-Zero Standard, resetting our baseline to 2022 and shifting our focus to deep, science-based emissions reductions.

Against this 2022 baseline, we have already achieved a 37% reduction in Scope 1 and 2 emissions combined and a 74% reduction in Scope 3 emissions—significant progress that reflects five years of action and recent acceleration.

These reductions have been delivered through targeted interventions: switching to 100% renewable electricity in nearly all offices, optimising building energy use with LED

upgrades and smart sensors and embedding energy-efficient practices across our estate. Our hybrid "Naturally Digital" working model has also played a critical role in emissions reduction—cutting absolute commuting emissions by 67% compared to pre-pandemic levels.

Internally, we are building a culture of climate action. The recent launch of the Version 1 Climate School—our new role-based climate literacy programme—aims to equip employees across functions with the skills, understanding, and urgency needed to reduce emissions in their day-to-day work. Designed as a short, engaging, self-paced training, it ensures our people can understand the science, the impact, and the business relevance of climate change.

Waste reduction is another key focus. We are committed to achieving zero waste offices by 2030 and are already making strong progress. We have eliminated e-waste to landfill, with 96% of e-waste now repurposed, re-manufactured, re-sold, or donated. In our physical offices, 92% of office waste is currently diverted from landfill, supported by dedicated signage, local waste audits, and ongoing staff engagement.

Beyond our own footprint, we recognise the dual role we play in transforming the digital ecosystem:

- **Greening of IT**: Optimising cloud infrastructure, modernising legacy systems, and reducing digital emissions—backed by tools such as our Migration Carbon Emissions Savings Calculator and certified Green Software Practitioners.
- **Greening by IT**: Helping customers across sectors—from manufacturing to finance—embed sustainability into their operations through data, automation, and digital innovation.

Looking ahead, the implementation of our Sustainable Procurement Policy and Supplier Engagement Plan will be key to value chain decarbonisation. We are targeting 80% of key suppliers to have emissions reduction targets in place by 2025.

While we no longer rely on offsetting to achieve carbon neutrality, we continue to support nature-based solutions. Since 2021, we've prevented over 7,100 tCO_2e through 17 verified carbon avoidance projects, in more recent years to offset our business travel emissions. We also fund the planting of a tree for every new employee, reinforcing our long-term commitment to environmental restoration.

At Version 1, we're not just meeting regulatory expectations—we're building a resilient, low-carbon business, and enabling others to do the same.

1.3. Standards

While the international landscape for climate transition planning standards continues to evolve, Version 1 is committed to aligning with emerging best practice and regulatory expectations. In the European context, the Corporate Sustainability Reporting Directive (CSRD) requires companies to disclose how their business models and strategies support the transition to a sustainable, climate-resilient economy.

To ensure that our Climate Transition Plan reflects a credible and robust approach, we have aligned its structure and content to the following key standards and frameworks:

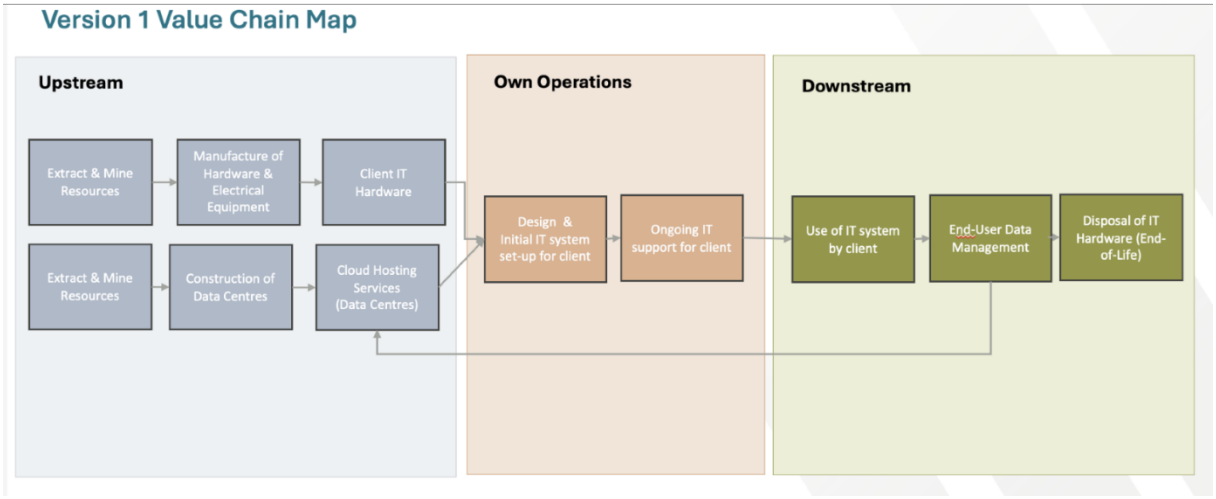
- Carbon Disclosure Project (CDP) Transition Plan Technical Note: This guidance outlines the components of a credible climate transition plan for organisations disclosing through CDP. Our plan has adopted this framework to ensure clarity, transparency, and alignment with stakeholder expectations.
- European Sustainability Reporting Standards (ESRS): These standards provide the reporting architecture mandated by the CSRD. Our disclosures reflect alignment with ESRS E1 – Climate Change, as identified through our recent double materiality assessment, and we continue to monitor the evolving ESRS implementation guidance to ensure full compliance.
- While Version 1 is not subject to the EU Paris-Aligned Benchmark (PAB) criteria, we are committed to pursuing science-aligned climate targets and principles that reflect the ambition of the Paris Agreement.

By embedding these standards into the foundation of our climate strategy, we aim to ensure that our transition plan is not only regulatory-ready but also aligned with stakeholder expectations for transparency, credibility, and long-term impact.

1.4. Business Model Mapping

This Climate Transition Plan outlines Version 1's strategic pathway to decarbonisation in line with our public climate commitments and science-based targets. A key element of this process involves critically assessing our current business activities and identifying where strategic transformation is required across our operations and value chain.

Our double materiality assessment, conducted in alignment with the CSRD, served as a foundation for this analysis. It highlighted the business functions most exposed to climate-related risks and opportunities and helped us identify where we can drive the greatest impact through emissions reductions and climate resilience.



- **Upstream**

Our upstream activities include procurement of client IT hardware and cloud hosting services. As we do not own data centres, the emissions intensity of these services lies with third parties. However, we believe it is essential that our supply chain reflects the same ambition we hold ourselves to. That's why we are actively engaging with suppliers and driving alignment through our Sustainable Procurement Policy and Supplier Engagement

Plan. As of 2024, 50% of our key suppliers have emissions reduction targets in place, and we are working to increase this to 80% by end 2025.

- **Own Operations**

Our internal operations encompass the design, build, and ongoing support of IT systems for clients. Decarbonisation of our operational footprint is a strategic priority, and we have made strong progress across energy efficiency, electrification, and waste management.

- 98% of our office portfolio runs entirely on electricity, with the remaining site due for decommissioning in 2025.
- 100% of our offices have transitioned to LED lighting and motion-activated PIR sensors to reduce unnecessary energy consumption.
- 98% of our electricity is sourced from renewable providers, supporting our net zero by 2025 target for operational emissions.
- We have also made strong gains in resource use and circularity, with zero e-waste sent to landfill and 92% of general office waste now diverted from landfill through reuse, recycling, and energy recovery.

This integrated approach is helping us embed climate-conscious practices into the core of how we operate, delivering both carbon and cost savings while reducing our environmental impact.

