WHITETREE

CARBON MANAGEMENT REPORT 2024

PPN 06/21 COMPLIANT

JULY 2024

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1 INTRODUCTION

In an era defined by environmental challenges, businesses worldwide are called upon to prioritise sustainability and take decisive action to mitigate their carbon footprint.

At Whitetree, we recognise the urgent need for corporate responsibility and environmental stewardship. As a leading management consultancy company operating in the digital age, we understand the importance of not only adapting to evolving business landscapes but also driving positive change that benefits both society and the planet.

In alignment with our core values and commitment to sustainable practices, we proudly present our Carbon Reduction Plan - a comprehensive strategy designed to minimise our environmental impact, foster innovation, and pave the way for a more sustainable future.

This plan reflects our dedication to corporate leadership, transparency, and accountability, as we strive to inspire others and make a meaningful contribution to global efforts to combat climate change. Through collaborative partnerships, technological advancements, and a culture of continuous improvement, Whitetree is poised to lead the charge towards a low-carbon economy, setting a new standard for responsible business practices in the digital age.

- OUR APPROACH TO NET ZERO BY 2040

As a business operating in the UK, our commitment to sustainability is integral to our values and operations. We recognise the urgent need to address climate change and are dedicated to playing our part in achieving net-zero emissions by 2040. Operating remotely presents both challenges and opportunities in this endeavour. Our approach integrates innovative strategies, technological advancements, and proactive engagement with stakeholders to drive meaningful change.

As a remote business with no physical offices and a distributed workforce operating from home, Whitetree recognises the unique challenges and opportunities inherent in reducing our carbon footprint. Despite the growth in our operations, which aligns with our business expansion, we acknowledge that our environmental impact is primarily concentrated within Scope 3 emissions. With no direct control over Scope 1 or 2 emissions[1], our focus lies in engaging and partnering with our suppliers, as all our activities are intertwined with our service-based operations.

Operating in the service industry, our carbon footprint predominantly stems from indirect emissions associated with activities such as employee commuting, business travel, and the use of cloud-based services. Recognising this reality, Whitetree is committed to implementing sustainable practices that mitigate our Scope 3 emissions and contribute to our overarching goal of achieving Net Zero status by 2040.

To address our carbon footprint effectively, we will:

1. **Low-Emission Business Travel:** Encourage the use of low-emission transportation options for essential business travel, such as trains, electric vehicles, or carpooling. We will provide incentives and support for employees to choose more sustainable modes of transportation, reducing our carbon footprint associated with business-related travel activities. Additionally, we will explore partnerships with carbon offsetting programs to mitigate the environmental impact of unavoidable travel.

2. **Remote Work Optimisation:** Promote and optimise remote work practices to reduce the need for employee commuting and associated carbon emissions. We will encourage our employees

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[1] Scope 1 Emissions refer to direct greenhouse gas emissions that result from sources that are owned or controlled by the organisation. Scope 2 emissions refer to indirect greenhouse gas emissions that result from the consumption of purchased electricity, heat, or steam generated off-site but used by the organisation. Scope 3 emissions refer to all other indirect greenhouse gas emissions that result from activities outside of the organisation's direct control but are associated with the organisation's operations.

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to adopt energy-efficient home office setups and leverage virtual communication tools to minimise travel.

3. **Supplier Engagement:** Engage and partner with our suppliers to assess their environmental impact and identify opportunities for emissions reduction throughout our supply chain. By collaborating with like-minded partners who share our commitment to sustainability, we can collectively work towards reducing our collective carbon footprint.

4. **Renewable Energy Adoption:** Encourage our employees to source renewable energy for their home offices wherever possible. We will provide resources and guidance to support the transition to renewable energy, such as information on green energy providers and incentives for installing solar panels or utilising energy-efficient appliances.

5. **Virtual Meetings and Events:** Prioritise virtual meetings and events to minimise the need for business travel. By leveraging technology for communication and collaboration, we can reduce our reliance on carbon-intensive transportation methods and lower our overall emissions.

