

RH Advertising Carbon Reduction Plan End of 2023 Report

This Carbon Reduction Plan meets the guidelines of the UK Government's Procurement Policy Note (PPN) 06/21 and the requirements of Streamlined Energy and Carbon Reporting (SECR).



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RH's Progress Towards Net Zero - A Message from Paul

I am proud to present RH Advertising's **Carbon Reduction Plan End of Year Report for 2023**, which celebrates the remarkable progress we have made in our journey towards achieving Net Zero by 2030.

This report not only reflects our deep commitment to environmental responsibility but also highlights the tangible impact of the initiatives we've implemented across our business.

2023 was a significant year for RH's green ambitions, as we achieved a major milestone by reducing our total emissions to **1.73 tCO2e**, well below our target of **2.33 tCO2e**. This reduction of over **1.1 tCO2e** is a testament to the hard work and dedication of our entire team, who embraced new practices and technologies to drive this success.

From reducing air travel and using low-carbon alternatives like video conferencing, to reducing energy consumption in our office spaces, each action contributed to our overall achievement. Our Scope 2 emissions saw a notable decline, thanks to the continued focus on sustainable office practices. Meanwhile, business travel—our largest contributor to Scope 3 emissions—has been significantly curtailed through targeted reductions in car miles, setting a strong foundation for future reductions in 2024 and beyond.

But this success is only the beginning. As we look ahead, our commitment to achieving **Net Zero by 2030** remains unwavering. In 2024, we aim to reduce our total emissions further, with an ambitious target of **below 1.5 tCO2e**. This will be achieved through the growing culture of sustainability among our staff and a focus on business travel.

I want to personally thank each member of the RH team for their role in this collective effort.

It is through their passion and commitment that we are able to create real, lasting change—not just within our organisation, but also in the broader community. Together, we are proving that meaningful carbon reduction is achievable, and that businesses like ours can and should lead the way in safeguarding the future of our planet.

Let's continue to work together and drive forward toward our goal of Net Zero, making 2024 an even more successful year for sustainability at RH Advertising.

Paul RidgersManaging Director, RH Advertising



Introduction

RH Advertising is committed to reducing its environmental impact through a series of comprehensive carbon reduction strategies that are aligned with the UK Government's Social Value National Themes Outcomes and Measures (TOMs). This plan outlines our approach for achieving Net Zero by 2030, covering all relevant greenhouse gas (GHG) emissions across Scopes 1, 2, and 3.

We recognise the urgency of the climate crisis and aim to continually minimise our carbon footprint, driving meaningful change within our organisation and in partnership with our stakeholders. This Carbon Reduction Plan (CRP) details the progress we have made and our forward-looking approach to emission reductions.

At RH Advertising, we recognise that sustainability is not just a corporate responsibility but a fundamental part of our business values. As a digital communications agency, we are in a unique position to drive positive change by minimising our own carbon footprint while influencing the behaviour of our clients and partners. Achieving Net Zero is not only aligned with our ethical principles but also critical for ensuring long-term business resilience in a world where consumers increasingly value sustainable practices.

Transitioning to Net Zero presents both challenges and opportunities for RH Advertising. While minimising Scope 3 emissions from business travel requires organisational behaviour change, it also offers the chance to explore new practices that improve efficiency.

Additionally, as sustainability becomes a key differentiator in the marketplace, our efforts will position RH as a forward-thinking, environmentally conscious business, ultimately strengthening client trust and market competitiveness.

As part of our forward-looking approach, RH is continually exploring emerging technologies and methodologies that will enable us to further reduce our carbon footprint. Whether it is transitioning to renewable energy sources, adopting electric vehicles for business travel, or optimising energy efficiency, we are committed to staying at the forefront of sustainable innovation.

Commitment to achieving Net Zero

RH recognises the climate emergency and acknowledges the role businesses must play in reducing global emissions. Our commitment to achieve Net Zero by 2030 reflects our dedication to environmental responsibility.

The leadership team, alongside all employees, is committed to implementing the changes necessary to drive down our carbon impact across the business. Through a combination of reduction measures and targeted carbon offset programmes, RH aims to neutralise its carbon footprint while promoting sustainability practices internally and externally.

We understand that achieving Net Zero is not a journey we can complete alone. RH is committed to working closely with our clients, suppliers, and industry partners to ensure that our entire supply chain adopts sustainable practices. By fostering collaboration and encouraging green initiatives among our stakeholders, we aim to multiply the impact of our efforts and contribute to wider industry progress.



Baseline Emissions Footprint

The baseline emissions serve as a record of the greenhouse gases produced prior to implementing reduction strategies. They form the basis from which we measure our progress toward achieving Net Zero.

