



*Inspiring people
Creating change*

CUBIQUITY

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&



CROWN COMMERCIAL SERVICES

CARBON REDUCTION PLAN
OCTOBER 2022

TABLE OF CONTENTS

| | |
|---|---------------------------|
| COMMITMENT TO ACHIEVING NET ZERO | 3 |
| BASELINE EMISSIONS FOOTPRINT | 4 |
| EMISSIONS REDUCTION TARGETS | 6 |
| SCOPE 1 & 2 OVERVIEW | 6 |
| SCOPE 3 OVERVIEW | 6 |
| CREATING A 'GREEN TIER' OF SUPPLIERS | 9 |
| WHAT ARE WE MEASURING? | 9 |
| CUBIQUITY AND CARBON NET ZERO | 10 |
| HOW WE ARE SUPPORTING OUR CUSTOMERS TO ADDRESS THEIR ENVIRONMENTAL CHALLENGES | 10 |
| WHAT CUBIQUITY ARE DOING TO ADDRESS OUR OWN CARBON EMISSIONS | 11 |
| CARBON REDUCTION PROJECTS SUMMARY | 12 |
| COMPLETED CARBON REDUCTION INITIATIVES | 12 |
| WORKING TOGETHER FOR A SUSTAINABLE FUTURE | 13 |
| CONCLUSION | 13 |
| DECLARATION AND SIGN OFF | 14 |

COMMITMENT TO ACHIEVING NET ZERO

Cubiquity is committed to taking every reasonable action to reduce its impact on the environment and achieve Carbon Net Zero through the effective implementation of the Environmental Management Systems ISO 14001:2000. Cubiquity will:

- Comply with all legal and other relevant environmental requirements.
- Work to eliminate waste at every stage of the production process and wherever use recycled products and prevent pollution.
- Provide our clients with environmentally friendly alternatives.
- Ensure that our staff and those that work on our behalf know how to minimise their environmental impact.
- Inform all our major suppliers and subcontractors of our environmental policy and practices and encourage them to work to similar standards.
- To set and monitor targets to continually improve our performance.
- To have working practices that wherever possible will discriminate in favour of the environment.
- Achieve net zero emissions by 2050 at the latest.

BASELINE EMISSIONS FOOTPRINT

Our baseline emissions inventory includes all our measurable scope emissions calculated as part of Cubiquity's offsetting in conjunction with Climate Care and the World Land Trust offsetting any emissions that we still use. Cubiquity Limited is a print procurement and digital media agency influencing the delivery of any organisation's contribution to sustainable development.

This is our first year of reporting business emissions. For the current reporting year 2022 Scopes 1, 2 and 3 will be the same as the baseline year reporting.

BASELINE YEAR: JANUARY – DECEMBER 2021*

| EMISSIONS | TOTAL tCO ₂ e | |
|---|--|--------------|
| Scope 1 | 10.73 | |
| Scope 2 | 3.44 | |
| Scope 3 | 7.445 | |
| (incl. sources) Scope 3 Subset Breakdown (tCO₂e) reporting five required subsets of 15. | | |
| | Subset 4 Upstream transportation and Distribution | 0** |
| | Subset 5 Waste generated in operations | 0.135 |
| | Subset 6 Business Travel | 2.49 |
| | Subset 7 Employee Commuting | 4.82 |
| | Subset 9 Downstream Transportation and Distribution | 0** |
| TOTAL EMISSIONS | 21.615 | |

CURRENT YEAR: JANUARY – DECEMBER 2021 (CURRENTLY BASELINE YEAR)*

| EMISSIONS | TOTAL tCO ₂ e |
|-----------|--------------------------|
| Scope 1 | 10.73 |
| Scope 2 | 3.44 |

Scope 3 7.445

(incl. sources) Scope 3 Subset Breakdown (tCO₂e) reporting five required subsets of 15.

| | |
|---|-------|
| Subset 4 Upstream transportation and Distribution | 0** |
| Subset 5 Waste generated in operations | 0.135 |
| Subset 6 Business Travel | 2.49 |
| Subset 7 Employee Commuting | 4.82 |
| Subset 9 Downstream Transportation and Distribution | 0** |

TOTAL EMISSIONS 21.615

*The 2021 emissions were calculated as part of Cubiquity's offsetting in conjunction with Carbon Co.

