

CLIMATE IMPACT REPORT 2023

GoCardless

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Executive Summary

At GoCardless we are committed to reducing our impact on the environment and seeking opportunities to create positive change, leaving a more sustainable world for future generations.

Overview

In 2021 we began our journey towards Net-Zero, becoming co-founders of the [Tech Zero coalition](#). We built upon this commitment by becoming signatories of [Business Ambition For 1.5°](#), aligning our climate action with the Science Based Target initiative Net-Zero Standard.

We are committed to achieving this in line with [climate science](#) and the [Paris Agreement](#); reducing our emissions in a manner consistent with limiting global temperature rise to [1.5°C](#), and neutralising any residual emissions that we cannot reduce.

Our previous Climate Reports measure our impact in 2019, 2020, 2021 and 2022.

This latest Climate Report measures our greenhouse gas emissions in 2023 and demonstrates our progress as we look to reduce our greenhouse gas emissions and work towards our Tech Zero commitments and Science Based Targets.

2022 was the first year where investments were material within our measurement: the money we move for our customers, pensions, and the money we have in banks. For 2023, we have continued to measure these associated emissions.

See more at GoCardless.com/sustainability

2021
2022
2023

Still on track to reach our
2027 near-term goals

2023 GHG Emissions

This chart shows our GHG emissions from 2019 to 2023, across scope 1, 2 and 3.

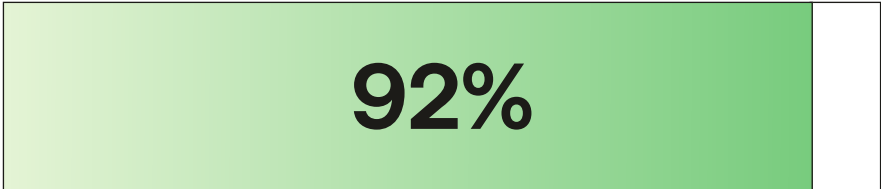
In 2022, 'Scope 3: Investments' became material within our scope 3, as can be seen by the increase.

tCo2e Market Based	2019	2020	2021	2022	2023
Scope 1	0.24	0.19	0.19	0.15	0.003
Scope 2	31.4	18.9	2.9	2.2	14.27
Scope 3 (without investments)	6054.1	5440.8	7920.2	5483.7	4841.72
Scope 3 (including investments)	6054.1	5440.8	7920.2	27131.7	33431.72
Scope 1, 2 & 3 Total (including investments)	6085.77	5459.84	7923.24	27134.0	33445.99

Progress towards targets

In 2022, our Net Zero targets were validated by the Science Based Targets initiative and we published our Environmental Sustainability Strategy and Net-Zero Action Plan which set out how we will take action to reach these vital goals. Since then, we have been working towards reducing our GHG wherever we can. The targets are set out below:

NEAR-TERM SCIENCE BASED TARGET = 2027

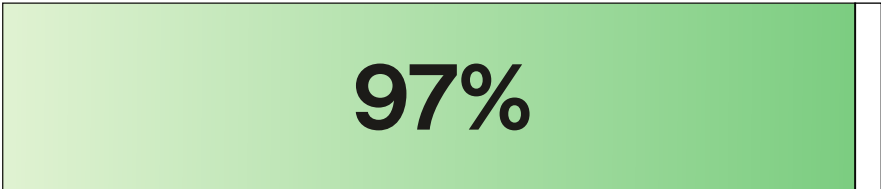


Scope 1 & 2: 92% reduction from 2019



Scope 3: 90% reduction per employee from 2019

LONG-TERM SCIENCE BASED TARGET (NET-ZERO) = 2035



Scope 3: 97% reduction per employee from 2019

See our commitments on the [SBTi website](#)

Scope 1 & 2 Progress

In 2022, we had already surpassed our 2027 target (a 92% reduction), with our Scope 1 & 2 emissions being reduced by 93%. In 2023, following the opening of our new office in Riga, our scope 1 & 2 emissions have increased since 2022, but we are still on track for our 2027 goal:

Category	2019 Baseline tCo2e	2023 tCo2e	2023 reduction from baseline	2027 reduction target	Remaining reduction required by 2027
Scope 1 & 2 (Market-based)	31.67	14.27	55%	92%	35%

Scope 3 Progress

For the categories of scope 3 that were material in our baseline year, we have been able to take action and start making reductions towards our 2027 near-term target. This includes emissions from our Supply Chain, Business Travel, Commuting, Homeworking, Waste, and our Product.