The visual representation of our value chain, informed by our materiality assessment, illustrates how decarbonisation efforts are being mapped across upstream, operational, and downstream activities.

2. CLIMATE POLICY

Version 1 has adopted a comprehensive Environmental Policy aligned with the objectives of the Paris Agreement. We are committed to limiting global temperature rise to well below 2°C, with efforts to cap it at 1.5°C, by pursuing science-based targets focused on reducing greenhouse gas emissions, improving energy efficiency, and increasing the use of renewable energy.

Our policy is built on six core environmental themes that underpin our climate strategy:

- Emission Reduction
- Waste and Conservation
- Education and Mobilisation
- Collaboration
- Innovation
- Green Procurement

Greenhouse gas emissions are calculated in line with ISO 14064-3, and we ensure full compliance with applicable environmental legislation. The policy is not just a written commitment—it is actively championed by senior leadership, with oversight from our Directors and Management Teams. Their involvement reinforces our broader goals of pollution prevention, resource conservation, and responsible consumption.

All environmental-related policies are stored centrally within our Integrated Management System, where they are subject to regular review and updates. In addition to our core Environmental Policy, a number of supporting policies directly contribute to our climate targets and reflect our company values:

- **Sustainable Group Business Travel Policy**: Encourages environmentally responsible travel practices.
- **Hybrid Working Policy**: Supports emissions reduction through reduced commuting.
- **Environmental Policy**: Establishes governance, risk management, and accountability for sustainability across our operations.

Additional supporting documents address hazardous substances, waste management, and refrigeration gases, ensuring our environmental management system is comprehensive and robust.

We also provide relevant training and information to all employees to ensure effective implementation of these policies and raise awareness of the environmental impact of our activities. This helps embed climate-conscious behaviours into our culture and everyday operations.

Version 1 has set clear and measurable environmental objectives, including our commitment to achieve net zero across our value chain by 2045. We report progress annually through the Carbon Disclosure Project (CDP) and maintain certification to the ISO 14001:2015 standard. Through ongoing improvement and adaptation, our climate policy ensures we remain aligned with evolving regulations and the increasing urgency of climate action.

3. GOVERNANCE

3.1. Board-Level Oversight

Strong governance is fundamental to the success of our Climate Transition Plan. At Version 1, climate-related oversight sits at the highest levels of the organisation, involving the CEO, CFO, COO, Head of ESG, Environmental Sustainability Manager, Risk Manager, and Procurement Manager. Environmental and climate considerations are fully integrated into our strategic decision-making, ensuring they are embedded across both operations and governance.

Our senior leadership team is responsible for approving and overseeing our sustainability policies and climate-related strategies. Their active involvement ensures that carbon reduction initiatives are aligned with our overall business priorities and that the organisation remains focused on delivering meaningful results. This integrated approach drives continual improvement and reinforces our long-term ambition to become a low-carbon business.

Environmental goals and actions are embedded into our annual business planning process, guided by our Climate Transition Plan. The Head of ESG reports quarterly to the Board of Management, providing updates on progress and alignment with strategic objectives. In addition, monthly Business Review Meetings (BRMs) with senior leaders ensure that any potential risks or barriers are surfaced early, enabling proactive course correction.

Environmental targets are developed by the Environmental Sustainability Manager, validated by the Head of ESG, and submitted to the Board for approval. This ensures that targets are ambitious, credible, and achievable - anchored in both operational realities and strategic intent. This structured and collaborative governance framework enables Version 1 to remain agile and accountable, continuously evolving our approach to meet the accelerating demands of climate action.

3.2. Managing Climate Risks and Opportunities

Oversight of climate-related risks and opportunities is led by our Chief Operating Officer (COO), who reports directly to the CEO and is a member of the Board. The COO ensures that climate resilience is embedded into our operational strategy, compliance processes, and employee engagement efforts. This includes oversight of environmentally focused strategies and incentive structures designed to promote sustainable behaviours across the business.

Climate priorities are reflected in our business planning and quarterly objectives, ensuring every part of the organisation contributes to the achievement of our environmental goals.

3.3. Building Board-Level Competency

Following our acquisition by Partners Group, a new Board member with ESG expertise was appointed to further strengthen our climate governance. As a signatory of the UN

Principles for Responsible Investment, Partners Group actively shares ESG best practice across its portfolio. Our appointed Board member also brings cross-sectoral experience from another Partners Group company that successfully embedded sustainability into its business model and achieved EcoVadis Gold status—placing it among the top 2% of companies globally.

In addition to this leadership expertise, our CFO contributes best in class insight into environmental reporting, while our People Success Coaches support leadership development and employee training, helping to inspire climate action across all levels of the business.

Together, this comprehensive governance model ensures that climate action is driven from the top and translated into meaningful action across the organisation.

3.4. Culture

Our Climate Transition Plan is a reflection of Version 1's core values – Honesty and Integrity, Excellence, No Ego, Customer First, Personal Commitment, and Drive. These values shape not only how we operate, but also how we respond to the challenge of climate change. The need for climate action is reinforced by three key drivers that influence both our business strategy and culture:

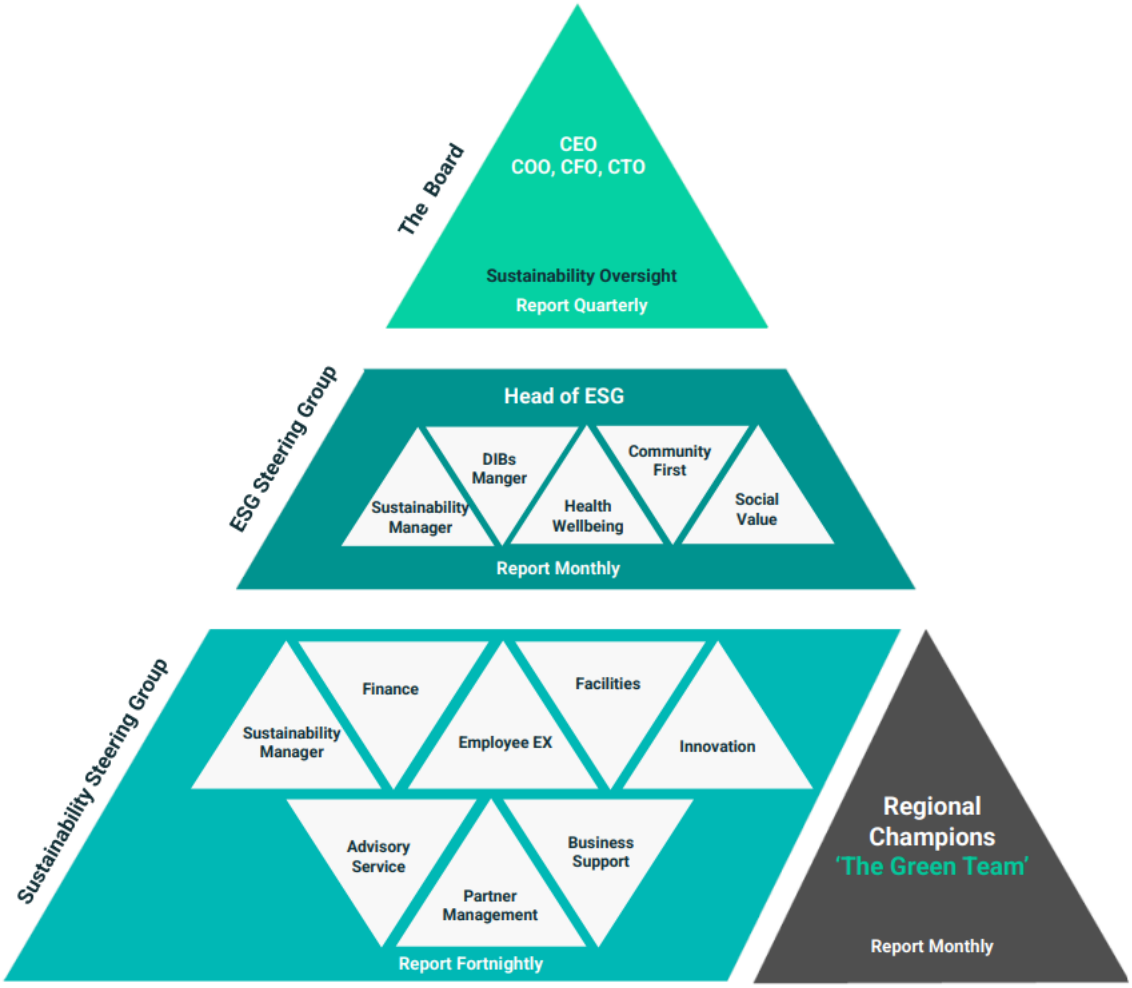
- **Customer Expectations**: Growing demand for environmentally responsible partners and sustainable, low-carbon supply chains.
- **Regulatory Compliance**: Anticipating and preparing for evolving requirements, including the Corporate Sustainability Reporting Directive (CSRD).
- **Market Trends**: Responding to the accelerating transition to a green economy and the commercial opportunities it brings.

