

Carbon Report for Reuben Digital Ltd 2024

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Carbon Report 2024

31 January 2025

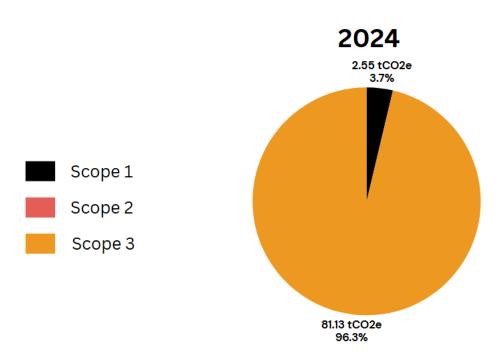
Introduction

The following report formally documents Reuben Digital's carbon emissions for the year January – December 2024. 2022 is our baseline year, against which targets are set and measured.

We've set ourselves science-based, carbon reduction targets that will lead Reuben Digital to become a net-zero company by 2050 at the latest, in line with the deadline set by the UK Government for all UK businesses.

Total carbon emissions for 2024

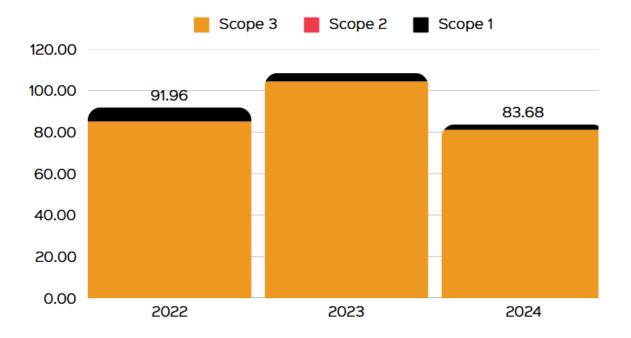
83.68 tonnes of carbon dioxide or equivalent (tCo₂e)



There has been a **22.8% drop** when compared with total carbon emissions emitted in 2023 (and a **9% reduction** compared with 2022, our base year).

Total carbon emissions for years 2022-2024

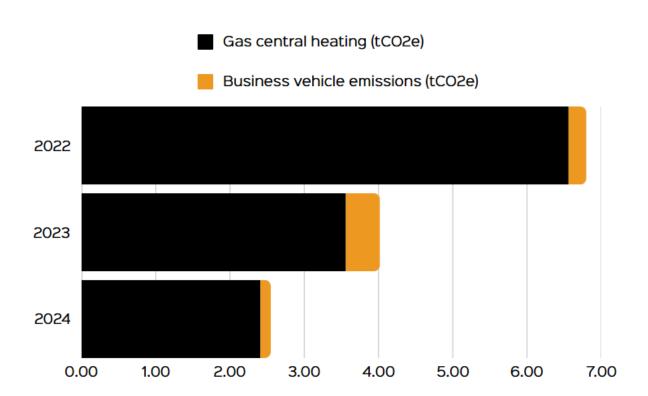
(in tonnes of carbon dioxide or equivalent, tCO2e)



The reduction seen in 2024 can largely be accounted for by the taking of some marketing and sales processes in-house, and hence saving on external consultancy and marketing services.

Scope 1

Scope 1 emissions are defined as all Direct GHG Emissions from the activities of our organisation or under our control, such as fuel combustion (gas central heating) and air-conditioning. It also includes emissions from fuel burned in our business cars.

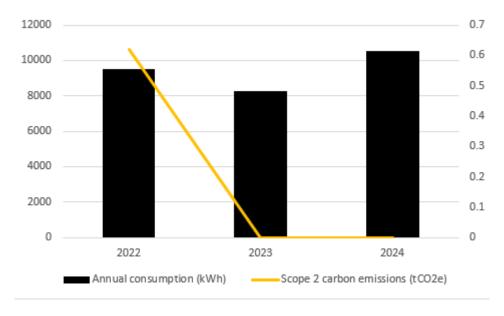


Our scope 1 emissions come predominantly from our gas central heating system. We consumed 13193 kWh in 2024, as compared to 16725 kWh in 2023 - a decline of over 21% compared to the previous year and a **drop of 56% compared with our base year**. This was due to the benefits of the more efficient boiler for a full calendar year, and possibly a milder winter.