6. **Continuous Improvement:** Implement a continuous improvement framework to monitor, evaluate, and optimise our sustainability efforts over time. We will set clear targets and metrics to track our progress towards carbon reduction goals and regularly review our strategies to identify areas for further improvement.

By adopting these measures and fostering a culture of sustainability within our organisation, Whitetree is confident that we can effectively manage and reduce our carbon footprint despite the challenges of operating as a remote working business. Through collaboration, innovation, and a shared commitment to environmental stewardship, we are dedicated to realising our vision of a sustainable future for all.

2 CORPORATE RESPONSIBILITY AND ACCOUNTABILITY

Whitetree recognises that corporate responsibility and accountability are essential components of building a sustainable future. Therefore, we pledge to uphold these principles in every aspect of our operations. Our commitment to sustainability extends beyond mere rhetoric; it is embedded in our actions and decisions.

To fulfil our promise, we will:

2.1 Transparency

We will maintain transparency in our sustainability efforts by openly sharing our goals, progress, and challenges with all stakeholders, including employees, customers, investors, and the wider community. Transparency builds trust and encourages accountability.

2.2 Measurability

We understand the importance of measurable goals and will establish clear metrics to track our sustainability performance. By regularly monitoring and assessing our progress, we can identify areas for improvement and make informed decisions to drive meaningful change.

2.3 Credibility

We will ensure the credibility of our sustainability initiatives by adhering to recognised standards, frameworks, and best practices. This includes obtaining relevant certifications, engaging with experts and stakeholders, and conducting independent audits to verify our claims.

2.4 Effectiveness

Our ultimate aim is to make a tangible and positive impact on the environment, society, and economy. We will prioritise initiatives that have the potential to deliver meaningful outcomes and contribute to the achievement of global sustainability goals, such as carbon reduction, resource conservation, and social equity.

Through our unwavering commitment to transparency, measurability, credibility, and effectiveness, Whitetree is dedicated to playing a proactive role in creating a sustainable future for current and future generations. Together, we can build a world where businesses thrive in harmony with the planet and society.

3 CARBON REDUCTION TARGETS

WHITETREE IS COMMITTED TO A 100% REDUCTION IN SCOPE 3 EMISSIONS BY 2040

Whitetree has pledged to halve our emissions by 2030 and achieve Net Zero status by the year 2040, aligning our carbon reduction efforts with the roadmap outlined by the Intergovernmental Panel on Climate Change (IPCC), and adhering to the principles of the Science-Based Target Initiative (SBTi).

The primary method for reducing emissions in our strategy will involve initiating and executing ambitious projects focused on carbon reduction. The strategy of offsetting carbon emissions will be a secondary measure, reserved only for situations involving emissions that are either inevitable or residual in nature.

To ensure systematic progress, Whitetree is committed to collaborating with its partners to set and integrate annual emission reduction goals as a key performance indicator within our reporting framework.

The effectiveness and progress of our efforts towards achieving these goals will be subject to external verification, ensuring transparency and accountability.

4 OUR NET ZERO GOALS

As part of our commitment to achieving net zero emissions by 2040, Whitetree has set ambitious targets to reduce our environmental impact and transition to a sustainable operating model. Our goals are not just aspirations but actionable steps towards a greener future.

GOAL 1: REDUCE EMISSIONS FROM BUSINESS TRAVEL PER FTE BY 25% BY 2027

- We recognise the significant carbon footprint associated with business travel and are committed to reducing it substantially. By 2027, we aim to decrease emissions from business travel per full-time equivalent (FTE) by 25%, leveraging virtual communication tools, optimising travel routes, and promoting alternative modes of transportation whenever possible.

