Live. Work. Connected.

Carbon reduction route to Net Zero

Carbon Emissions Report FY 2024

Executive summary

This document lays out ASK4 Limited's and their subsidiaries first carbon footprint calculations, along with the actions planned to reduce emissions and the corresponding short-term and long-term Net Zero targets. Reporting has been undertaken at the corporate level and includes data from the Head Office, Data Centre and Warehouse, all located in Sheffield, and ASK4's Madrid Office. In addition to the primary locations, data has also been collated to include other European operations where employees work remotely and undertake business travel. All data provided has been compiled and reviewed by ASK4's Head of Health & Safety and Facilities and subsequently provided to Sustainable Advantage to calculate ASK4's corporate carbon equivalent emissions across operations and value chain. This granularity allows us to understand the sources of emissions and locate emission hotspots, and to develop a Net Zero strategy and reduction pathways.

For FY24, data regarding the Scope 3[1] categories: *Use of Sold Goods and End-of-life Treatment of Sold Goods* was unavailable despite best endeavours to capture this data. Consequently, these Scope 3 categories have been excluded from this year's reporting. ASK4 is committed to addressing these gaps and has already begun work to establish reporting mechanisms that will enable the collection of necessary data to assess emissions in these areas. Additionally, ASK4 plans to enhance its data collection processes for business travel and employee commuting, aiming to rely more heavily on primary data for future reporting.

Overall, in FY24 the majority of our carbon dioxide equivalent (CO_2e) emissions are in Scope 3 (98%, 4,771 tCO_2e). The greatest source of CO_2e was Scope 3 *Purchased goods and services* (86%, 4,187 tCO_2e), followed by Scope 3 *Employee Commuting* (5%, 223 tCO_2e), Scope 3 *Fuel and Energy related activities* (4%, 171 tCO_2e), and Scope 3 *Business Travel* (3%, 167 tCO_2e). All other CO_2e categories equated to less than 2% of the total FY24 emissions.

[1]Scope 1 – Direct emissions from sources owned or controlled by the ASK4 (e.g., fuel combustion in company vehicles, on-site energy production).
Scope 2 – Indirect emissions from purchased electricity, steam, heating, and cooling used by ASK4.
Scope 3 – All other indirect emissions in the value chain, including supplier emissions and ASK4 business travel.

In addition to disclosing our FY24 corporate CO_2e emissions, we have outlined our Net Zero target and reduction pathways. We are targeting 29% reduction in CO_2e emissions by 2030 and 92% reduction in CO_2e emissions by 2045 against the FY24 base year.

We will focus decarbonisation action on our emission hotspots, as identified by this analysis, whilst prioritising emission sources within our direct control or influence to reduce activity. As such, we are considering the following CO_2e reduction actions:

1. Engage with landlords of our premises to:

- Understand our landlords' energy efficiency improvement plans including future CapEx projects. Including the possibility of transitioning from natural gas to renewable gas contracts or alternative low-carbon heating systems.
- Where efficiency measures are not available, ASK4 will review lease contracts and consider moving to high energy performing buildings.

2. Low-Emission Fleet Vehicles:

- Implement driving efficiency measures, including training programmes to promote fuel-efficient driving practices.
- Gradually transition the company fleet from diesel to hybrid or fully electric vehicles where feasible and cost-effective.

3. Supplier Engagement:

- Collaborate with suppliers to gain insights into their carbon footprints by requesting Life Cycle Assessment (LCA) data and emissions information.
- Prioritise partnerships with suppliers demonstrating Net Zero carbon objectives while offering support to others to improve their sustainability performance.

4. Business Travel:

- Continue utilising video conferencing to minimise business travel.
- Maintain and enhance our travel policy which prioritises rail travel over flights or car travel where possible.
- Enhance data collection processes to track business travel emissions using primary data instead of estimates. For example, we will aim to collect distances travelled from our expense provider for flights which is our biggest impact area.

5. Employee Commuting and Low-Carbon Incentives

- Conduct annual employee commuting surveys to assess commuting patterns and emissions.
- Expand low-carbon commuting incentives, including promoting public transport, car sharing, cycling, and the adoption of electric vehicles.
- Build on our existing EV salary sacrifice programme to make it more accessible across different employee tiers.