** Cubiquity have not assessed our full scope three emissions for all required 5 subsets. 2022 will be the first year we will be reporting them.

EMISSIONS REDUCTION TARGETS

To continue our progress towards achieving Net Zero, we have set validated targets to create a 'Green Tier' of suppliers from 2022 to 2025; reducing our CO₂e by 50% compared to our baseline emissions recorded in 2021. Following this we will reset our targets in line with the net-zero criteria to be published in our RISE CSR initiative and IMPACT report.

SCOPE 1 & 2 OVERVIEW

During 2020 and 2021 the impact of Covid-19 has naturally led to a decrease in carbon emissions resulting from operations. As customer demand and output increases Cubiquity will be closely monitoring the resulting CO₂e. We anticipate our emissions to increase compared to our baseline year of 2021 as we move forward, however, we will endeavour to minimise this to enable us to achieve our CNZ target.

Since last year, Cubiquity have worked in partnership with environmental trusts to offset unavoidable carbon emissions which is how we have reported on our emission data. Moving forward, Cubiquity will be monitoring Scope 1 and 2 in line with the official carbon conversion calculations published by the government annually. This will ensure that each year will be comparable as it will be measuring the same data.

SCOPE 3 OVERVIEW

Cubiquity is committed to achieve Carbon Net Zero (CNZ) across our Scope 3 emissions by 2050, this means reducing our CO₂e by 80% compared to our baseline emissions which will be recorded at the end of 2023. Due to the nature of Cubiquity's business model our supply chain evolves to support the needs of our customers and we have approximately fifty suppliers we use on a regular basis to deliver the existing contracts.

Our CNZ plan for Scope 3 at this stage is to set out our approach to monitor and report so we can start to reduce our CO₂e and achieve our CNZ objectives. As noted in the overview table, to date, Cubiquity have not assessed our full scope 3 emissions for all required 5 subsets. 2023 will be the first year we will be reporting across all areas which will become a baseline to set and measure our targets against.

Out of the 15 subsets under Scope 3, we are reporting the 5 required for PPN 06/21, with further details below.

| SCOPE 3 CATEGORIES | INCLUDE? | REASON |
|---|----------|----------------------------|
| 1. Purchased goods and services | No | Not required for PPN 06/21 |
| 2. Capital goods | No | Not required for PPN 06/21 |
| 3. Fuel and energy related activities | No | Not required for PPN 06/21 |
| 4. Upstream transportation and distribution | Yes | Not required for PPN 06/21 |
| 5. Waste disposal | Yes | Not required for PPN 06/21 |
| 6. Business travel | Yes | Not required for PPN 06/21 |
| 7. Employee commuting | Yes | Not required for PPN 06/21 |
| 8. Upstream leased assets | No | Not required for PPN 06/21 |
| 9. Downstream transportation and distribution | Yes | Not required for PPN 06/21 |
| 10. Processing of sold products | No | Not required for PPN 06/21 |
| 11. Use of sold products | No | Not required for PPN 06/21 |
| 12. End of life treatment of sold products | No | Not required for PPN 06/21 |
| 13. Downstream leased assets | No | Not required for PPN 06/21 |
| 14. Franchises | No | Not required for PPN 06/21 |
| 15. Investments | No | Not required for PPN 06/21 |

Subset 4 Upstream Transportation and Distribution

Cubiquity filters at least 70% of all our customers' print related work to companies and production sites that are within no more than one hour of the customers delivery point(s) to limit transportation miles. We work with local print suppliers who are accredited to ISO14001 like us to reduce environmental impact through conduct of their business activities and operations in delivering printed material needs. Cubiquity plans to record this data on a regular basis from our financial year of 2023. We are therefore reporting zero tCO₂e for this subset at the time of writing this plan.

Subset 5 Waste Generated in Operations

This emission is based on estimates of staff usage of paper and promotional materials, approximating to 1kg of paper water per year for all staff.

Subset 6 Business Travel

This has been estimated based on average number of in person events/meetings attended, it is a combination of travel by car and by train. All carbon calculations were performed using the UK Government GHG Conversion factors for Company Reporting.

Subset 7 Employee Commuting

This has been estimated based on the average commuting distance of all members of staff (35.6 miles) to the office, for average 2 days per month (baseline year working arrangement) over 11 months (12 months, minus 1 month holiday entitlement). Percentages were calculated of the methods of transport employees use to get to the office and these figures were used combined with the average commuting distance to calculate miles travelled per year per method of transport. The tCO₂e was then calculated using the conversion figures contained in the UK Government GHG Conversion Factors for Company Reporting.