GOAL 2: 50% OF OUR STAFF'S WFH ELECTRICITY TO BE RENEWABLE BY 2027

- As a remote-first company, the electricity consumption of our staff's home offices is a key consideration in our sustainability efforts. By 2027, we target that 50% of the electricity used for remote work will be sourced from renewable energy. This goal underscores our commitment to supporting the transition to clean energy and reducing the environmental impact of our distributed workforce. Through strategic partnerships, incentives, and employee education, we aim to empower our staff to make sustainable choices in their home office setups.

GOAL 3: OFFSET 50% OF OUR CARBON EMISSIONS GENERATED PER CONTRACT THROUGH THE PURCHASE OF CARBON FRIENDLY CREDITS OR CARBON POSITIVE INITIATIVES BY 2027

- Through the purchase of carbon credits or investment in carbon-positive initiatives, we aim to counterbalance the emissions associated with our contracts, effectively reducing our overall carbon footprint. These efforts align with our values of corporate responsibility and demonstrate our dedication to mitigating climate change and promoting ecological balance.

These goals represent tangible milestones in our journey towards net zero emissions and reflect our dedication to making meaningful contributions to environmental sustainability.

AGENDA
2040

CARBON MANAGEMENT REPORT 2024

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1 INTRODUCTION

As a remote business with no permanent physical offices and a distributed workforce operating largely from home, Whitetree recognises the unique challenges and opportunities inherent in reducing our carbon footprint. Despite the growth in our operations, which aligns with our business expansion, we acknowledge that our environmental impact is primarily concentrated within Scope 3 emissions. With no direct control over Scope 1 or 2 emissions, our focus lies in engaging and partnering with our suppliers, as all our activities are intertwined with our service-based operations.

1.1 OUR COMMITMENT TO NET ZERO

Whitetree has pledged to halve our emissions by 2030 and achieve Net Zero status by the year 2040, aligning our carbon reduction efforts with the roadmap outlined by the Intergovernmental Panel on Climate Change (IPCC), and adhering to the principles of the Science-Based Target Initiative (SBTi).

This document presents our roadmap towards Net Zero, outlining the strategic measures we have implemented to reach this ambitious goal.
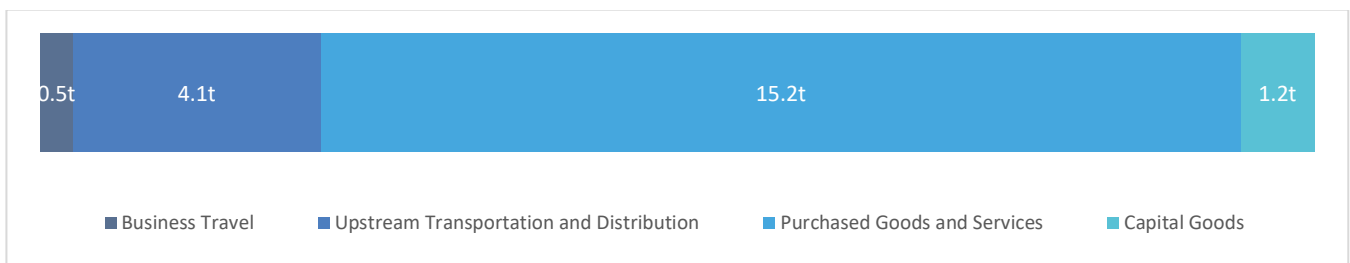
1.2 SCOPE 3 EMISSIONS

Our 2024 Carbon Management Report is based on our footprint for the financial year 1 June 2023- 31 May 2024, which is our fourth report, with 1 June 2020 - 31 May 2021 being our baseline.