As a next step we will develop a Net Zero strategy and action plan including an implementation timeline to map the initiatives and actions required to meet our Net Zero target.

Executive endorsement

We are committed to transparency, accountability, and measurable progress, ensuring that every step we take moves us closer to a cleaner, more sustainable world.

At ASK4, we recognise that sustainability is not just a responsibility – it's an opportunity to build a stronger, more resilient future. That's why I'm proud to announce our commitment to achieving Net Zero emissions by 2045. This ambitious goal reflects our dedication to environmental stewardship, and long-term value creation for our customers, colleagues, and stakeholders.

Our path to Net Zero is clear. Wherever possible, we're improving energy efficiency, adopting renewable energy, and working with partners to cut carbon across our value chain. Sustainability is embedded in our strategy, and we believe that achieving Net Zero will not only contribute to a healthier planet but also drive business growth and resilience.

Together, we can make a difference. Thank you for joining us on this journey.

Andrew Dutton
Chief Executive Officer

About us

ASK4 delivers high-quality Internet connectivity and technology solutions at the heart of multi-tenant buildings internationally. Our services support 349,000 customers across key multi-tenant sectors including student accommodation and build-to-rent.

Operating in 12 countries across the UK and Europe, ASK4 delivers high quality connectivity with a focus on customer service, striving to ensure that clients and customers receive the support they need, when they need it.

Headquartered in the UK, with offices in Spain, we are proud to work with some of the world's leading providers of multi-tenant living and working spaces, delivering end-to-end technology solutions that enhance both operational performance and the experience of residents and on-site teams.

Founded in 2000 by an 18-year-old Jonathan Burrows, ASK4 was built with the vision of transforming Internet connectivity in multi-tenant buildings – benefiting both residents and asset owners. Today, under the leadership of CEO Andrew Dutton, ASK4 continues to drive innovation in connectivity and building technology, helping our clients create smarter, more connected environments where people can live life and work productively.

Commitment to Net Zero

ASK4 is committed to ensuring we play our role in working alongside other UK and EU organisations to achieve the UK Government and EU Net Zero targets of at least a 100% reduction in the net greenhouse gas (GHG) emissions by 2050 (based on 1990 levels).

ASK4 is committed to taking action to reduce our annual emissions and achieving Net Zero emissions by 2045 five years earlier than the UK Government and EU targets. We will aim to reduce our emissions year-on-year and have identified the following near-term and long-term targets:

29% **reduction in total emissions by 2030 including:**
- **34% reduction in our Scope 1 and 2 emissions; and,**
- **29% reduction in Scope 3 emissions by 2030.**

92% **reduction in total emissions by 2045 including:**
- **99% reduction in our Scope 1 and 2 emissions; and,**
- **92% reduction in Scope 3 emissions by 2030.**

To achieve these goals, we have taken the following actions:

1. We have appointed an external specialist carbon consultancy to collate and verify data, calculate GHG emissions and help advise on carbon reduction options
2. Set the base year (November 2023 – October 2024) and calculated our carbon footprint in line with the GHG protocol for that base year:

   Scope 1

   i. Stationary combustion,
   ii. Transport (owned and leased vehicles)
   iii. Refrigerant gasses

   Scope 2

   i. Electricity – both from premises and electric vehicles

   Scope 3

   i. Category 1: Purchased goods and services (includes Capital Goods)
   ii. Category 3: Fuel and energy related activities (not included in Scope 1 and 2)
   iii. Category 4: Upstream transportation and distribution
   iv. Category 5: Waste
   v. Category 6: Business travel
   vi. Category 7: Employee commuting (including home working)
3. Created a carbon reduction pathway for each Scope and category
4. Set the Net Zero date and committed to updating our carbon footprint at least annually with FY25 (Nov 2024 - Oct 2025) expected to be the first year post the base year
5. Following annual calculations of our emissions, we will review the applicability of our stated targets to ensure they align with our ambitions as data, emission category coverage and our understanding of our decarbonisation potential improve.