To meet these drivers, we are embedding sustainability into our culture at every level of the organisation. Our approach includes:

- **Travel and Work Policies**: Sustainable travel guidelines and hybrid working arrangements that reduce emissions, particularly from commuting and business travel.
- **Facilities Improvements**: Investment in renewable electricity across offices, upgrades to LED lighting, and the deployment of smart energy-saving technologies.
- **Education and Engagement**: Quarterly campaigns and activities focused on climate education, biodiversity, waste, and behaviour change—delivered in partnership with initiatives such as the AXA Climate School.
- **Innovation**: A dedicated team is focused on developing digital solutions that reduce emissions, improve efficiency, and support customer sustainability goals.

We actively cultivate a culture of sustainability through regular employee engagement, including annual environmental surveys and cross-functional collaboration. Our "Responsibility and Accountability" framework assigns environmental ownership to specific business functions, with oversight by the ESG team to ensure alignment and impact.

By making sustainability a shared responsibility—woven into daily decision-making, supported by leadership, and championed across teams—we are creating a workplace where employees are motivated and empowered to contribute to our collective climate goals.



Sustainability Governance in Version 1

3.5. Incentives and Remuneration

Sustainability performance is integrated into Version 1's quarterly objective-setting and bonus structure, ensuring alignment with our overall Business Plan across all levels of the organisation—from senior leadership to operational teams.

While environmental targets are not embedded in every individual's goals, a number of key roles – including the CEO, COO, CFO, CTO, Facilities Manager, Environmental Sustainability Manager, and Procurement Team – carry specific objectives linked to our net zero and sustainability strategy. These include:

- Reducing greenhouse gas emissions
- Implementing emission reduction initiatives
- Delivering on climate transition actions
- Supporting broader environmental targets

This approach embeds accountability at the leadership level, while also encouraging collaboration across teams to deliver on shared sustainability outcomes. By linking performance incentives to progress on business objectives, which include sustainability commitments, we reinforce the importance of climate action in achieving Version 1's long-term goals.

Objectives and targets are reviewed annually to remain consistent with evolving regulations, science, and business priorities, keeping sustainability performance relevant, ambitious, and actionable.

3.6. Skills, Competencies and Training

Building climate literacy and capability across our workforce is a core pillar of Version 1's Climate Transition Plan. In 2025 we launched the Version 1 Climate School, delivered in partnership with AXA Climate School, to equip employees with the knowledge and confidence to take action on climate change. This short, role-based training is available via our Learning Management System and focuses on the science of climate change, the impacts on business and society, and how individuals can contribute to a low-carbon future through their day-to-day work.

This programme was identified by the ESG Team and approved at C-suite level, underlining our leadership's commitment to embedding sustainability across the organisation. Training completion is monitored and tracked through our learning platform, ensuring accountability and visibility of progress.

As we decarbonise our business and support our customers to do the same, we recognise the need to continuously develop and deepen the following skills across key functions:

- **Carbon Accounting and Data Analysis**: Building capability to accurately measure, report, and reduce the carbon footprint of services and operations in line with evolving standards.
- **Sustainable Procurement**: Ensuring our teams can evaluate suppliers based on environmental impact and embed sustainability into procurement decisions.
- **Change Management and Employee Engagement**: Supporting cultural and operational change through strong internal engagement and leadership at all levels.
- **Climate Risk and Resilience**: Following the completion of our first climate scenario analysis, we will further invest in developing skills in climate risk assessment and adaptation planning.

By addressing these skills gaps through targeted training and development, we are empowering our people to drive progress on climate goals and strengthening our collective ability to deliver a sustainable, future-ready business.

3.7. Progress of Implementation

Version 1 has been calculating its greenhouse gas emissions since 2019, laying the foundation for informed climate action. In 2021, we developed our first Environmental Strategy and launched a timebound Climate Action Plan aimed at reducing emissions in line

with our internally set intensity-based net zero targets. Since then, our understanding and approach to climate action have matured significantly. We have since established Science-Based Targets, further aligning our strategy with global best practices.

Version 1 formally launched its Climate Transition Plan in 2025 marking a significant milestone in our journey, bringing together the progress already made across emissions reduction, employee engagement, governance, and resilience into a unified framework.

Implementation is well underway, with key actions embedded in our business planning cycles, governance structures, and employee engagement programmes. We remain committed to tracking, reviewing, and reporting on progress annually, ensuring continuous improvement and clear accountability as we work toward our long-term climate goals.

4. FINANCIAL PLANNING

Version 1 recognises the critical importance of integrating climate considerations into financial planning and investment decisions.

We have taken key steps to advance climate resilience, including a comprehensive Climate Resilience and Scenario Analysis which quantified the potential financial impacts of identified climate-related risks and opportunities, as well as the estimated cost of mitigation and adaptation responses.

While we have not yet disclosed the specific financial resources allocated to implementing this Climate Transition Plan, this is a strategic priority for the coming years. Similarly, EU Taxonomy alignment and disclosure have not yet been completed but are firmly embedded in our sustainability roadmap as we continue to mature our reporting in line with evolving regulatory expectations.

We are committed to enhancing transparency and ensuring that future financial planning fully supports the successful delivery of our climate objectives.

5. CLIMATE RESILIENCE AND SCENARIO ANALYSIS

Version 1 conducts an annual climate scenario analysis to assess the resilience of our business to the evolving impacts of climate change. This analysis builds on our double materiality assessment and draws on recognised scientific frameworks, including the IPCC AR6 and NGFS climate models, to evaluate both physical and transition risks, as well as emerging opportunities.

The assessment covers our global operations, with a focus on the regions and functions where climate-related risks are most material–and where we can deliver the greatest positive impact through adaptation and mitigation.

Key Findings:

Physical Risks

Climate-induced disruptions such as extreme heat and water stress are projected to increase significantly in the coming decades.

- Heatwaves are expected to double under a 2°C scenario and increase fivefold under a 4°C scenario, posing risks to labour productivity and operational continuity–particularly in high-exposure regions such as India and Australia.
- Water scarcity presents potential operational risks for data centre infrastructure, especially in drought-prone areas.