It's important to note that our while footprint has grown, this is in line with our business growth during this time. Like most service-based businesses, all our footprint lies in Scope 3.
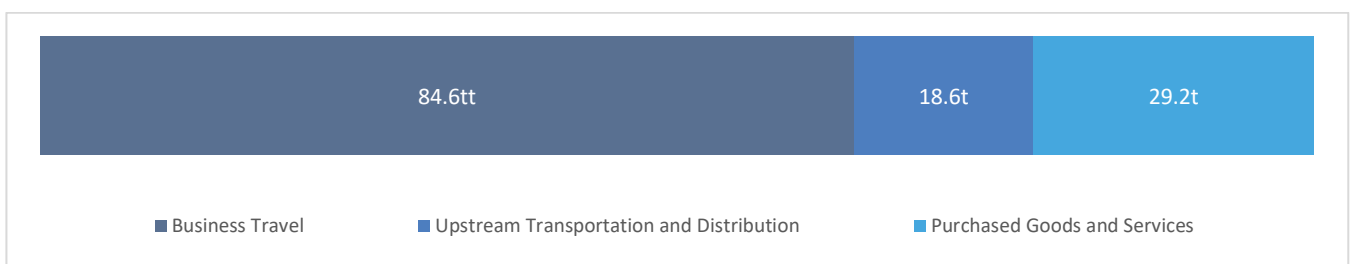
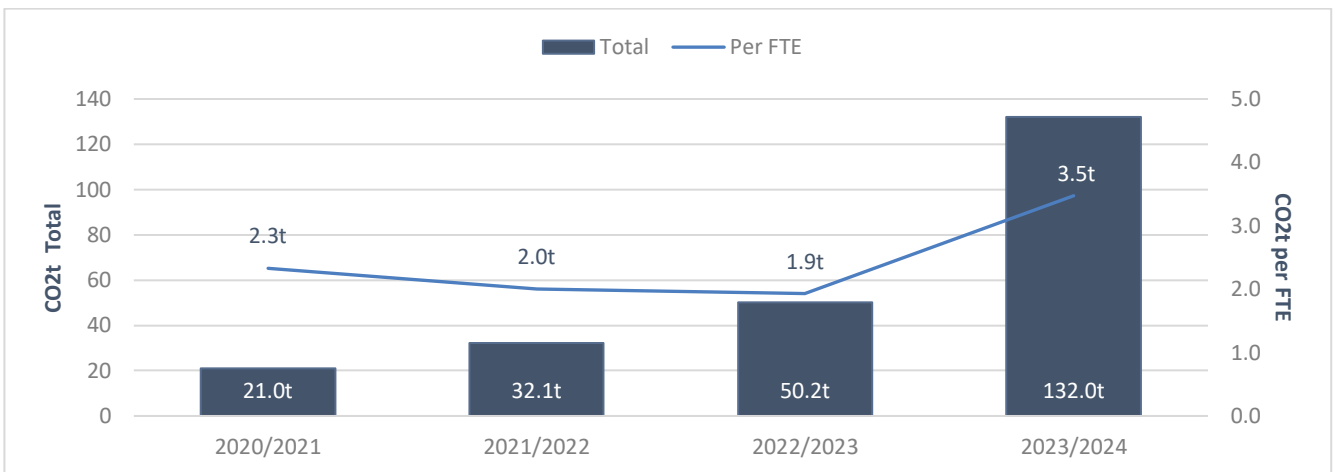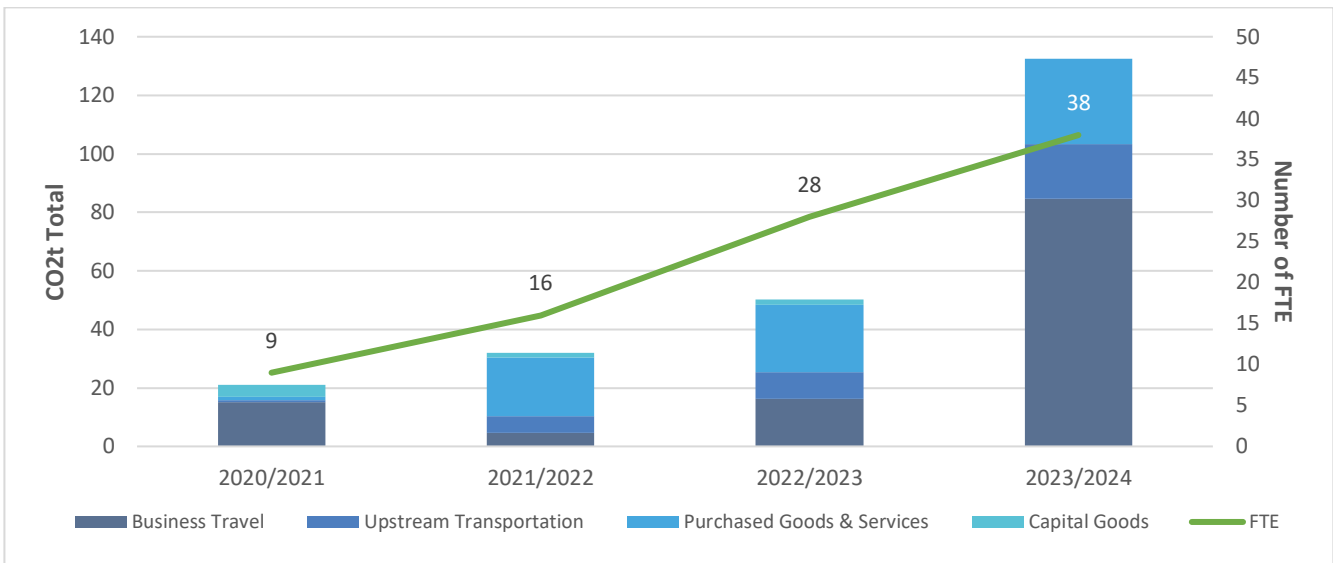### 1.2.1 BASELINE YEAR (2020/2021)