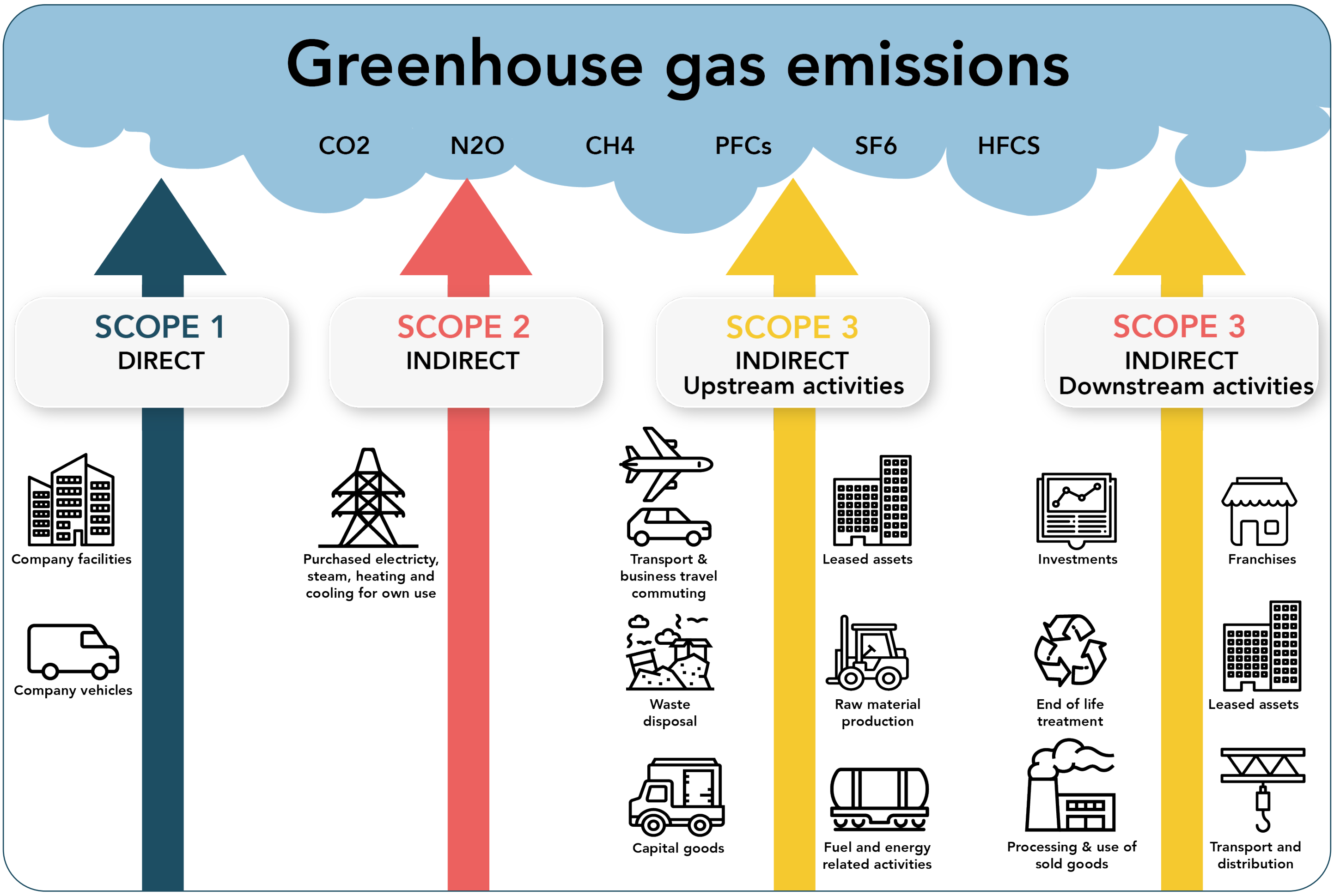


Figure 1. Sources of Greenhouse gas emissions by Scope and Category. Source: GHG Protocol