Contributions from business miles in company cars continues to drop, as we prioritise on-line conference calls over time-consuming travel to in-person meetings.

Scope 2



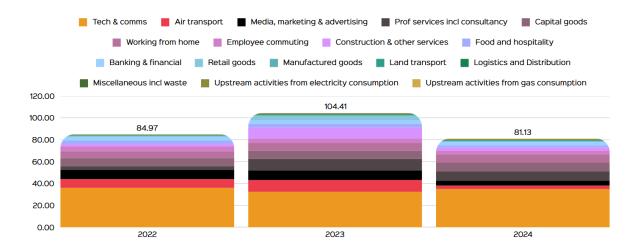


Scope 2 emissions continue to be **zero**, as we remain on our 100% renewable tariff with Valda Energy. There are still negligible (but unavoidable) emissions from upstream activities associated with electricity generation but these are defined as Scope 3 emissions.

However, overall electricity consumption rose, in 2024 as compared to 2023. This will probably be because we have more PCs powered on in the Highworth office having taken on two new members of staff during 2024. This is something we will be addressing in the first half of 2025 by a comprehensive IT infrastructure overhaul, including the phasing out the duplication of infrastructure, namely workstations in the office, then using a second machine from home to remote connect to the office. We will be consolidating this with laptops for all staff that will be used whilst at home and in the office. We will also we moving our on-premise servers to cloud based virtual solutions.

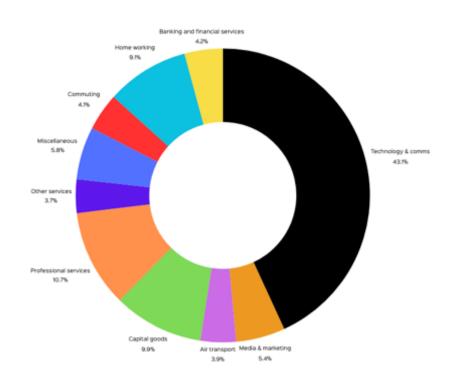
Scope 3

Scope 3 emissions cover all other indirect emissions from services and goods we pay for through our supply chain. As expected, our Scope 3 emissions made up **97% of our total emissions** for 2024 and have been calculated as **81.13 tCO2e** for 2024:



Scope 3 emissions fell by over 22% compared with 2023 and by 4.5% compared with our base year, 2022. This is because we have largely taken marketing services in-house in 2024 and, in comparison to 2023 when we completed our office refurbishment, spent less on construction services and materials. We also completed a business-wide review of all our suppliers and terminated any services, particularly software subscriptions that were no longer necessary.

Scope 3 by sector for 2024



	2024	%		
1	Technology and communications	43.1		
2	2 Professional services			
	(such as consultancy, property			
	management and legal services)			
3	Capital goods	9.9		
	(such as leased vehicles)			
4	Employees working from home	9.1		
5	Media marketing and advertising	5.4		

2023	%
Technology and communications	31.1
Air transport	10.2
Professional services (such as consultancy, property management and legal services)	10.1
Other services (such as Construction, memberships and subscriptions)	9.9
Media marketing and advertising	8.4

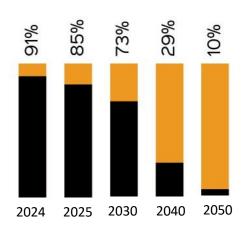
As expected, we spent most money in the **technology and communications sector**. This includes software applications that we use, as well as hosting and email services for our clients' websites. In reality, our largest spend within this sector is with Microsoft Azure who are world leaders in their class at providing low carbon hosting. We are aiming to access activity-based emission data from Microsoft direct in 2025, rather than rely on industry-average spend-based data and we envisage that the accuracy of our carbon calculations will be much improved and that we could demonstrate lower emissions as a result.

Air transport was a significant scope 3 sector for Reuben Digital in 2023; however, in 2024 only one flight was made to our Indonesian office and hence we have saved significant CO_2 emissions. We continue to offset all carbon emissions from international work trips (including accommodation and subsistence expenses) with credits purchased from Ecologi.com.