SCOPE 1	SCOPE 2	SCOPE 3
0	0	21.0 CO_2t

| 0.5t | 4.1t | 15.2t | 1.2t |

■ Business Travel ■ Upstream Transportation and Distribution ■ Purchased Goods and Services ■ Capital Goods

1.2.2 CURRENT REPORTING YEAR (2023/2024)

SCOPE 1	SCOPE 2	SCOPE 3
0	0	132 CO_2t

| 84.6tt | 18.6t | 29.2t |

■ Business Travel ■ Upstream Transportation and Distribution ■ Purchased Goods and Services

1.2.3 OUR JOURNEY

In this year's carbon management report, we acknowledge a significant increase in Scope 3 emissions, rising from 50.2t to 132.0t. This 163% growth reflects the scale of our business expansion, which includes a 320% increase in staff from our baseline year. While emissions per FTE have risen to 3.5t, this rate of increase is notably lower than our overall growth, demonstrating our commitment to operational efficiency.

As we scale, we are building the foundation for a more sustainable future. By implementing initiatives like energy efficiency briefings, green travel promotion, and eco-friendly IT procurement, we aim to decouple emissions growth from our business growth. This report serves as both a reflection on our progress and a call to action for more ambitious carbon reduction efforts moving forward

2   EMISSION REDUCTION TARGETS

To maintain our momentum towards Net zero, we have set a Net zero goal for the year 2040. Our plan involves a consistent, absolute reduction in emissions from our baseline year, aiming for net zero emissions by 2040.

It's important to note that these targets are subject to revision as we initiate new projects. Moving forward, our strategy includes collaborating with our suppliers to address Scope 3 emissions.

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2.1 NET ZERO TARGET – 2040

As a rapidly growing business, we recognise the strategic importance of our expansion. Growth not only enables us to attract top talent and provide advancement opportunities for our existing employees but also enhances our capacity to serve a broader clientele, ultimately reducing business risk.

However, with this growth comes the need to equip our expanding workforce adequately to meet the demands of our increasing client projects. While these additional purchases are essential for delivering our services effectively, they may also result in higher Scope 3 material usage and an increase in our carbon footprint (tCO2e).