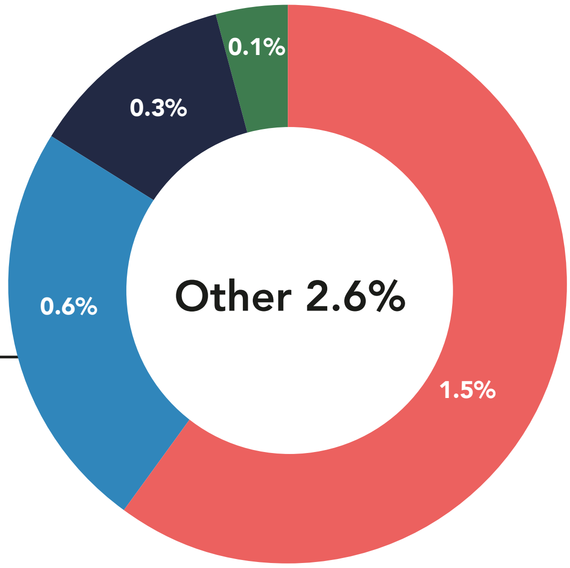
Baseline emissions footprint

Baseline emissions are a record of the greenhouse gases that were produced in a previous financial year prior to the introduction of any strategies to reduce emissions, for which complete and accurate activity data is available. Baseline emissions are the reference point against which emissions reduction can be measured. We have chosen November 2023 – October 2024 as our baseline year. Our baseline carbon emissions footprint is as follows:

- Purchased goods & services | 85.9%
- Employee commuting | 4.6%
- Fuel and energy related acitivies | 3.5%
- Business travel | 3.4%

Other* 2.6%:

- Transport | 1.5%
- Stationary combustion (gas) | 0.6%
- Employee working from home | 0.3%
- Upstream transport | 0.1%
- Electricity (market-based) | 0%
- Waste | 0%
- Refrigerants | 0%