Targets

Targets as a % of base year emissions





	ACTUAL (tCOe2)			TARGETS (tCO2e)				
	2022 (base year)	Actual 2023	Actual 2024	2024	2025	2030	2040	2050
Scope 1	6.8	4.02	2.55	3.5	3.2	2.5	0	0
Scope 2	0.19	0	0	0	0	0	0	0
Scope 3	84.97	104.41	81.13	80	75	65	25	9
All scopes	91.96	108.43	83.68	83.5	78.2	67.5	27	9
% of base year emissions	100	118	91	91	85	73	29	10
Carbon off sets (tCO2e)	0		-12	-20	-30	-30	-27	-10
All scopes including carbon offsetting	91.96	96.43	71.67	63.5	48.2	37.5	0	0

Are we on track?

In summary, we achieved the 'all scopes' target for 2024 of 83.5 tCO₂e – the larger than anticipated reduction of scope 1 emissions balancing out the slightly higher than anticipated scope 3 emissions.

Our 2024 total, including offsetting, of $71.67 \text{ tCO}_2\text{e}$ is 22% lower than our base year emissions but falls short of the 63.5 tCO2e target set for 2024. This is because we only purchased 12 tonnes of carbon credits instead of 20 tonnes. This could have been easily remedied but our standpoint on offsetting is that it is not a solution to global warming and so we have chosen to only purchase carbon credits for international travel and through meaningful goal-related tree planting with Tree Nation – one tree planted per work task completed on our Monday.com board by the Reuben Digital team.

Carbon credits

In 2024, Reuben Digital purchased 12 tonnes of carbon credits:

- 8.41 tCO₂e offset with <u>Tree Nation</u>, where the majority of our trees have been planted as part of the <u>Eden Reforestation Projects in Madagascar</u>. Deforestation is a major issue in Madagascar because of its high concentration of endemic species and extreme rates of habitat loss (mangroves and upland forests). The program we support began in 2007 and since its inception Eden has successfully planted over 16 million mangrove and dry deciduous trees in a remote area of northwest Madagascar. Aside from absorbing carbon dioxide, the trees planted provide a habitat for animals, control flooding and erosion and help to replenish the soil with nutrients needed for farming, bringing much needed food security to the local community. The tree planting also employs 244 full-time staff per month, and has transformed how local people relate to their forests, now looking to protection and stewardship where they once sought only wood for cooking and construction materials.
- 3.6 tCO2e offset with <u>Ecologi</u>, for the purchase of <u>fuel-efficient cookstoves in Uganda</u> that reduce daily household charcoal consumption by 45-55% and are 100% locally manufactured, creating employment and stimulating the local economy throughout the supply chain.

Summary of green initiatives in 2024

Technology

- Redevelopment of our own Reuben Digital website on our new tech stack given an A for carbon emissions by the <u>Website Carbon Calculator</u>.
- Conducted an office working and IT efficiency audit, researching ways to increase performance on our PCs, whilst reducing power consumption.

In the office

- Renewed our 100% renewable electricity contract with Valda Energy for 2025-2028.
- Thermal blinds bought for the office, which can be drawn overnight to retain heat in the winter, and also during the day in the summer to reflect heat from the sun.

Our working practices

- Reviewed all of the third-party software and cloud services that we pay for and terminated any that were non-essential to our working practices.
- Travelled by Eurostar instead of flying to Amsterdam for a work-related conference
- 'Gamified' our Monday.com work management board every time a task is completed by the team, a tree is planted with TreeNation.
- Offset the carbon emissions from Ray's Indonesian business trip with Ecologi.
- Regular meetings for our internal Green Team.

Strategy and documentation

- Creation of our stand-alone <u>Corporate Social Responsibility website</u> which is rated an A for carbon emissions by the <u>Website Carbon Calculator</u> – updated every quarter.
- Published our first Carbon Report for years 2022 and 2023
- Attended the <u>Tech Zero</u> forum in London, a consortium of tech companies committed to climate action.

Recognition

• Short listed at the Business Exchange (South West) Awards 2024 in the "Eco Champion of the Year" category.