Subset 9 Downstream Transportation and Distribution

Cubiquity uses bulk delivery and fleet vehicles that use diesel engines certified to the latest Euro standards and which are serviced and maintained to correct schedules. All fleet vehicles are replaced after 4 years or 120,000 miles use. We also consolidate regular printed stationery deliveries to each order point where possible to reduce transportation miles and environmental impact through multiple deliveries. Our Warehousing management systems allow for multiple orders to be consolidated on an agreed timescale to each delivery point as standard if required. Cubiquity plans to record this data on a regular basis from our financial year of 2023. We are therefore reporting zero tCO₂e for this subset at the time of writing this plan.

CREATING A 'GREEN TIER' OF SUPPLIERS

What does this mean?

- Suppliers who align with Cubiquity's CNZ targets and are transparent with their CO2e linked to customer contracts, will receive more opportunities, and will be recommended to our customers.

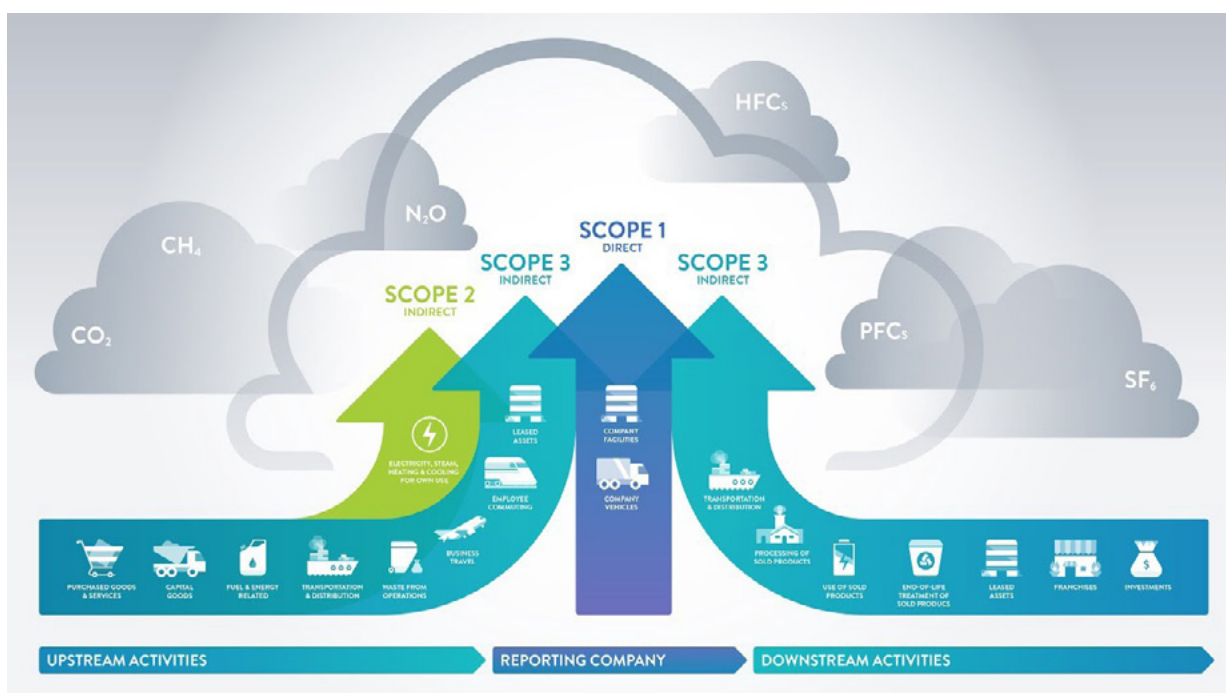
What will it achieve?

- Cubiquity's Green tier of suppliers will enable customers to have the information to inform their own CNZ reports and the confidence their supply chain is aligned to their own CNZ objectives
- By creating a dedicated green category, we hope this will incentivise and encourage our supply chain to align with Cubiquity's CNZ targets, supporting the global approach to tackling climate change.

How will it be managed?