Transition Risks

The shift toward a low-carbon economy brings regulatory, financial, and market risks:

- Stricter ESG regulations, increased customer demand for low-carbon services, and the introduction of carbon pricing may impact our competitive positioning.
- Failure to align with evolving sustainability expectations could limit access to green finance, affecting long-term growth and investment potential.

Opportunities

Proactive climate action offers strategic business advantages:

- Growth in sustainable digital services, energy-efficient operations, and strong ESG credentials position us to unlock cost savings, attract climate-conscious investors, and enter new markets.
- We are well-placed to support customers through both the greening of IT (reducing digital emissions) and the greening by IT (enabling climate-smart transformation through technology).

Our response strategy includes measures to strengthen operational resilience, deploy energy-efficient technologies, and collaborate with stakeholders to mitigate and adapt to emerging risks. For further detail on financial implications and adaptation measures, please refer to our Climate Resilience and Scenario Analysis Report.

6. CARBON FOOTPRINT AND TARGETS

Version 1 defines its GHG emissions boundary using the operational control approach, in line with the GHG Protocol Corporate Standard. This means we account for 100% of the emissions from operations over which we have operational control.

Our organizational boundary includes all offices where we maintain operational control across Ireland, the United Kingdom, Slovenia, Spain, Australia, India, and the United States. This ensures a consistent and transparent basis for tracking our emissions across global operations.

In 2023, we enhanced the accuracy of our purchased goods and services emissions reporting by transitioning from the retired Quantis Scope 3 Evaluator to an Environmentally Extended Input-Output (EEIO) model, aligned with Science Based Targets guidance. This shift significantly improved the quality and relevance of our emissions data, resulting in a 79% reduction in reported purchased goods and services emissions due to more precise attribution.

We maintained this EEIO methodology in 2024, supporting year-on-year consistency and expanding our reporting to include well-to-tank and tank-to-wheel emissions across all transport modes.

These methodological updates, along with operational changes, contributed to a further 19% reduction in our total reported emissions in 2024.

6.1. Emission Reduction Targets

Version 1 has set clear and measurable emission reduction targets to guide our progress toward net zero. These targets reflect both our original intensity-based commitments and our alignment with the Science Based Targets initiative (SBTi), ensuring our trajectory is in line with climate science and the goals of the Paris Agreement.

Our targets have evolved as our climate maturity has deepened. We continue to track progress against our original 2019 baseline, while adopting absolute reduction targets based on a more recent 2022 baseline to support SBTi validation.

Intensity-based Net Zero Targets (2019 baseline)

- Reduce Scope 1 and 2 emissions per capita to net zero by 2025
- Reduce Scope 3 emissions per capita to net zero by 2035

Science-Based Near-Term Targets (2022 baseline)

(*Approved by SBTi*)

- Reduce Scope 1 and 2 absolute emissions by 50% by 2032
- Reduce Scope 3 **absolute emissions by 30% by 2032**

Science-Based Net Zero Targets (2022 baseline)

(*Approved by SBTi*)

- Reduce Scope 1 and 2 absolute emissions by 90% by 2045

- Reduce Scope 3 absolute emissions by 90% by 2045

These targets serve as a roadmap for our decarbonisation strategy and provide accountability as we embed climate action across our operations, supply chain, and services.

The following are the details of Version 1's carbon footprint

6.2. Scope 1, 2 and 3 emissions

Scopes	2022 tC02e	2024 tC02e	% reduction in 2024	Near-term Target 2032	Net Zero Target 2045
Scope 1	11.7	10.3	11%	50.4%	90%
Scope 2 *	37.6	21.8	42%	50.4%	90%
Scope 3	25,129.20	6,451.50	74%	30%	90%
Total	**25,178.50**	**6,483.63**	**74%**		

*Market-based

6.3. Locked-in GHG Emissions

Understanding and assessing locked-in greenhouse gas emissions is a growing area of focus for Version 1, as we continue to mature our climate strategy and address long-term decarbonisation challenges.

Locked-in emissions refer to future GHG emissions that are likely to occur due to existing investments, assets, or contractual arrangements—regardless of ongoing efforts to decarbonise. These emissions are effectively "committed" based on decisions already made, and may persist throughout the lifetime of the associated infrastructure or contract.

For Version 1, key examples of potential locked-in emissions include:

- **Data Centre Contracts**: Long-term agreements (e.g., 10-year contracts) with cloud providers operating in regions where electricity grids are still heavily reliant on fossil fuels—such as parts of Southeast Asia or the United States. These arrangements may result in indirect (Scope 3) emissions that are committed for the duration of the contract.
- **Internal IT Infrastructure**: Office equipment, laptops, and servers typically follow a 5–7 year depreciation cycle. These assets consume electricity throughout their lifetime, meaning that upgrades to more energy-efficient alternatives are delayed—resulting in continued Scope 2 and 3 emissions until replacement.

As we progress in 2025 and beyond, assessing and disclosing locked-in emissions will form part of our broader climate risk management framework. This will enable more informed decisions about capital investment, procurement, and IT planning in the context of long-term net zero goals.

7. DECARBONISATION STRATEGY AND IMPLEMENTATION

7.1. Introduction

Version 1's decarbonisation strategy outlines a structured, scenario-based approach to reducing greenhouse gas emissions across Scopes 1, 2, and 3. As the urgency of climate action accelerates, this strategy provides a clear, science-aligned framework to guide our transition to a low-carbon future—anchored in global climate goals and best practice.

Our methodology consists of five key components:

- **Baseline Emissions Assessment**
  A full review of current emissions across our operations and value chain, serving as the foundation for strategic planning.
- **Business-as-Usual (BAU) Forecasting**
  Emissions projections assuming no further mitigation, to help quantify the gap between current practices and net zero goals.
- **Decarbonisation Levers**
  Identification and evaluation of emissions reduction opportunities—including energy efficiency, electrification, renewable energy, sustainable procurement, and supplier engagement.
- **Scenario Modelling**
  Assessment of different pathways and timelines to achieve our climate targets, incorporating operational, technological, and policy variables.
- **Implementation Roadmap**
  A phased plan for delivery of short-, medium-, and long-term decarbonisation actions across the business.

While detailed financial modelling is outside the scope of this plan, it prioritises the most impactful opportunities for reducing emissions in line with the Science Based Targets initiative (SBTi), the Net Zero Standard, and emerging regulatory and investor expectations.

This strategy was developed through cross-functional collaboration and is designed to be dynamic—enabling Version 1 to make informed, adaptive decisions as we respond to new risks, technologies, and business realities. It forms a critical part of our broader commitment to managing climate risk, delivering on our sustainability goals, and supporting the global transition to a net zero economy.

7.2. Decarbonisation Pathway Modelling Methodology

Version 1 applies a structured and data-driven methodology to model decarbonisation pathways. This approach helps us understand past and future emissions trends, identify high-impact intervention areas, and evaluate strategies to meet our emission reduction targets in line with climate science.

The key components of our modelling approach are:

- **Analysis of Historic Emissions**

We analyse historical greenhouse gas emissions across all major sources to identify emissions hotspots—the activities with the greatest impact. Statistical analysis, including regression modelling, is used to uncover trends and key drivers. This forms the baseline for prioritising emissions reduction efforts.

- **Emission Forecasting**

  A business-as-usual (BAU) emissions scenario is developed using linear regression, factoring in historical emissions trends, expected business growth, and external influences such as policy shifts and energy market changes. Anticipated industry improvements, such as energy efficiency gains or cleaner electricity grids, are reflected by applying expected percentage reductions to emission factors over time.