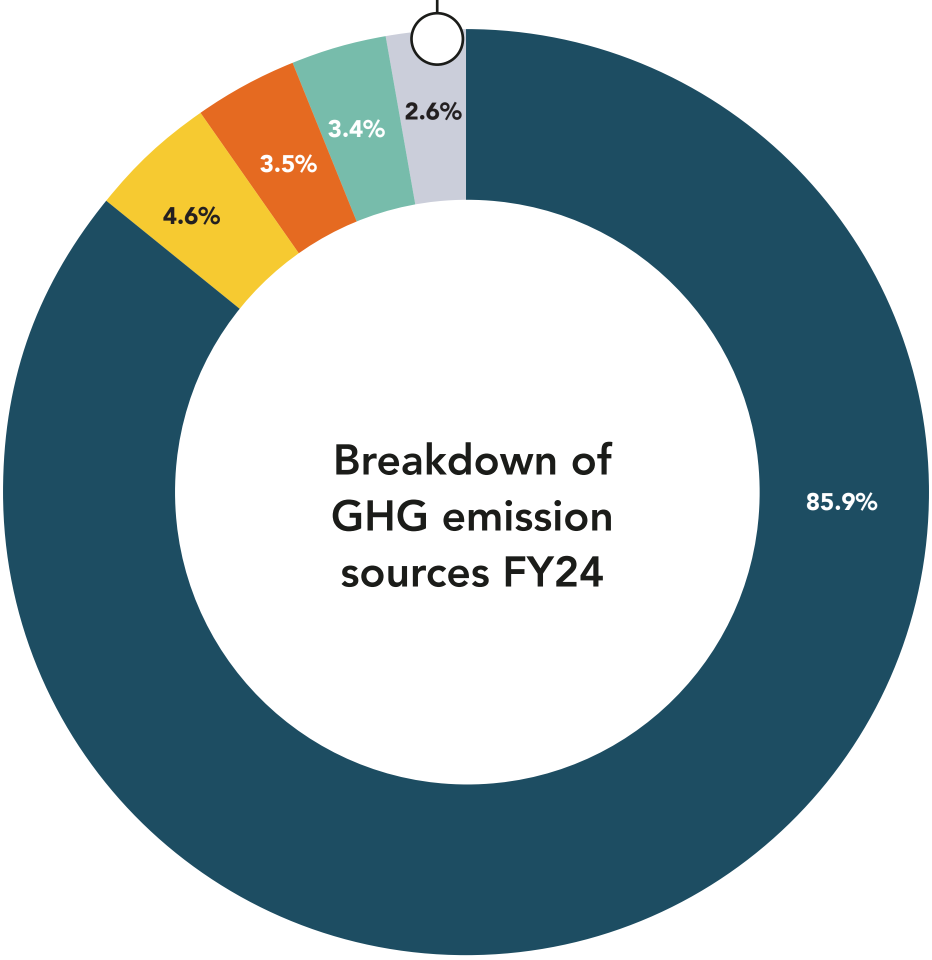


Figure 2. Pie charts displaying ASK4's FY24 tCO_2e emissions, split by category. In the main pie chart, all categories with emissions totalling less than 2% of ASK4's total FY24 emissions have been aggregated into an 'Other' category, which has been broken into categories in the other pie chart to provide a more granular breakdown of emissions by category.

Overall, in FY24 the majority of our CO_2e emissions are in Scope 3 (98%, 4,771 tCO_2e). The greatest source of CO_2e was Scope 3 Purchased goods and services (86%, 4,187 tCO_2e), followed by Scope 3 Employee Commuting (5%, 223 tCO_2e), Scope 3 Fuel and Energy-related activities (4%, 171 tCO_2e), and Scope 3 Business Travel (3%, 167 tCO_2e). All other CO_2e categories equated to less than 2% of the total FY24 emissions, including Scope 1 and 2 emissions.

Below is an itemised breakdown showing the amount of carbon equivalent emissions (tCO_2e) produced by each Scope and Category from the FY24 baseline calculation.

Table 1. ASK4's FY24 CO_2e Inventory

Scope/Category	Sub-category	Total tCO_2e emissions FY24	% of FY24 total tCO_2e
Scope 1			
Stationary combustion	Gas consumed	30.41	0.62%
Transport*	Owned and leased vehicles	71.98	1.48%
Refrigerants	HVACs	0.17	0.00%
Scope 2			
Electricity (Location-based)[2]	Purchased electricity, for own use (grid average)	454.70	NA
Electricity (Market-based)[3]	Purchased electricity, for own use (specific contract)	2.20	0.05%
Scope 3			
Cat 1: Purchased goods and services	Goods and services	4,186.58	85.86%
Cat 2: Capital goods	CapEx expenditure	-	0.00%
Cat 3: Fuel & energy-related activities	WTT[4] & T&D losses[5] from electricity, stationary combustion of fuels and transport	171.44	3.52%
Cat 4: Upstream Transportation	Transport between tier 1 suppliers or paid transport for goods (upstream & downstream) WTW[6]	5.92	0.12%
Cat 5: Waste	Waste disposal from operations	0.79	0.02%
Cat 6: Business travel	Land and air travel and hotel stays for business purposes WTW	166.76	3.42%
Cat 7: Employee commuting	Employees commuting to and back from work (WTW)	222.86	4.57%
Cat 7: Employee homeworking	Employees working from home (WFH)	16.86	0.35%
Total Gross Emissions (Location-based)		**5,328.48**	
Less emissions avoided by procurement of renewable electricity		-453.75	
Total Gross Emissions (Market-based)		**4,875.98**	**100%**
Less carbon offsets		-105	
Total Net Emissions		**4,770.98**	

[2]Location-based represents emissions from electricity consumption based on grid average emissions
[3]Market-based represents emissions from electricity consumption based on specific energy contracts
[4]WTT – Well-to-tank emissions. Emissions associated with the extraction, refinement, and transport of fuels before consumption
[5]T&D losses – Transmission and distribution losses. Emissions associated with the energy lost during the transmission of electricity through the network
[6]WTW – Well-to-wheel emissions. Includes emissions associated with the extraction, refinement, transport, and consumption of fuels

To further understand our emissions, we have also recorded them using intensity ratios as this will allow us to track our emissions as our business grows. We have calculated three different emissions intensity metrics, one based on FTE, one per m^2 and one on turnover.