The reductions we have seen in these scope 3 categories mean that we have already made good progress towards our scope 3 Science Based Targets. This is shown below:

Scope 3	2019 intensity tCo2e/ employee	2023 intensity tCo2e/ employee	2023 reduction from baseline	2027 reduction target	Remaining reduction required
(Purchased Goods and Services, Business Travel, Homeworking, Commuting, Waste, Product)	17.71	5.72	68%	90%	22%

REPORT

Objective & Scope

- Identify and measure GHG emissions across our business (Scope 1, 2 and 3)
- Identify areas in which we can strengthen our calculation over coming years
- Externally verify our calculations in line with the Greenhouse Gas Protocol
 - Verified By: Carbon Footprint LTD
 - Verification Standard: ISO 14064-3: 2019
- Where use-data is not available, we will use worse-case estimations
- Where market-based data is not available, we will use location-based data
- We will consolidate emissions via operational control approach
- Inventory Periods:
 - 1st January 2023 to 31st December 2023

Definitions

- Scope 1: All Direct GHG Emissions from the activities of our organisation or under our control
- Scope 2: Indirect Emissions from electricity purchased
- Scope 3: All Other Indirect Emissions from activities of the organisation
- Greenhouse Gases: Water vapor (H₂O), Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O), Ozone (O₃), Chlorofluorocarbons (CFCs), Hydrofluorocarbons (includes HCFCs and HFCs)
- Global Warming Potentials: GHGs have a Global Warming Potential (GWP) - the ability to trap extra heat in the atmosphere over time relative to carbon dioxide (CO₂). This is defined by the IPCC in the Fifth Assessment Report (AR5).
- CO₂e: Carbon Dioxide Equivalent, encompassing all GHGs.
- Tonne (t): Metric tonne (1000kg)
- Market Based vs Location Based: Where calculating emissions from energy consumption, we will show both market-based (using supplier specific data) and location based (data based on the geographical location of the site)

Measurements

Data for our operations in 2023 was gathered across the business, including energy consumption, travel, cloud use, waste, investments, capital goods, and purchased goods and services. These measurements are summarised below across scopes 1, 2 and 3.

Our measurements for previous years are also shown alongside for comparison.

Scope 1 + 2

tCo2e	2019	2020	2021	2022	2023
Scope 1	0.24	0.19	0.19	0.15	0.00315
Scope 2 (market-based)	31.44	18.88	2.85	2.21	14.27
Scope 1 & 2 Total (market-based)	31.68	19.07	3.04	2.36	14.27

The Scope 2 increase in 2023 from 2022 is due to the opening of a new office in Riga.

Scope 3

Market-based tCo2e	2019	2020	2021	2022	2023
Purchased goods and services	4508.62	4093.71	6683.07	3211.71	2994.54
Capital goods	0	0	0	564.96	412.73
Capital goods (IT)	35.96	27.27	73.88	44.20	74.59
Data Centres	0	0	0	0	0
T&D Energy	4.98	3.82	3.87	4.14	5.66
Logistics	4.77	7.14	10.82	5.65	6.19
Waste	2.03	2.28	3.74	0.24	0.53
Business Travel	1090.3	370.53	221.63	1208.38	823.33
Commuting	142.21	19.00	57.11	90.51	97.31
Homeworking	41.10	557.37	790.28	295.75	333.85
Product: Payments	12.51	17.13	21.35	20.93	29.54
Product: Dashboard	198.08	326.79	31.74	19.60	49.90
Product: Website	13.52	15.75	22.70	17.60	13.57
Investments: Nordigen				30.90	
Investments: Corporate Cash				541.15	6115.09
Investments: Money Moved				20787.36	22118.98
Investments: Pensions				288.61	355.92
Scope 3 Total (market-based)	6054.09	5440.77	7920.20	27131.69	33431.72

Summary Scope 1, 2 & 3

The combination of the above scope 1, 2 and 3 GHG emissions (including investments) equate to totals of:

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We aim to increase the accuracy and range of scope of our 2024 calculations by improving data collection across the following business areas:

Scope 2

- Improve energy-use data for global offices to move beyond estimations where possible

Scope 3

- Improve number of suppliers providing use-data to further move to supplier-specific calculations
- Seek data on waste for global offices

Supporting documents

The following documents show the workings and data sources for all the calculations. Full versions of all documents are available for viewing.

1. GC GHG Calculations
2. Data Sheets: Apple Macbook, Gas bottles (Suregas),
3. Data Sheets: Energy Suppliers, Google Cloud
4. Utility Bills and Waste Data for London Office
5. Supplier Climate Reports
6. Smart Pension TCFD Report
7. [MotherTree Banking League Table](#)
8. [Banking on Climate Chaos](#)



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