- **Inclusion of Decarbonisation Levers**

  Identified decarbonisation initiatives—such as renewable electricity adoption, fuel switching, or electrification—are layered into the model. These are incorporated as either emissions reductions or replacements. For example, switching from diesel to Hydrotreated Vegetable Oil (HVO) is modelled by applying HVO's emission factor to the forecasted diesel consumption, reflecting the potential savings.

- **Scenario Analysis**

  We build multiple decarbonisation scenarios by combining different levers at varying levels of ambition. Each scenario explores a unique pathway, illustrating how different combinations of strategies may impact Version 1's ability to meet near- and long-term climate targets.

This methodology provides a flexible and robust framework to support strategic decision-making. By integrating real-world data, forecasting techniques, and science-based assumptions, it ensures Version 1's decarbonisation strategy remains credible, responsive, and aligned with our climate commitments.

7.3. Decarbonisation Levers

Version 1's decarbonisation strategy combines expected industry-wide improvements with targeted organisational actions to reduce emissions across Scopes 1, 2, and 3. Together, these levers support a structured and science-based approach to achieving our climate goals.

7.3.1. Expected Industry and Sectoral Improvements

Projected external improvements are based on Ireland's Environmental Protection Agency (EPA) GHG Emissions Projections Report, which outlines anticipated emission reductions by sector. These improvements are expected to reduce emissions without requiring direct intervention from Version 1 and are incorporated into our modelling through adjusted emission factors.

Key drivers include:

- **Technological Advancements**: Increased energy efficiency, fuel switching, and the adoption of low-carbon production technologies.
- **Regulatory and Policy Measures**: EU and national decarbonisation mandates, including the EU Emissions Trading System (EU ETS).
- **Renewable Energy Growth**: Rising share of wind, solar, and other renewables in national grids, lowering the carbon intensity of purchased electricity.

- **Sectoral Transformation**: Industry-wide shifts toward lower-carbon operations and supply chains.

By integrating these assumptions into our emissions forecast, we can more accurately model future reductions under a business-as-usual (BAU) scenario and layer in additional interventions as needed.

7.4. Organisational Decarbonisation Levers

To accelerate emissions reduction beyond sectoral trends, Version 1 has identified a suite of targeted initiatives, grouped into strategic focus areas:

Lever Category	Description
Renewable Energy Adoption	Procurement of RECs or GoOs; onsite solar installations; EV charging infrastructure.
Energy Efficiency & Management	Smart sensors, LED upgrades, Building Energy Management Systems (BEMS), HVAC optimisation, insulation, and energy audits.
Carbon-Conscious Building Design	Use of low-carbon materials; leak prevention in HVAC; heat pump integration; water efficiency.
Services Decarbonisation	Cloud optimisation, energy-efficient algorithms, eco-certified hardware, low-impact IT design.
Sustainable Office Practices	Waste reduction, digital-first processes, reusable materials, remote working policies.
Transportation & Mobility	Public transport incentives, EV schemes, carpooling, sustainable travel policies.
Circular Economy & Resources	Refurbished tech, responsible disposal, supplier engagement, and take-back schemes.

These levers offer practical, scalable solutions to reduce emissions across our operations and supply chain. Implementation is aligned with our Decarbonisation Roadmap, supporting our commitments under the Science Based Targets initiative (SBTi) and evolving regulatory expectations.

For further detail on planned initiatives, timelines, and implementation stages, please refer to Version 1's Decarbonisation Roadmap Report 2025.

7.5. Decarbonisation Pathway Modelling Results

The following images present a visual summary of Version 1's decarbonisation pathway modelling, highlighting the projected trajectory of emissions across Scopes 1, 2, and 3 under various assumptions and interventions.

Overview

These charts begin with our baseline 2022 organisational carbon footprint and apply scenario-based modelling to forecast emissions over time. The model incorporates:

- Expected business growth, which may contribute to increased emissions (shown as "Growth" bars). Where this bar appears absent or minimal, growth is present but has negligible impact.
- Industry-level improvements, including decarbonisation of electricity grids and supply chain efficiencies. These are represented by grey bars and reflect anticipated reductions from external sectoral changes, requiring no direct action from Version 1.
- Organisational decarbonisation levers, represented by green bars, which illustrate the potential impact of targeted internal actions—such as energy efficiency, renewable energy procurement, and supplier engagement. These reductions are modelled to show what could be achieved if best practices are adopted but do not reflect confirmed commitments.

Each pathway is evaluated against climate targets aligned with the Science Based Targets initiative (SBTi). Benchmarks for limiting warming to 1.5°C or well below 2°C are included on the right of each figure to assess alignment with science-based ambition.

