

CARBON REDUCTION PLAN

PPN 06/21

REPLY

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Carbon Reduction Plan

Supplier name: Reply Limited

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Commitment to achieving Net Zero

Reply Limited is committed to achieving Net Zero emissions by 2030.

Organisation Explanation

GHG emission calculations are provided to Reply Limited by our parent company Reply S.p.A. Reply Limited is part of Region 3 (United Kingdom, Belgium, Belarus, France, Luxembourg) as defined by Reply S.p.A who report annually at a Region 3 level on Scope 1, Scope 2 and Scope 3 emissions. These are published annually on the Reply S.p.A website with the most recent report located at - [REPLY NFS ENG 2023.pdf](#)

By default Reply Limited is committed to Reply S.p.A's commitment to environmental sustainability

- Carbon Neutrality for its activities (Scope 1 and 2) by 2025
- Net Zero with respect to its value chain (overall direct and indirect activities) by 2030

The carbon reduction activities are a mixture of Reply S.p.A led activities across Region 3 and local UK based activities from the Reply companies who make up Reply Limited. This Carbon Reduction Plan applies to all Reply Limited companies.



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: 2021

Additional Details relating to the Baseline Emissions calculations.

From 2021 calculations are provided for Scope 2 (direct greenhouse gas emissions, from the consumption of natural gas, diesel and gasoline), and Scope 2 (indirect energy emissions calculated from electricity consumption and district heating). Scope 2 indirect greenhouse gas emissions are calculated using two different methods:

- Location-based: reflects the average intensity of emissions relative to the grids providing the energy;
- Market-based: reports emissions related to electricity and district heating with Guarantees of Origin that prove the energy origin. In the absence of these guarantees, the calculation was made with reference to the residual mix, which entails higher emissions than the emissions calculated with the Location-based method.

And Scope 3 emissions, i.e. greenhouse gas emissions that are not under the direct control of the company but are indirectly linked to the value chain, upstream and downstream of its activities, in particular the upstream activities of the Group's business. The identification of emission sources was guided in particular by the company's defined strategy of identifying and understanding the risks and opportunities associated with emissions in its value chain, in order to set reduction targets, monitor performance and improve information to its stakeholders, thereby increasing the level of reporting transparency.

The Group's greenhouse gas emissions derive from its office-based organisation and are thus mainly due to the use of fossil fuels for heating, business travels, and purchase of electricity produced by third parties. The emissions deriving from Reply activities are thus very limited and linked to traditional assets such as electrical and heating plant. To report its emissions, the Reply Group has followed the five principles - relevance, completeness, consistency, transparency and accuracy - indicated in the GHG Protocol Corporate Accounting and Reporting Standard, balancing them according to its objectives.

The emission categories identified with respect to the indications of the GHG Protocol are as follows:

- **Category 1** - Purchased goods and services: with consumption of water from the aqueduct;
- **Category 3** - Emissions related to the production of fuel and energy (fuel and energy related activities) not included in Scope 1 or Scope 2: upstream emissions from electricity consumption for offices and district heating (introduced in 2022), gas and diesel for heating, diesel and petrol for company cars, emissions associated with the extraction, refining and transport of fuels before combustion (well-to-tank);
- **Category 5** - Waste generated in operations: emissions from the purification of produced



wastewater and, from 2023, also from waste disposal.

- **Category 6** - Business travel: emissions from air travel, train travel, hotel stays, taxis and other business trips, which mainly include reimbursement of expenses for travel by personal car and fuel used for rental cars;

Baseline year emissions: 2021

| EMISSIONS | TOTAL (tCO ₂ e) |
|-------------------------------|--|
| Scope 1 | 190 tCO ₂ e |
| Scope 2 | 217 tCO ₂ e (location based) 282 tCO ₂ e (market based) |
| Scope 3 (Included Sources) | 245 tCO ₂ e |
| Total Emissions | 934 tCO₂e |

Current Emissions Reporting

Reporting Year: 2023

| EMISSIONS | TOTAL (tCO ₂ e) |
|-------------------------------|--|
| Scope 1 | 511 tCO ₂ e |
| Scope 2 | 186 tCO ₂ e (location based) 132 tCO ₂ e (market based) |
| Scope 3 (Included Sources) | 1,084 tCO ₂ e |
| Total Emissions | 1,903 tCO₂e |