- Cubiquity will appoint a steering committee to set out the approach and ensure the requirements placed on Cubiquity's client service and procurement teams is realistic and manageable.
- The procurement team will be recruiting in 2022, a key part of the role for the additional team member will be to lead the and support our suppliers, while gathering the data required to report and monitor our CO2e for Cubiquity and our customers.

WHAT ARE WE MEASURING?



CUBIQUITY AND CARBON NET ZERO

The environment and managing our impact on the planet have been at the heart of Cubiquity's values since our inception in 2009.

In 2021 we cemented our commitment to our social and environmental values with the launch of our CSR initiative, RISE. With this Carbon Net Zero strategy we are now taking the sustainability element of RISE to its next phase. We are excited to embark on this journey with our customers and suppliers to ensure we all play our part in the global fight against climate change.

RISE not only sets out our core values, but it is also a mechanism for bringing together key environmental and social partners, as well as holding ourselves to account by regularly measuring and reporting on our successes in relation to the four RISE principles.

We will provide an IMPACT report that our customers who embrace RISE and they will receive on a quarterly basis outlining the value-added services and benefits they achieved across the RISE values by collaborating with us. This could include:

- Waste/Costs saved following recommendations from us
- Carbon emission reductions/offsetting - e.g., by using Carbon Balanced Paper, or consolidating their orders
- Social contribution e.g., the number of individuals they have supported through Beam

HOW WE ARE SUPPORTING OUR CUSTOMERS TO ADDRESS THEIR ENVIRONMENTAL CHALLENGES

As a socially conscious organisation we understand the importance of respecting and being responsible for our environmental impact and know our customers are looking to us to ensure their supply chain is as sustainable as possible.

Supporting a transition to digital

On occasion we hear from our customers that they are looking to move elements of their communication from print to digital, to limit their environmental and carbon impact. Whilst we agree there may be some benefits to digital (i.e., lower costs), based on our research we do not believe reducing environmental impact is one of them. To address this, we have data from an organisation called Two-sides who conduct in-depth research on the topic which we can share with our customers to help inform their decision-making process.

Innovations for delivery and logistics

Supporting customers to reduce their environmental impact goes beyond just reviewing the media format. One example of where we collaborated closely with a customer to reduce waste and environmental impact was with easyJet. We identified an opportunity to improve the ordering process which meant items could be consolidated to just one delivery per month, which resulted in a reduction in the number of vehicles required for transporting and therefore the carbon emissions resulting from the deliveries.

WHAT CUBIQUITY ARE DOING TO ADDRESS OUR OWN CARBON EMISSIONS

Setting the standard

To cement our commitment to continuously reduce our environmental impact we have set clear processes and policies which have enabled us to achieve ISO14001 accreditation. We undertake regular reviews of our operations and suppliers to identify opportunities to further reduce our environmental impact, whilst working in partnership with key environmental associations to reduce and offset our carbon emissions.

Innovation in partnership with our distribution network

To enable us to offer our customers the best quality, service, and value we have a network of suppliers who are required to meet our environmental standards and are regularly audited to ensure continued compliance.

We work closely with our warehouse and distribution network to identify opportunities to further improve the efficiency of storage, collation, and distribution to remove as much wastage as possible. This is an on-going project as we believe in continuous improvement and understand just small changes, taking advantage of the increasing advancements in technology, can build to have a big impact.

Ensuring sustainability of paper

To ensure our paper is both sustainable in terms of its source and the supply chain we are part of a scheme run by an organisation called Carbon Balanced Paper in association with the World Land Trust and the Woodland Trust. Not only do we look to offset the emissions caused by the paper we purchase and supply, but we also collaborate closely with suppliers to ensure the paper we order is sustainable and, where possible, recycled.

We take our commitment a step further than just the sourcing, production and recycling of paper and work with our customers at the design stage too. Helping to create solutions which ensure products can be fully recycled, for example, by removing binding and lamination from stationery.

World Land Trust (WLT) is an international conservation charity that protects the world's most biologically significant and threatened habitats acre by acre. Through a network of partner organisations around the world, WLT funds the creation of reserves and provides permanent protection for habitats and wildlife.

Woodland Carbon & Woodland Trust is the second largest sink of CO2 after the oceans. The CO2 is captured by the planting of trees in new native woodland here in the UK, through the Woodland Trust's Government backed Woodland Carbon Scheme. The scheme operates under the HM Government's 2011 Woodland Carbon Code. 100% of the Carbon Capture charge goes directly to the Woodland Trust to plant native woodland in the UK. Woodland Trust's aim is to protect and develop natural woodland throughout the UK thereby protecting our natural heritage.