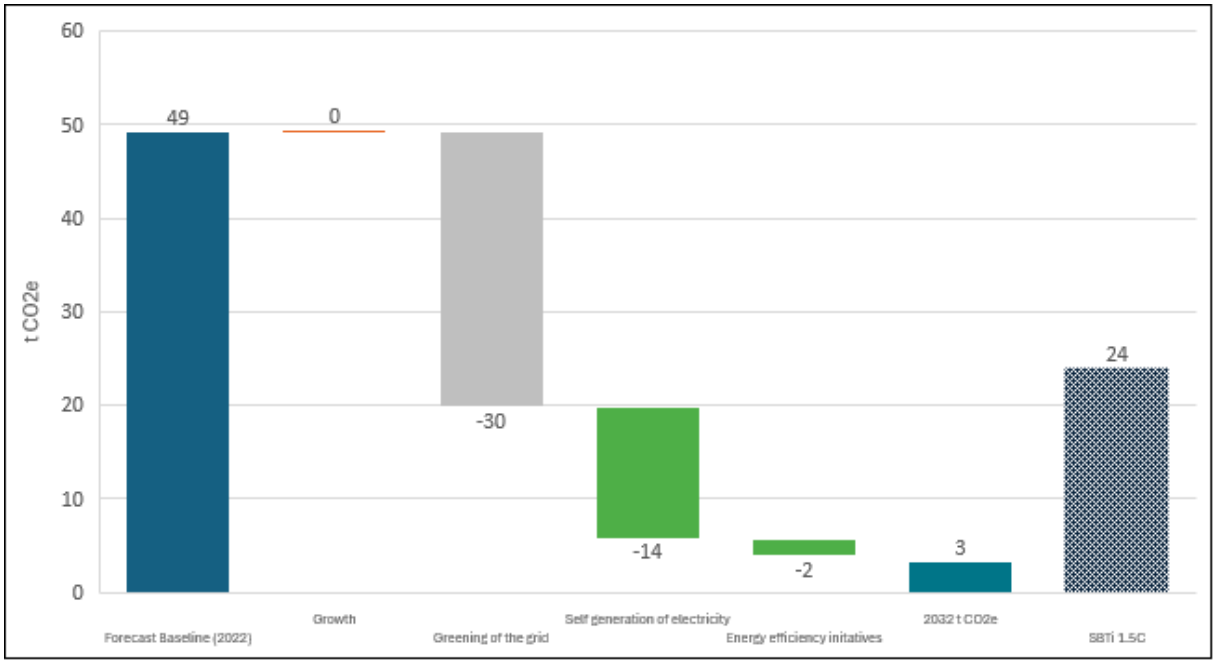


Figure 1 – Version 1 S1&2 – Abatement potential from included levers

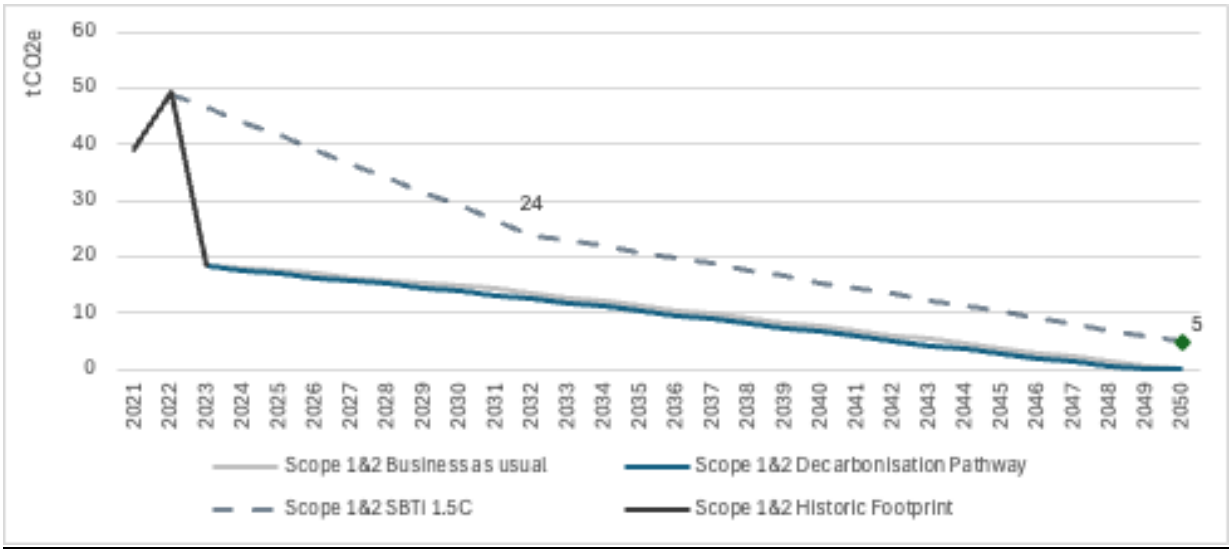


Figure 2 – Version 1 S3 – Forecast carbon footprint pathway

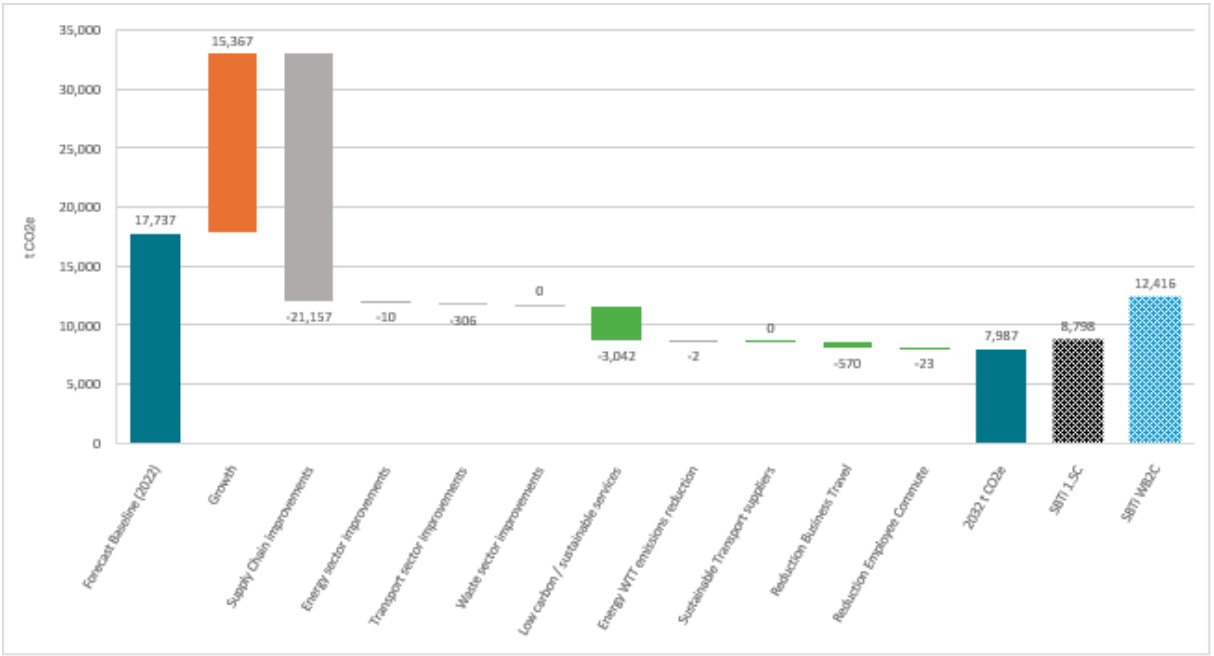


Figure 3 – Version 1 S3 – Abatement potential from included levers

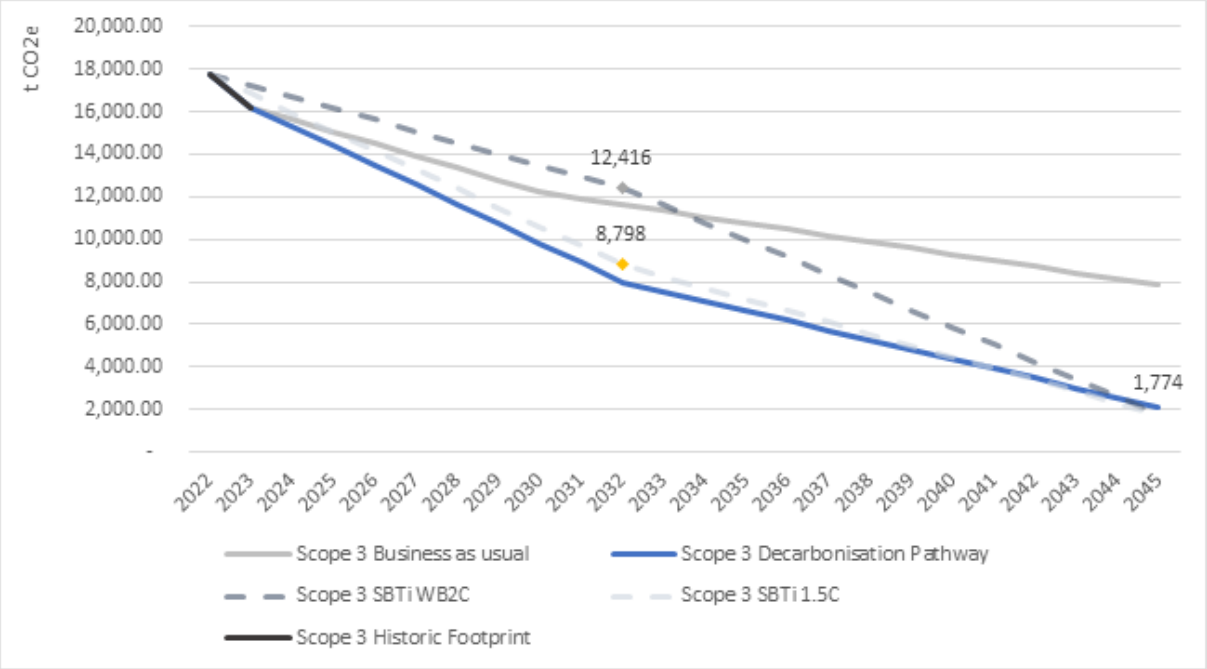


Figure 4 – Version 1 S3 – Forecast carbon footprint

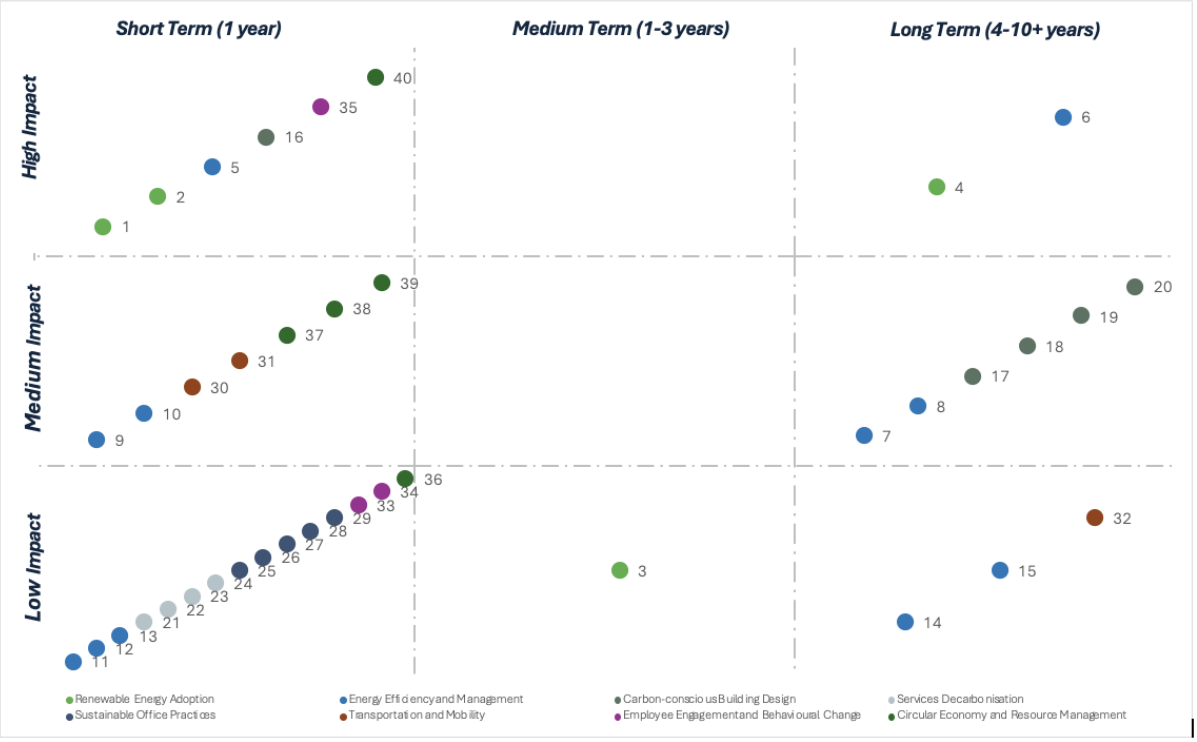
7.6. Decarbonisation Implementation Roadmap

The following table illustrates Version 1's either planned or current decarbonisation initiatives, its time horizon of occurrence and its carbon abatement potential.

Category	No.	Initiative	Time Horizon	Abatement potential
Renewable Energy Adoption	1	Procurement of renewable energy certificates (RECs) or guarantees of origin (GoOs)	**Short Term**	**High**
	2	Purchase of green energy from certified renewable energy providers	**Short Term**	**High**
	3	Expansion of existing electric car charging points at offices to support EV transition	**Medium Term**	**Low**
	4	Installation of onsite solar panels Category: Energy Efficiency and Management	**Long Term**	**High**
Energy Efficiency and Management	5	Installation of sensors to automate control of lightning	**Short Term**	**High**
	6	Implement building energy management systems (BEMS) to centralise controls	**Long Term**	**High**
	7	High level building insulation	**Long Term**	**Medium**
	8	Heat recovery systems	**Long Term**	**Medium**
	9	Smart controls and monitoring HVAC systems to optimise operations	**Short Term**	**Medium**

Energy Efficiency and Management contd.	10	Transition to LED lightning throughout offices and facilities	**Short Term Medium**
	11	Purchase of energy-efficient appliances and equipment	**Short Term Low**
	12	Scheduling of regular energy audits of the buildings	**Short Term Low**
	13	Switch-off policies for lightning, appliances, and computers outside working hours	**Short Term Low**
	14	Solar water heating	**Long Term Low**
	15	Optimisation of data centre cooling systems (e.g., liquid cooling, hot/cold aisle containment)	**Long Term Low**
Carbon-conscious Building Design	16	Avoidance of F-gases leakage in HVAC and refrigeration systems	**Short Term High**
	17	Alternative heating systems for buildings (e.g., heat pumps, geothermal heating)	**Long Term Medium**
	18	Water usage sensors	**Long Term Medium**
	19	Purchase of low embodied carbon or eco-friendly building materials/products	**Long Term Medium**
	20	Smart retrofitting of existing buildings to achieve net-zero standards	**Long Term Medium**
Services Decarbonisation	21	De-scoping/changing elements of the design of products to minimise material use and energy consumption	**Short Term Low**