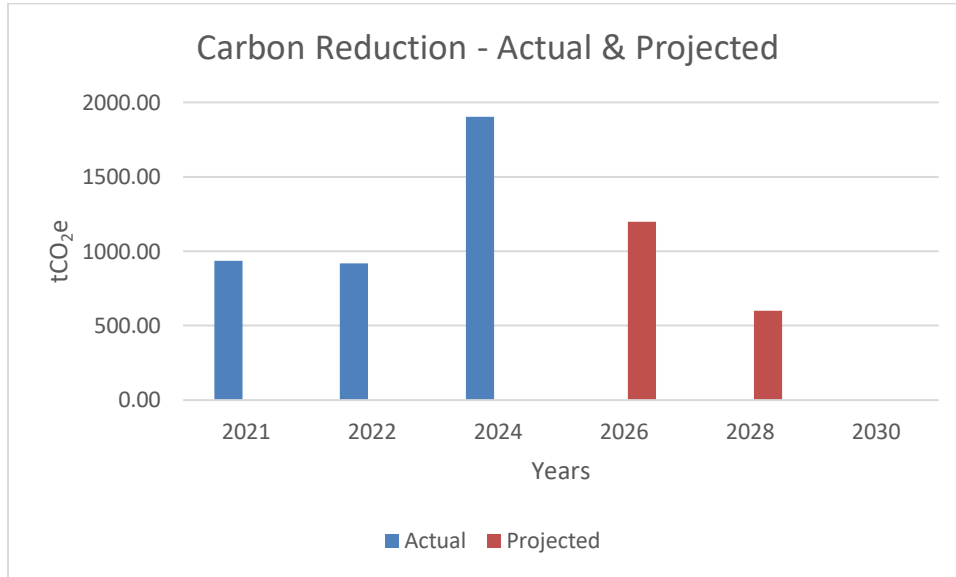


Emissions reduction targets

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

We project that carbon emissions will decrease over the next six years to 0 tCO₂e by 2030. This is a reduction of 100%.

Estimated Progress against these targets can be seen in the graph below;



Note - The resumption of business trips throughout the Reply perimeter generates the most significant contribution, which changed the ratio of the contributions of the different scopes to the total CO₂e emissions. In particular, Scope 1 and 2 decreased in percentage weight in favour of Scope 3 compared to the 2022 total figures.



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2021 baseline.

The main measures implemented by Reply to reduce emissions are as follows:

- ISO14001:2015 certification and certified environmental sustainability programme in place where we measure annually our document printing, materials recycling, energy saving, energy efficiency, transport and consumption. Our supply chain is included through an annual environmental policy and assessment for the life of each.
- Through our Environmental Policy Reply we do everything in our power to spread sustainable behaviour. The main guidelines defined in the policy and intended for all employees relate to printing documents, recycling materials, energy savings, energy efficiency, optimising transport means and consumption reporting.
- Adoption of Environmental Policy guidelines to reduce and monitor the environmental impact of the company's activities in offices not owned by the company, and implement energy efficiency improvements in all offices by 2030 (in Italy);
 - For 2024, in continuation of 2023, a series of measures are planned with the aim of improving the energy efficiency of offices, especially lighting systems. At several locations, relamping with LED lighting will continue for both the exteriors and interiors of the buildings. In 2023, the energy diagnosis of buildings subject to legal requirements was carried out and the installation of photovoltaic panels and the introduction of PIR presence detectors to make electricity consumption more efficient were envisaged
 - In the context of office renovation projects, voluntary certifications of energy efficiency and ecological footprint of buildings (e.g. LEED, BREEAM) are being considered, which are already available for some of the sites used by the Group in the different regions. In particular, there are 10 certified sites (5 BREEAM, 5 LEED) and one in the process of LEED certification by the first half of 2024
- Establishment of the Reply Forest to absorb tonnes of CO₂ and support reforestation;
 - By the end of 2023, all Reply Companies have a total of more than 1,800 trees through Treedom: the Reply Forest, together with the forests of the Reply companies, is currently capable of absorbing more than 500 tonnes of CO₂ per year. Implementation of the offsetting programme to achieve Carbon Neutrality in 2025 and Net Zero in 2030 for CO₂ equivalent emissions.
 - The relative analysis was started and a compensation measure plan was defined through certified offsetting projects
- Follow WEEE principles for disposal of office equipment
- Donate laptops to employees and charities
- All offices have special recycling bins. We have upgraded the recycling stations in our London office.
- We encourage employees not to use disposal cups, and to use their own re-usable cups.
- We have introduced compostable cups and compostable stirrers to eliminate single-use plastic
- We re-use promotional materials as limited-edition gifts for our employees

In the future we hope to implement further measures such as:

- Transition to 50% electricity from renewable sources in all countries by 2025
 - In 2023, more than half of the countries where Reply is present were supplied with energy from renewable sources for more than 50% of their total consumption. When compared



to the total electricity consumption of the entire Group, 78% of it comes from renewable energy sources.

- Evolution towards a green fleet, with a target of 30% hybrid/electric vehicles in 2025;
 - In 2023, the Reply fleet reached 29% of hybrid/electric vehicles, the use of which is supported by the presence of special charging stations, both publicly available near the offices and, for some of the main offices, installed for the use of Reply employees. There has been a marked increase in the presence of hybrid/electric vehicles compared to 2022, when the percentage was 17%, thus bringing the target considerably closer.
 - Set up a company car agreement with a lease company for an EV only company car scheme
- Carry out individual Reply Limited company carbon emission benchmarking supported by carbon offset scheme.
- Reply is committed to achieving zero-waste status by 2030. With the aim of reusing and recycling where opportunities exist in e-waste, Reply will donate, reuse or recycle 100% of electronic waste such as computers and servers.



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 (or equivalent management body).

Signed on behalf of the Supplier:

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Name: John Sidhu

Role: Executive Partner, Reply Ltd

Date: 1st June 2024

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>