Baseline year emissions: January 2022 to December 2022				
EMISSIONS	TOTAL (tCO ₂ e)			
Scope 1	0			
Scope 2	0.396 ¹			
Scope 3 (Included Sources)	2.431 ² Category 6 Business travel			
Total Emissions	2.827 tCO₂e			

These baseline emissions were recorded in accordance with SECR guidelines and including Category 6 (Business Travel) for RH Advertising. The data was collected from electricity and gas usage in a shared office space and business travel mileage claims. Scope 1 emissions were not applicable as RH does not operate a vehicle fleet or own combustion sources.

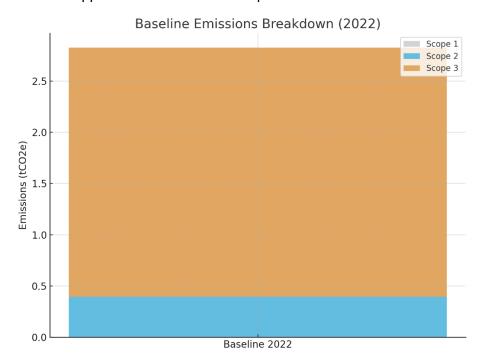


Figure 1: Scope 3 (Business Travel) is the largest contributor to RH's carbon footprint.

¹ 0.13 tCO2e from Electric/National Grid and 0.266 tCO2e from Gas

² 2.18 from Car Travel, 0.2 from Flights (Domestic), 0.01 from Coach or Metro, 0.04 from Train Travel

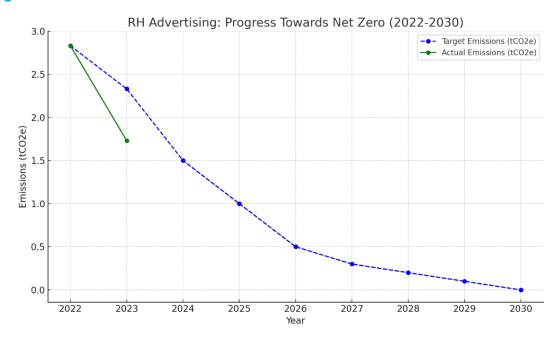


Current Emissions Reporting

We are proud to report a significant reduction in emissions during the current reporting period. Our efforts to minimise energy use and reduce business travel have resulted in notable progress toward our Net Zero goal.

Current Reporting Period: January 2023 to December 2023				
EMISSIONS	TOTAL (tCO₂e)			
Scope 1	0			
Scope 2	0.3213			
Scope 3 (Included Sources)	1.406 ⁴ Category 6 Business travel			
Total Emissions	1.727 tCO ₂ e			

Through energy efficiency improvements and a more targeted approach to managing business travel, we have reduced total emissions by 1.1 tCO2e compared to 2022, putting us well on the journey to meet our net zero commitment. *Figure 2 below shows our progress towards net zero.*



³ 0.109 tCO2e from Electric/National Grid and 0.211 tCO2e from Gas

⁴ 1.321 from Car Travel, 0.083 from Flights (Domestic), 0.001 from Train Travel



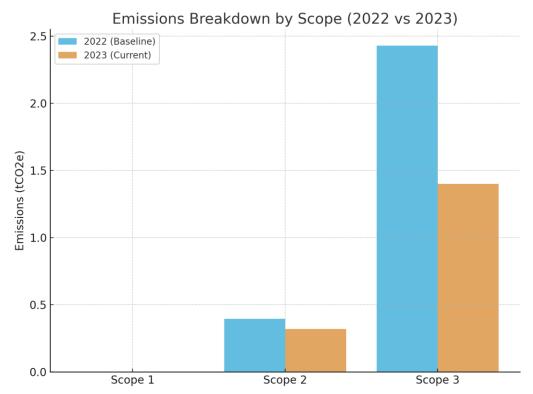


Figure 3: Emission breakdown by Scope.

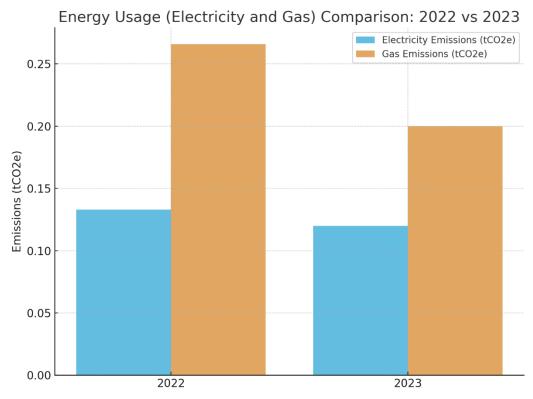


Figure 4: Comparison of energy use, year on year.



