M+C SAATCHI Carbon Reduction Plan 2025

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SUPPLIER NAME: M+C SAATCHI (UK) LTD PRODUCTION DATE: 4TH JULY 2025

COMMITMENT TO ACHIEVING NET ZERO

M&C Saatchi (UK) Ltd is committed to achieving Net Zero emissions by 2050.

In addition we have developed our near-term target and interim goals for our global footprint, which we have validated by the SBTi according to the SBTi criteria V5.0. In 2024 we submitted our long-term net-zero target to the SBTi for approval.

BASELINE EMISSIONS FOOTPRINT

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline year emissions: 2019	
EMISSIONS	TOTAL(TCO2E)
Scope 1	In 2019 our UK Group-wide Scope 1 emissions were 120.27 †CO2e.
Scope 2	In 2019 we purchased REGOs for our electricity supply for all our UK Group offices which means our market-based emissions were 0 tCO2e. (In 2019 our location-based emissions for our UK Group offices were 365.92 tCO2e.)
Scope 3	 4. Upstream transportation and distribution We are a services provider and therefore do not have upstream transportation and distribution related to products. 5. Waste generated in operations Emissions related to waste generated in operations are managed centrally for all our UK companies. Our UK companies combined produced 82,515kg of waste in 2019. We do not have disposal data for this waste and so have used the 2019 commercial and industrial waste landfill emissions factor of 99.759 kgC02e per tonne of waste to report emissions as 8.231614 tC02e.
(including sources)	6. Business travel Air travel: We do not yet have business and route disaggregated data for air travel for 2019 and so, unlike for later years (see below) we are only able to report an estimated figure, which includes both domestic and international flights. The majority of our flight emissions come from international flights. We are unlikely to have more accurate data on our 2019 air travel emissions in future, but will continue to explore options that become available. In addition the data we use to calculate business travel comes from our central booking system. While most journeys are booked through our central system, we are aware that a small proportion of journeys were booked through expenses. This data is not included here. Data accuracy has improved for later years.

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Our UK Group air travel emissions for 2019 were 3,055 tCO2e.

Other business travel: Business travel emissions from vehicles from all our UK companies amounted to 10 tCO2e.

Business travel emissions for Rail Travel from all our UK companies amounted to 16 tCO2e.

7. Employee commuting

In order to calculate our employee commuting figure we analysed the postcodes of all our employees. Our operations are in Central London. We have therefore assumed that all employees commute via London Underground (all employees living within 10 miles of the office or National Rail (all employees living over 10 miles from the office), and have applied the appropriate 2019 emissions factors to the employee postcodes, multiplied by an assumption of 226 working days per year. We have not made any adjustments for remote working or sickness.

Using the above methodology, we have combined the data from the two UK companies that we reported in the past. Employee commuting emissions for M&C Saatchi (UKLtd were 60.749 tCO2e. This is an underestimate as it does not include other companies within the UK Group in 2019.

We do not currently collect commuting information related to freelancers. We are hoping to improve data collection in this area in the future.

9. Downstream transportation and distribution

We are a services provider and therefore do not have downstream transportation and distribution related to products.

Our total Scope 3 emissions in 2019 from categories required by the Cabinet Office for this report were: 3,149.93 tCO2e.

Total Emissions 3,270.2 tCO2e

(Our total emissions were calculated using market-based emissions for Scope 2 and using both domestic and internal flights for air travel emissions. International flights make up the majority of our business travel emissions).

(Our total location-based emissions for 2019 were 3,636.12 tCO2e).

Scope 3

(including sources)