As a company committed to achieving net-zero emissions, we understand the importance of maintaining our sustainability efforts throughout periods of rapid growth. Rather than solely focusing on absolute numbers, we must set targets that reflect the efficiency of our resource usage for each project undertaken, considering metrics such as tCO2e per employee or per £1 of turnover.

By measuring the intensity with which our business generates emissions relative to its activities, we can identify areas for improvement and concentrate our efficiency drives effectively, ensuring that our journey to net zero continues uninterrupted as we grow our team.

2.2 COMPLETED CARBON REDUCTION PROJECTS
- Appointed a Sustainability Officer to lead this area.
- Launched a Sustainability Policy which outlines our commitment to minimising the negative environmental impact of our activities.
- Electric Vehicle salary sacrifice scheme.
- Cycle to work scheme.
- Loyalty scheme for train travel.
- Issue of hybrid working guidance.
- Employee engagement.
- Flexible work schedules
- Sustainable business travel policy
- A rethink of our travel policy and the promotion of greener hotels is encouraged.

2.3 FUTURE CARBON REDUCTION PROJECTS

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

- **Employee Energy Efficiency Briefing:** Provide tailored advice on energy-saving practices at home, including optimising heating, lighting, and home office setups.
- **Track Type of Fuel Used for Private Vehicles Used for Business Travel:** Gather data to assess and reduce emissions from necessary in-person meetings or travel.
- **Employee Home Energy Survey:** Encourage employees to conduct assessments of their home energy use and explore opportunities for energy efficiency.
- **Encourage Employee Initiatives to Reduce Carbon Emissions:** Foster a culture of sustainability with campaigns such as Meat-Free Monday or plastic-free challenges.
- **Offset the Carbon Emissions for Some Projects:** Explore partnerships to offset emissions through verified carbon credits or invest in local community-based carbon-positive projects.
- **Continued Education on Effective Recycling:** Share resources and tips to help employees improve recycling and waste reduction at home.
- **Promotion of Green Sustainable Travel Methods:** Encourage low-emission travel options for employees who occasionally commute, such as cycling or public transportation.
- **Employee Carbon Offset Programme:** Offer a platform where employees can voluntarily contribute to offsetting their personal or work-related emissions.
- **Eco-Friendly IT Equipment:** Prioritise purchasing energy-efficient and sustainably manufactured IT equipment for remote setups.

- **Green Home Office Certifications:** Develop or recommend a certification program where employees can measure and improve the sustainability of their home office.
- **Remote Team Carbon Challenges:** Gamify carbon reduction with team challenges, like reducing electricity usage or adopting greener diets.
- **Virtual Collaboration Tools:** Continue investing in high-quality virtual tools to minimise the need for travel, ensuring remote collaboration remains effective and energy efficient.
- **Sustainable Supply Chain Engagement:** Ensure suppliers for IT equipment or other business essentials also meet sustainability standards.
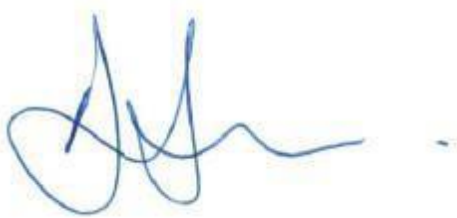
3   DECLARATION

This Carbon Reduction Plan adheres to the guidelines and reporting standards outlined in PPN 06/21, including the prescribed standards for documenting and reporting carbon emissions.

We have followed the GHG Reporting Protocol corporate standard and utilised the government-provided emission conversion factors specifically designed for greenhouse gas reporting by companies.

In compliance with the Streamlined Energy and Carbon Reporting (SECR) requirements, we have accurately reported our Scope 1 and Scope 2 emissions as zero. Additionally, a selected portion of our Scope 3 emissions has been reported in line with the standards established for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

The Board of Directors of Whitetree has thoroughly reviewed and officially approved this Carbon Reduction Plan.

Signed on behalf of Whitetree, 1 July 202.

David Brown, Chief Executive Officer