Emissions reduction targets

To achieve Net Zero by 2030, RH will continue to reduce and offset emissions as per the following targets:

Total Emissions to Reduce: 2.83 tCO2e (2022 baseline).

Annual Reduction Target: 0.5 tCO2e per year to reach Net Zero by the end of 2029.

Reduction Target: RH successfully met its 2023 emissions reduction target, achieving a total reduction of emissions to 1.73 tCO2e, well below our 2023 target of 2.33 tCO2e. Based on this success, we have set an ambitious goal of reducing total emissions to below 1.5 tCO2e by the end of 2024.

These reductions will be achieved through a combination of further operational changes and ongoing staff engagement in sustainable business practices especially around business travel.

Carbon Reduction Projects and Initiatives:

Scope 1 Emissions (Direct):

We have eliminated our fleet of diesel cars, resulting in zero Scope 1 emissions. As we have no plans to reintroduce a vehicle fleet, Scope 1 emissions will remain at zero.

Scope 2 Emissions (Indirect):

Our offices at Exeter Business Park are modern and energy efficient. Efforts to reduce electricity consumption have included:

- Installing low-energy lighting and energy-saving devices across all areas.
- Encouraging employees to turn off all non-essential equipment (computers, lights, fans) when not in use.
- Reducing standby energy consumption for equipment.
- Exploring the feasibility of switching to green energy tariffs by end of 2024. Green tariffs will be investigated for 2024, however as we operate from a shared, leased office building, changing suppliers will be a decision for all occupants and the building owner.

Baseline Emissions for 2022 are 133 kgCO₂e of Electricity (EDF Energy) and 266 kgCO₂e Gas (British Gas), equivalent to a total of 0.396 tCO₂e. These initiatives led to a reduction in Scope 2 emissions from 0.396 tCO₂e to 0.32 tCO₂e in 2023.

Scope 3 Emissions (Category 6 – Business Travel): We have measured our Business Travel using our expenses claim system. Business Travel is our biggest carbon impact. Its reduction provides the biggest opportunity for carbon reduction for RH.

Measures to reduce the amount of travel related emissions in 2024 included:

- Promoting the use of video/telephone conferencing to reduce unnecessary travel.
- Eliminating all air travel. One domestic flight was taken in 2022 which equated to 0.2 tCO₂e and one in 2023 which equated to 0.1 tCO₂e.



- Encouraging more train travel. Train travel generates a quarter of the emissions of car travel. We will encourage a company wide reduction in car miles. Only journey was undertaken by train in 2023. This can be improved upon for 2024.
- Encouraging the use of Electric vehicles. No electric vehicles were used in 2022 for business travel. To address this, we are encouraging the use of electric vehicles whenever hiring a vehicle for business travel.
- Increasing staff awareness of business travel emissions. Internal training sessions
 are planned to raise awareness of our carbon footprint and we plan to continue to
 track travel through our expenses claim system to measure travel data and
 emissions, sharing the carbon footprint of productions/client jobs with employees.

Currently, business travel represents the majority of RH's Scope 3 emissions, but as part of our ongoing sustainability journey, we are working to gather data for other Scope 3 categories, including employee commuting and other operational impacts.

Scope 3 Emissions (Category 7 – Employee Commuting): We will measure Employee Commuting to provide a baseline of emissions moving forward, so reductions can be reported against this category. A staff survey of commuting routes and transport choices is being carried out to update the baseline emissions by the end of 2024. To reduce commuting carbon impacts, we will encourage staff to share cars, cycle to work or use public transport if they can. We maintain a register of those interested in car sharing. For those who wish to travel by public transport, some flexibility in working hours is agreed to fit around bus and train times at the discretion of each employee's manager. We have home-working and flexible working schemes in place to reduce the need to travel to work.

Scope 3 Emissions (Other including Waste and Upstream/Downstream transportation costs): As a mainly digital agency, waste and transportation costs are limited to print related contracts and typical office use. While we will not establish a baseline emission for these Scope 3 emissions, we still operate in an environmentally sensitive manner. We have established environmentally sensitive purchasing policies and monitor the environmental awareness of our suppliers. Contractually, our suppliers need to commit to Net Zero by 2050 as per PPN 06/21. The use of email/digital sharing is encouraged to reduce the use of couriers and mail, utilising digital first means of working, sharing content and assets whenever possible digitally with clients. To cut down on carbon impact associated with waste we discourage the printing of hard copies and operate a "print only if necessary" policy. We investigate and utilise, wherever possible, local, environmentally sound waste disposal methods for all waste materials.