Current Emissions Report		
Reporting year: 2024		
EMISSIONS	TOTAL (TCO2E)	
Scope 1	In 2024 our UK Group-wide Scope 1 emissions were 60.06 tCO2e.	
Scope 2	In 2024 we purchased REGOs for our electricity supply for our UK Group offices. Our market-based emissions for the UK Group were 0 tCO2e. (In 2024 our location-based emissions for our UK Group offices were 174.88 tCO2e.)	
Scope 3 (including sources)	 4. Upstream transportation and distribution We are a services provider and therefore do not have upstream transportation and distribution related to products. 5. Waste generated in operations The generation of general waste has increased by 329% to 4,000kg, and materials recycled decreased from 31,015Kg in 2023 to 10,875Kg in 2024. The changes are most likely due to the complications reported for last year's waste collections (and using Recycling Bags rather than General Waste Bags). This year's results are likely to be more accurate. Waste from Electrical and Electronic Equipment (WEEE) in 2024 totaled 410 kg, which is a reduction of 23%. This was due to electrical equipment uplifted from M&C Saatchi for ongoing assessment, recovery and disposal. Although it was reported (by M&C Saatchi IT) that the items were still functional, we do not have direct evidence of reuse. A further 4,200kg of waste was processed separately, of which 95% was recycled and 5% became refuse derived fuel (waste to energy). This was a decrease of 47% from 2023. The change in our emissions from waste is also due to the changes in DEFRA emissions factors. The following waste was generated at 36 Golden Square and Satellite Offices in 2024: Cardboard Recycling: 3,750kg as compared to 12,750kg in 2023 Mixed Recycling: 3,750kg as compared to 13,750kg in 2023 Waste-to-Energy: 4000kg as compared to 13,250kg in 2023 Waste-to-Energy: 4000kg as compared to 13,250kg in 2023 Waste-to-Energy: 4000kg as compared to 3,350kg in 2023 WeEE: 410kg as compared to 533kg in 2023 	

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Emissions from waste using DEFRA conversion factors:

- Cardboard Recycling: 0.024 tCO2e versus 0.27 tCO2e in 2023
- Mixed Recycling: 0.159 tCO2e versus 0.53 tCO2e in 2023
- Food Recycling: 0.03 tCO2e versus 0.03 tCO2e in 2023
- Waste to Energy: 0.028 tCO2e versus 0.028 tCO2e in 2023
- WEEE: 0.085 tCO2e versus 0.011 tCO2e in 2023

Total emissions= 0.2495 tCO2e compared to 0.87 tCO2e in 2023

6. Business travel

Air Travel: As per the guidelines for this report, we have calculated flight emissions for UK internal flights only (details of flight emissions including international flights can be found in our Annual Report and Accounts). Our UK Group UK internal flights at M&C Saatchi in 2024 were **10.07 tCO2e**.

The data we use to calculate business travel comes primarily from our central booking system. While most journeys are booked through our central system, we are aware that a small proportion of journeys are booked through expenses. We have a high degree of confidence that these journeys are included in our data.

Other Business Travel:

Vehicles: Business travel emissions (including couriers and cars) from Vehicles from all our UK companies amounted to **7.72 tCO2e**.

Rail: Business travel emissions for Rail Travel from all our UK companies amounted to **1.65 tCO2e**.

7. Employee commuting

In order to calculate our employee commuting figure we analysed the postcodes of all our employees. Our operations are in Central London. We have therefore assumed that all employees commute via London Underground (all employees living within 10 miles of the office) or National Rail (all employees living over 10 miles from the office), and have applied the appropriate 2024 emissions factors to the employee postcodes which gives us 1.22kgCO2e commuting emissions per employee day. We have office occupancy figures for 2024, amounting to a total of 25,396 employee days in the office. We divided this by the total number of open days in a year, giving us an average daily occupancy of 99.2. We multiplied employee emissions per day by daily occupancy and multiplied this by number of open days. This gives us a total of 30.98 tCO2e per year. There are now also 6 employees who live in Scotland and Northern Ireland. We have assumed that they commute to the office once a month, by air, giving a total of 20.9 tCO2e.

Using the above methodology, employee commuting emissions for M&C Saatchi UK Group were **51.88 tCO2e**.

We do not currently collect commuting information related to freelancers. We are hoping to improve data collection in this area in the future.

Scope 3 (including sources)

Scope 3 (including sources)	 9.Downstream transportation and distribution We do not produce physical products and so are not reporting downstream transportation and distribution. Our total Scope 3 emissions in 2024 from categories required by the Cabinet Office for this report were: 71.57 tCO2e.
Total Emissions	131.63 tCO2e (Our total emissions were calculated using market-based emissions for Scope 2. As per Cabinet Office guidelines, flight emissions were reported for UK domestic flights only and there was no reporting of some significant Scope 3 emissions categories such as Purchased Goods & Services). (Our total location-based emissions for 2024 were 306.51 tCO2e).