	22	Integration of energy-efficient algorithms in software development	**Short Term Low**
	23	Optimisation of cloud infrastructure for energy efficiency (e.g., server virtualisation, workload optimisation)	**Short Term Low**
	24	Procurement of hardware with eco-certifications for data centres (e.g., ENERGY STAR, TCO Certified)	**Short Term Low**
Sustainable Office Practices	25	Reusable dinnerware and crockery for office kitchenette	**Short Term Low**
	26	Implementation of waste reduction strategies, including recycling programs and composting	**Short Term Low**
	27	Transition to digital-first processes to reduce paper usage	**Short Term Low**
	28	Installation of water refill stations to discourage single-use plastic bottles	**Short Term Low**
	29	Encourage remote working policies to minimise office-related emissions	**Short Term Low**

Transportation and Mobility	30	Promotion of public transport, biking, or carpooling initiatives for employees	**Short Term** **Medium**
	31	Sustainable business travel policy	**Short Term** **Medium**
	32	Provision of financial incentives for electric vehicle (EV) purchases or leasing	**Long Term** **Low**
Employee Engagement and Behavioural Change	33	Establishment of green teams or sustainability committees to champion initiatives	**Short Term** **Low**
	34	Conduct employee training on sustainability and carbon reduction best practices	**Short Term** **Low**
	35	Climate literacy training and role-based decarbonisation	**Short Term** **High**
Circular Economy and Resource Management	36	Purchase of refurbished company mobile phones	**Short Term** **Low**
	37	Implementation of hardware take-back schemes to ensure proper recycling or refurbishment	**Short Term** **Medium**
	38	Reduce, reuse, and recycle initiatives for WEEE (office electronics)	**Short Term** **Medium**
	39	Refurbish, donate, or recycle IT hardware (laptops, monitors)	**Short Term** **Medium**
	40	Collaboration with suppliers to improve the sustainability of procured products	**Short Term** **High**



8. STAKEHOLDER ENGAGEMENT

Version 1 recognises that meaningful climate action is only possible through strong stakeholder collaboration. Our Climate Transition Plan is supported by proactive engagement with suppliers, reporting bodies, and community partners to ensure a shared and inclusive approach to sustainability.

8.1. Engagement with Supply Chains and Partners

Supplier engagement is critical to achieving our indirect (Scope 3) emissions reduction targets. In 2024, we began rolling out our Sustainable Procurement Policy to both new and existing suppliers. This is supported by a Supplier Code of Conduct, which outlines our expectations around legal compliance, ethical standards, environmental performance, human rights, and health and safety.