Future Carbon Reduction Plans

Investigation of ISO14001/Planet Mark: We currently do not hold ISO14001 or have a formal Environmental management system in place. We will investigate the benefits of a more structured approach to achieving our carbon reduction objectives and certification schemes such as Planet Mark. We plan to complete our investigation of ISO14001 and Planet Mark certification by 2025.



Offsetting Carbon Footprint: As part of our social value commitments in the past, to offset unavoidable carbon, we have invested in private Dartmoor tree planting schemes, however this scheme was not a verified or independently audited scheme. Moving forward we will investigate recognised carbon offset schemes, using partners such as Ecologi ⁵, who support verified carbon reduction projects around the world.

As we look ahead, RH remains steadfast in its commitment to meet the challenges of sustainability. This Carbon Reduction Plan sets out our roadmap for the coming years, and we will continue to measure, report, and refine our approach as we move toward our 2030 Net Zero goal.

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 standard⁶ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁷.

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) Standard⁸.

This Carbon Reduction Plan has been reviewed and signed off by RH Managing Director, Paul Ridgers.

Signed on behalf of RH Advertising:

Paul Ridgers - Managing Director

Date: 26th September 2024

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⁵ https://ecologi.com/

⁶ <u>https://ghgprotocol.org/cor</u>porate-standard

⁷ https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

⁸ https://ghgprotocol.org/standards/scope-3-standard



Appendix One: National Themes, Objectives and Measures (TOMs)

Our carbon reduction plans can be cross-referenced with our commitment to Social Value which we measure and evidence using the TOMs framework under the theme, "Environment – Decarbonising and Safeguarding our World".

No.	Proposed Outcomes	Metrics/Data/Evidence	TOMS	Target
1	Commitment to Net Zero by 2030	Carbon Reduction Plan (See above)	NT44	We made a commitment to Net Zero on 1st September 2023, using 2022 data as our baseline for emissions.
2	Reduced carbon emissions	We are committed to the reduction of carbon emissions from 2.83 tCO2e (Baseline Jan to Dec 2022) to 2.33 tCO2e by end of 2024, with a commitment to Net Zero Carbon by 2030. For unavoidable carbon impacts, we will offset emissions with monetary contributions to offset schemes who can reduce equivalent tonnes of carbon.	NT31 and NT64	Reduction of 0.5 tCO2e (year on year). We met our initial target of below 2.33 tCO2e in 2033, achieving 1.7 tCO2e. We have set a target of 1.5 tCO2e by the end of 2024.9
3	Car miles saved	We are committed to reducing the number of car miles driven as part of our commitment to reducing Scope 3 emissions. The baseline we are using for 2022 Scope 3, Category 6, Business Travel is 7941 miles. This excludes any transport other than car (private and hire).	NT32	We succeeded in reducing our travel by 2,932 miles in 2023. We will seek a further reduction of 1,000 car miles by the end of 2024 (companywide).8

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⁹ This is the company wide commitment for 2024-2025. Project by project commitments will be issued.



Baseline Year: January to December 2022

Additional Details relating to the Baseline Emissions calculations:

RH has collected emissions data for the full calendar year from January 1, 2022, to December 31, 2022, in compliance with Streamlined Energy and Carbon Reporting (SECR) guidelines.

Operating primarily as a digital communications and advertising agency without a fleet of company vehicles, our organisation has zero Scope 1 emissions. Our Scope 2 emissions derive from the energy usage at our shared office space in Richmond Court, Emperor Way, Exeter, EX1 3QS.

We have not incorporated complete data for Scope 3 emissions into this baseline report, although in accordance with SECR guidelines, we have included business travel-related emissions under this category.

These emissions stem from the use of public transport and personal vehicles for business activities and have been recorded via our expenses claim system. The majority of emissions in this category are from car travel (90 percent) with the rest from a combination of train, coach and air travel.

The majority of this information for Business Travel comes from recorded mileage with some figures estimated based on known destinations or routes, and average MPG of petrol vehicles, allowing us to report on Category 6 under Scope 3 emissions with a relative degree of accuracy.

By the end of 2024, we plan to base our Scope 3 emissions calculations on actual vehicle and mileage data rather than averages, aiming for a higher level of accuracy in our future reports, in line with the UK Government's technical guidance¹⁰.

We are in the process of gathering data for more Scope 3 categories to establish a more accurate baseline for 2025, including employee commuting data (Category 7). A revised baseline will be included in our end of year, 2024 report, using January to December 2024 data, along with our progress towards Net Zero at the end of 2024.

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¹⁰ PPN 0621 Technical standard for the Completion of Carbon Reduction Plans.docx (publishing.service.gov.uk)