EMISSIONS AND REDUCTIONS TARGET

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

As a global business we have committed to reducing our Scope 1, 2 and 3 emissions by 50% by 2030 against our 2019 baseline and have committed to an SBTi verified net zero target of 2040.

We have set a notional 2030 emissions reduction target for M&C Saatchi (UK) Ltd's emissions that matches our overall 50% reduction target. This 2030 emissions reduction target is: 172.4927 tCO2e.

Progress against the Scope 1 and 2 targets for 2030 for the M&C Saatchi UK Group can be seen in the graph below:



Please note that 2020 and 2021 were anomalous years due to the impacts of the COVID-19 pandemic and are not necessarily an accurate indication of future performance. Figure 1 shows the continued reduction in both Scope 1 and Scope 2 energy consumption emissions, due to reduced consumption and reduction in satellite office occupation.

CARBON REDUCTION PROJECTS

Completed Carbon Reduction Initiatives

The following environmental management measures and projects for the shared offices of the entire M&C Saatchi UK Group have been completed or implemented since the 2019 baseline. The carbon emissions reduction achieved equates to 3,138.57 tCO2e. However, two major items have affected these emissions reductions - the effects of the COVID-19 pandemic and better flight data quality in 2022, which means we were able to isolate flight emissions from domestic flights (whereas our 2019 flight data included international flights as well). Within these emissions reductions there was an 49.94% reduction (60.21 tCO2e) against the 2019 Scope 1 & 2 baseline and these measures will be in effect when performing the contract. In order to reduce our Scope 3 emissions, to date we have:

- Implemented video conferencing to reduce travel requirements
- Introduced and enforced a new business travel policy aiming to minimize flights and ensure flights are booked in economy class, unless an exception is approved.
- Trained our UK account handling, creative and production departments and partners in how to use AdGreen tool (a market leading carbon calculator designed to help advertising and communications professionals implement measures to reduce emissions in their work) & started applying it to UK productions

In order to reduce our Scope 1 & 2 emissions, to date we have:

- Undertaken refurbishments to HVAC and lighting at our 36 Golden Square offices
- Undertaken building management system optimisation initiatives
- Rationalised our office space (decommissioning unused areas and subletting available spaces)
- Undertaken AHU Maintenance and Efficiency Improvements:
 - Replacement of four sump pumps, improving operational reliability and efficiency.
 - Replacement of three AHU fan motors with high-efficiency IE3 motors
 - Installation of new belts and pulleys to enhance energy savings.
 - ESOS Action Plan: 2024/25 to 2027
- We purchase renewable energy for our offices through REGO electricity certificates
- We have also achieved ISO 14001 and ISO 22301 certifications

In the future we hope to implement further measures. These measures include:

- Implementing further energy efficiency measures in our offices (we have undertaken an energy audit) and behaviour change campaigns
- A more comprehensive programme encouraging our suppliers to set science-based targets (including using the SME pathway, if applicable), and disclose our share of their cradle-to-gate emissions data. Gathering primary data from our key suppliers to update our inventory is allowing us to understand the real-world emissions of our suppliers, and understand their practices and support them to decarbonise. Advertising productions (filming & editing advertisements and the travel required to achieve this) and Digital Media Buying have been identified as hot spots and we are working with our suppliers via the AdGreen initiative and the new GARM guidance to measure this at the production level
- We continue to review the best carbon calculators to apply to other disciplines
- We will continue to ensure our UK account handling, creative and production

departments and partners are trained in how to use AdGreen tool (a market leading carbon calculator) & are applying it to UK productions

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- We are continuing to refine our offsetting strategy that will act as an 'internal price on carbon'- an internal engagement tool to reduce all our Scope 1, 2 and 3 emissions
- We plan to engage our people to more accurately assess working from home emissions and encourage people to switch to a renewable energy provider at home

DECLARATION AND SIGN OFF

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

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This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the supplier:

Date: $\& \cdot 7 \cdot 25$

¹ https://ghgprotocol.org/corporate-standard

²https://www.gov.uk/government/collections/government-

conversion-factors-for-company-reporting.

³ https://ghgprotocol.org/standards/scope-3-standard