How will we reduce our own carbon footprint and spread best practice in website design and development?

Our short-term targets for 2025 are:

- To further enhance our tracking and reporting capabilities with a subscription to FuturePlus, a sustainability management and reporting ecosystem so that we can assess both current impact and future ambitions across five key sustainability themes: Climate, Diversity and Inclusion, Social, Economic, and Environment.
- To further research and cost out 'smart heating' solutions for the Highworth office, and winter fuel efficiency solutions
- To install the Microsoft Azure Emissions Impact Dashboard to enable to access emission data for our hosting services
- With the launch of the Reuben 'Green Health Check', to continue to promote low carbon design and development principles for new and existing client projects, sharing our expertise and generating discussion about the sustainability of the Internet within our sphere of influence
- To migrate to Microsoft Office 365 and invest in the technology used by our home workers, to lower electricity consumption in the Highworth office
- To redevelop the Reuben CMS to enable easy content management of images and page layouts, according to green web principles.
- To research and disseminate to our clients a range of tech solutions regarding the embedding of sustainability features into ecommerce websites.
- To continue to embed the work of our Green Team in company-wide procedures so that consideration of sustainability principles are considered in all areas of procurement and delivery
- To move one of our existing company accounts to a more ethical bank.

Our longer-term goals include:

- Moving from petrol to electric company cars
- Investigating "green gas" suppliers (gas generated from grass, used in conventional gas boilers for central heating) when our energy contract is due for renewal in June 2028
- Feasibility studies into solar panels and/or air source heat pump for the Highworth office (a listed building)

The small print: How we calculate our emissions

This report covers the commercial activity of Reuben Digital Ltd and Reuben Managed Services Ltd in the UK only. In 2022, we opened our first overseas office in Jakarta, Indonesia and, to date, we have three employees based out there. For this report, we have omitted building rental, commuting/home working and energy costs associated with our Indonesian office, since the data is not easily obtained. Office equipment, software costs and other expenses shared with our Indonesian colleagues have been included in this report.

Our Corporate Social Responsibility Policy reports quarterly on actions taken in 4 Programmes of Action, and this Carbon Report sits within our Environment programme. For more details about how we are striving to be a socially-responsible, sustainable and ethical business, <u>please read our CSR Policy</u>.

Our figures are based on a spend-based calculation using Ecologi Zero, a B-Corp certified environmental organisation that helps companies and individuals measure their carbon emissions and facilitates the funding of carbon offset projects and tree planting around the world. Ecologi Zero

uses a methodology based on The Greenhouse Gas (GHG) Protocol and the Science Based Target initiative (SBTi) net-zero standard.

Using spend-based data matched to environmentally-extended multi-regional input-output (EE MRIO) models (providing average industry emissions per unit of currency spent), Ecologi Zero calculates Scope 3 emissions for which the availability of activity data is limited and would otherwise be unaccounted for. This provides a more complete overview of business emissions and an insight into emissions hotspots across the entire value chain.

However, Ecologi recognises that the top-down *spend-based* approach has limitations since using industry average data becomes inaccurate when companies like us are deliberately selecting their suppliers for their environmental credentials and often carbon neutral position. CO₂ emissions based on *activity data* from individual suppliers would be more accurate but this data is largely unavailable at this point in time. Ecologi does however use activity data for emissions calculations for the mandatory Scope 1 and 2 emissions categories, overriding the use of spend-based data.

CO₂ emissions from our employees working from home is based on industry averages for electricity and gas used at home, by home workers. It does not take into account how many of our employers might be on green tariffs, have solar panels, don't use central heating during their working day etc that would reduce their emissions, so emissions will be less than the figures calculated in reality.

Commuting emissions have been based on DEFRA emission factors obtained from the GHG Emissions Calculation Tool spreadsheet for the type of car (electric, petrol or diesel) or mode of public transport used multiplied by the number of times each employee commuted into the Highworth office per annum and the mileage of their journey.

Overall, we have calculated the figures for this carbon report as accurately as possible, but recognise that some estimations have been used. We expect our calculations will become more robust as our expertise in this area increases and the amount of data to help us calculate emissions more accurately become available to us.