Reducing the impact of our facilities and fleet

Whilst we strive to continuously reduce our carbon emissions where possible, we have not yet achieved a position where our operational activities, for example office facilities and fleet, have no carbon impact. To address this, we annually report on our emissions, including those caused by travel and the use of gas and electric to an organisation called Climate Care.

CARBON REDUCTION PROJECTS SUMMARY

Completed Carbon Reduction Initiatives

Print procurement plays a key role in influencing the delivery of any organisation's contribution to sustainable development. Cubiquity, always, where possible, use their position in the organisational supply chain to influence all aspects of needs definition, acquisition, service delivery and product utilisation and disposal to ensure that environmental and sustainable factors are embraced within the framework of value for our clients.

Cubiquity work with the World Land Trust to externally assess and offset 100% of our Carbon Emissions linked to our head office and employee operations. Our integrated approach means that we are supporting projects that both improve people's lives and protect the environment.

The following environmental management measures and projects have been completed or implemented since the 2021 baseline year. Our current Environmental initiatives are all geared towards delivering a neutral Carbon Offset policy.

Key policies and initiatives in this area include:

- To ensure we contribute to achieving the Intergovernmental Panel on Climate Change recommended goal of limiting global warming
- Consolidation of customer orders to reduce the number of deliveries and the resulting CO2e.
- Our environmental management systems, processes and policies are in place which have enabled us to achieve ISO 14001 accreditation and is audited annually. It focuses on objectives and actions on areas that will have the most significant environmental impact both in the short and long term.

- We have run an innovative communications campaign to educate and drive awareness around events such as World Environment Day.
- Transition of company cars to hybrid and electric
- Energy saving lighting throughout the office, with timers and motion detection to reduce energy waste
- Recycling and general waste separation within the office to ensure landfill waste is minimised

As well as these initiatives, the decrease against the baseline position has also been due to low office occupancy and reduced travel caused by COVID-19. We remain confident, however, that our current and future measures will enable us to achieve net zero well in advance of 2050.

In the future we plan to implement further measures which will continue to drive down emissions. We are considering several initiatives and those listed below are some examples of areas we are discussing.

- Build awareness amongst our workforce of the impact of their decisions on our journey to net zero.
- Reduce gas consumption by replacing gas heating with solar thermal at the serviced office premises at our headquarters in Whyteleafe.
- Reduce business travel by air, rail, and road through effective measurement and a sustainable travel policy.
- 100% of the company car fleet to be electric or hybrid vehicles
- Working closely with the office management company to identify opportunities to achieve net zero, for example, installing solar panels
- Reviewing policies and staff education to further reduce operational wastage, and where waste is unavoidable ensure the source material is recyclable with only essential exceptions
- Work to eliminate waste at every stage of the production process and wherever use recycled products and prevent pollution.
- Provide our clients with environmentally friendly alternatives.
- Ensure that our staff and those that work on our behalf know how to minimise their environmental impact.
- Inform all our major suppliers and subcontractors of our environmental policy and practices and encourage them to work to similar standards.

- To set and monitor targets to continually improve our performance.
- To have working practices that wherever possible will discriminate in favour of the environment.

Working together for a sustainable future

We are continuously looking for new ways to help our customers and suppliers achieve their environmental and social objectives. To drive this forward further we will soon be launching a programme designed to give our customers more opportunities to reduce their carbon emissions and providing them with reports highlighting the direct positive impact they have achieved by working with Cubiquity and our trusted supply chain. We look forward to sharing more on this programme with Crown Commercial Service when this is launched later this year.

CONCLUSION

Achieving Carbon Net Zero requires everyone to play their part and will be a journey for us all.

We promise to be open and transparent in our approach to tackling climate change, to help improve our outcomes and share our experience.

By the end of 2022 we will have a steering committee in place to monitor our progress and identify all opportunities to reduce our carbon impact across all three scopes.

As we continue to build our strategy throughout 2023, the data and recommendations from this team (particularly in relation to Scope 3 emissions) will be reported on a quarterly basis.

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 standard¹ 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.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

Signed on behalf of Cubiquity Limited:



Shane Inger, CEO - Cubiquity

Date: 1st October 2022

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

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

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