We surveyed our highest-spend suppliers and now assess them using Sustain IQ, an ESG performance tool that evaluates partners across people, profit, and planet. This system gives each key supplier a red, amber, or green rating, allowing us to identify where collaboration is needed and where joint decarbonisation initiatives can be developed. It also gives us visibility into our supply chain diversity and highlights areas for improvement.

Our intent is to work only with suppliers who share our commitment to sustainability and responsible business. We will continue to engage and influence those within our ecosystem to adopt and deliver emissions reduction targets aligned with our climate goals.

8.2. Engagement with Reporting Frameworks

In 2025, Version 1 completed its first double materiality assessment under the Corporate Sustainability Reporting Directive (CSRD). This process enabled us to map our business model and engage upstream, downstream, and internal stakeholders—through surveys, interviews, and peer dialogue—to identify and prioritise impacts, risks, and opportunities.

Stakeholders engaged included internal leadership, financial stakeholders, industry peers, suppliers, customers, and employees. This holistic approach reinforces our commitment to inclusive decision-making and helps ensure our strategy remains responsive to the evolving sustainability landscape.

Separately, Version 1 submitted its 2024 response to the CDP (Carbon Disclosure Project), earning an A- rating, our third submission and second consecutive year achieving an A-, reflecting our progress in climate governance, risk management, and transparency.

8.3. Engagement with Communities

Through our Community First initiative, we support local charities and non-profits across all our operating regions. This includes fundraising, volunteering, and targeted sponsorships that align with four key UN Sustainable Development Goals:

- ✓ No Poverty
- ✓ Zero Hunger
- ✓ Reduced Inequalities
- ✓ Sustainable Cities and Communities

In India, we partnered with SNEH to fund a mobile medical van serving remote villages with essential healthcare services. In the UK, we supported the Samaritans to help keep crisis call centres operational. Across all regions, Version 1 employees contribute hundreds of volunteer hours annually alongside direct financial support.

Our global Community First charity partners include:

- ✓ Ireland – ALONE
- ✓ Northern Ireland – Storehouse
- ✓ Scotland – Social Bite
- ✓ England – Samaritans
- ✓ Spain – Yo Soy Tù
- ✓ India – Community First India

By engaging with our stakeholders—commercial, regulatory, and social—we continue to strengthen our sustainability approach and deliver shared value as we transition to a low-carbon future.

8.4. Engagement with Customers

At Version 1, we recognise that our customers—particularly in the public sector—are increasingly focused on the environmental, social, and economic outcomes of their projects. Since the introduction of the Public Services (Social Value) Act over a decade ago, we have actively supported our customers in delivering social value beyond contractual obligations.

Social value is a key differentiator for Version 1 in the UK and Northern Ireland. We are currently delivering on this commitment across 24 active projects that incorporate specific social value goals, aligning with the broader ESG priorities of our public sector partners.

We work closely with central government customers to understand and support their social value frameworks, contributing insights from our own ESG strategy. Our dedicated social value team leads by example—designing and delivering impactful initiatives such as:

- Workplace exposure and skills development, including over 80 placement experiences for schools.
- Partnerships with youth-focused organisations, including The Turnaround Project and City Gateway, providing support for young people returning to education or transitioning from the justice system
- Climate education initiatives, such as the delivery of Climate Fresk workshops to teenagers in partnership with Speakers for Schools, helping to build awareness and action-oriented thinking on climate change among future generations.

In recognition of our work, Version 1 was invited to speak at the Social Value UK Members Exchange, a leading forum for sharing best practices in social impact measurement and delivery.

Our deep engagement with ESG, and our hands-on delivery of community-centred initiatives, uniquely position us to support our customers in meeting their own climate and social value commitments—ensuring we are a trusted partner in driving sustainable, long-term outcomes.

9. APPENDICES

APPENDIX (I): LIST OF CLIMATE RISKS AND OPPORTUNITIES

Type	Description	Category	Financial Significance	Likelihood	Time-Horizon
Risk	Reduced labour productivity as a result of extreme weather events.	Physical - Acute	3 - High (€500k - €1m)	3 = Likely	5-10 years
Risk	Increased water stress affecting use of data centres	Physical - Chronic	3 - High (€500k - €1m)	3 = Likely	5-10 years
Risk	Risk of reputational damage due to poor ESG Performance.	Transitional – Market	3 - High (€500k - €1m)	4 = Highly Likely	2-5 years
Risk	Shifts in customer preferences toward low-carbon products/services.	Transitional – Market	3 - High (€500k - €1m)	4 = Highly Likely	5-10 years
Risk	Increased cost in energy due to high demand with limited supply of energy.	Transitional – Market	3 - High (€500k - €1m)	3 = Likely	2-5 years
Opportunity	Implement more energy efficient technologies in buildings.	Efficiency	2 - Medium (€300k-€500k)	4 = Highly Likely	Within same reporting year
Opportunity	Strong ESG performance leading to access to finance.	Market	2 - Medium (€300k-€500k)	4 = Highly Likely	Within same reporting year
Opportunity	Opportunity to move into new markets with more sustainable products.	Market	2 - Medium (€300k-€500k)	3 = Likely	2-5 years

		Likelihood			
		4 – Almost Certain	3 - Probable	2 – Possible	1 – Unlikely
Financial Significance	4 – High				
	3 – Medium				
	2 – Low				
	1 – Very Low				

Climate Scenario Analysis Time Horizons		
Short Term	Medium Term	Long Term
0-5 Years	5-10 Years	15+ Years

Appendix (ii): CSRD Alignment

Below is a table mapping the alignment of this Climate Transition Plan to the disclosure requirements of ESRS E1-1. It is important to note that a Climate Transition Plan is not mandatory as part of the CSRD, business' can opt out with a time bound declaration of intention to produce a CTP.

ESRS E1-1 Disclosure	Description	Climate Transition Plan Section
16 (a)	GHG emission reduction targets	5, 5.3
16 (b)	Decarbonisation Levers	6, 6.3
16 (c)	Decarbonisation Actions	1.3, 6.6
16 (d)	Locked in GHG emissions	5, 5.2
16 (e)	EU Taxonomy Disclosure	4
16 (f)	CapEx associated with coal, oil and gas-related economic activities.	4
16 (g)	EU Paris Aligned Benchmarks	1, 1.4
16 (h)	Transition plan is embedded in the overall strategy of the business	3, 3.1, 3.2, 3.3
16 (i)	Approval of CTP by management and supervisory bodies.	3, 3.1, 3.2, 3.3
16 (j)	Explanation on progress of CTP	3, 3.7

Appendix (iii): CDP Climate Transition Plan Alignment

Below is a table mapping the alignment of this climate transition plan to the elements of a credible Climate Transition Plan as outlined by the CDP.

CDP CTP Element	CDP CTP Sub-Elements	VERSION 1 Climate Transition Plan Section
Governance	Board Level Oversight	3, 3.1, 3.2, 3.3
	Executive incentives linked to climate performance indicators	3, 3.1, 3.2, 3.3
Scenario Analysis	Details of scenario analysis	See methodology in detailed scenario analysis report accompanying this document.
Climate Risks and Opportunities	n/a	Appendix (i)
Strategy	Link between risks, opportunities and strategy	See outcomes in detailed scenario analysis report accompanying this document.
	Transition Plan	6, 6.1 and 6.2
Financial Planning	n/a	4
Targets	n/a	5, 5.3
Emission Metrics	n/a	5
Value Chain Engagement	n/a	8

Signed:

Patrick Cooney

Version 1 CFO