Table 7. ASK4's FY24 Intensity Ratios

	Metric Quantity	Gross Emissions (Location-based)	Gross Emissions (Market-based)	Net Emissions
tCO_2e per employee (year average)	212.00	25.13	23.00	22.50
tCO_2e per square meters	2,236.00	2.38	2.18	2.13
tCO_2e per million £ turnover	36.69	145.25	132.91	130.05

Emissions methodology

When calculating carbon emissions, the GHG Protocol Corporate Accounting and Reporting Standard states that a company must set its organisational boundaries.[7] This can be done either by an "Equity Share" or "Control" approach. The Equity Share approach reflects a company's economic interests and percentage ownership of companies or subsidiaries to assign GHG emissions. The Control approach can follow two routes and defines the boundary by looking at either how much Financial or Operational Control a company has.

To fully cover all of our operations, we have selected the Operational Control method when setting our organisational boundary which will cover 100 percent of the GHG emissions over which it has operational control. The Operational boundary will include all three Scopes as outlined by the GHG Protocol. Our emissions are reported in tCO_2e and have been calculated utilising the following formula:

Source emissions data x conversion factor* = total source emissions
Source unit x (tCO_2e/unit) = tCO_2e

*Conversion factors are primarily derived from the latest:
- UK Government GHG conversion factors for Company Reporting
- DEFRA (Department for Environmental, Food and Rural Affairs)
- EPA's Environmentally extended input-output (EEIO) tables

[7]https://ghgprotocol.org/corporate-standard

Emission reduction targets

In setting Net Zero targets and developing a Net Zero roadmap we have assessed the CO_2e reduction potential of each scope and category. This assessment has considered the degree of control we have over the activity, operational considerations (e.g. fleet replacement cycles, availability of green energy tariffs by geography, available waste disposal methods), and wider politico-economic factors including the UK and EU's commitment to decarbonise National Grids and the ban on the sale of ICE vehicles post-2030 in the UK and 2035 for EU countries. The Net Zero pathway is science-based and aligned to the Paris Agreement's commitment of limiting global warming to 1.5°C above pre-industrial levels.

To continue our progress to achieving Net Zero, we have mapped out and planned a number of positive actions to achieve the following carbon reduction targets:

2024

2030

29%

reduction in Scopes 1, 2 & 3 emissions by 2030

2035

49%

reduction in Scopes 1, 2 & 3 emissions by 2035

2040

73%

reduction in Scopes 1, 2 & 3 emissions by 2040

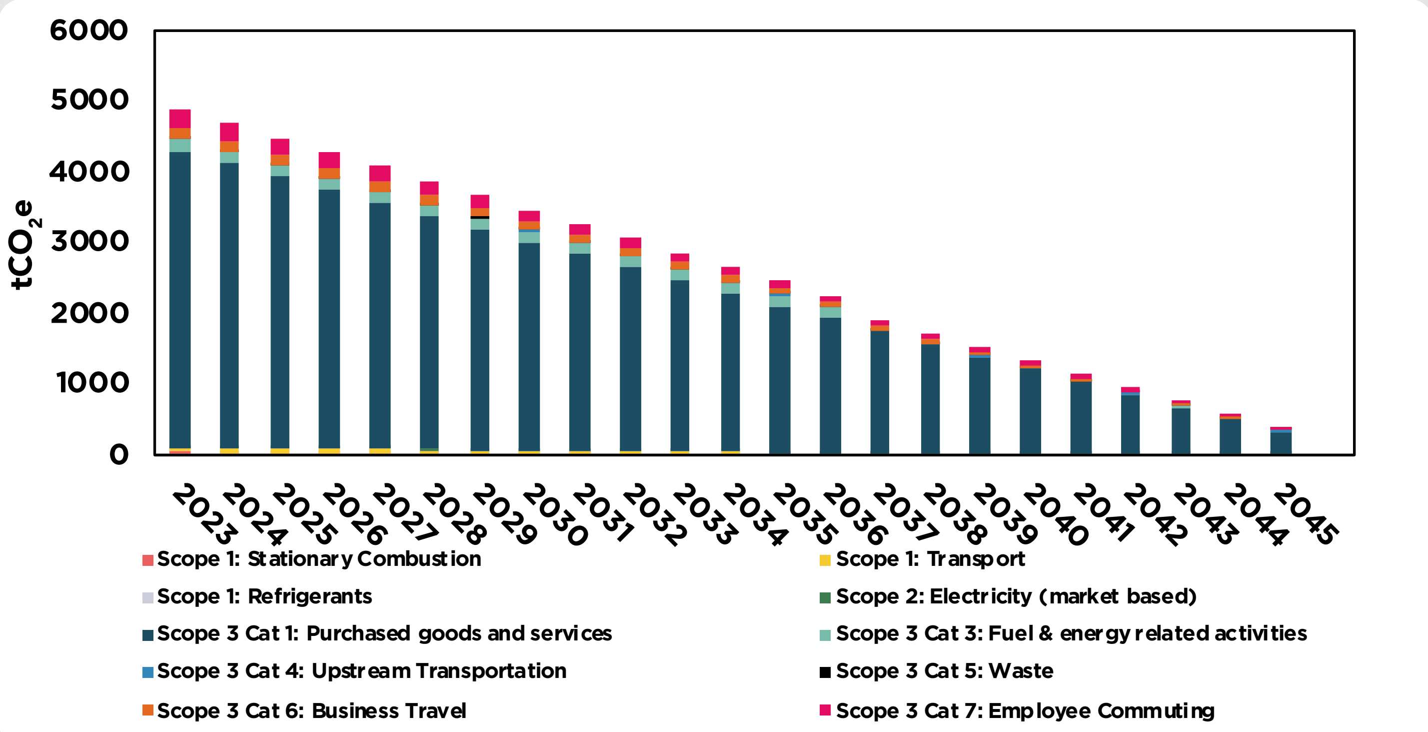
2045

92%

reduction in Scopes 1, 2 & 3 emissions by 2045

Carbon Emission Glidepath tCO_2e

Figure 3. ASK4's Net Zero glidepath - Roadmap to achieve Net Zero (-90% CO_2e by 2045 against the FY24 base year)



Our approach is to always focus our efforts on reducing our own emissions, however, the majority of our carbon emissions lie within Scope 3. It is difficult to reduce these emissions within the short term as these are within our supply chain where we have minimal influence but not control. To try and reduce these emissions we will assess our choice of suppliers and begin to request product / service specific emissions to encourage the correct carbon reducing behaviour within our supply chain.

Environmental management measures / emission reduction plan

Before the commencement of our carbon equivalent emission calculations, we have already taken several proactive steps to minimise our environmental impact. While the following actions were implemented prior to the current reporting period (FY24), they have likely contributed to reducing emissions across key areas of our business:

SCOPE 1: Stationary combustion (Natural gas)

This is a relatively low impact area, but within our control to reduce impact.

- Understand our landlords' energy efficiency improvement plans including future CapEx projects. Including, engaging with landlords of our premises to assess the possibility of transitioning from natural gas to renewable gas contracts or alternative low-carbon heating systems.
- We will request our landlords to undertake planned preventative maintenance of HVAC systems to ensure optimised performance.
- Regularly review capital expenditure (CapEx) opportunities to reduce energy consumption.
- Integrate energy efficiency into the decision-making process when reviewing leases upon expiry. i.e. investigate moving to buildings with high Energy Performance Certificate ratings.

SCOPE 1: Transport (owned and leased vehicles)

This is the largest source of our direct emissions (Scope 1 and 2) at 1.48% of total emissions. Therefore, there is scope for reduction in our direct control and will seek to decarbonise by:

- Undertaking regular assessment of the fleet to ensure least efficient vehicles are removed as a priority.
- Undertaking a feasibility assessment to determine whether transitioning the fleet to EVs is possible given our operating locations and operating model. When practical, move diesel-owned and leased vehicles to electric vehicles (EV), or hybrid vehicles.
- Provide driver training on how to drive more efficiently to reduce emissions.
- Telematics have been installed into our vehicles; additionally, we will review available data on driver performance and issue further guidance and training where necessary.
- Ensure EV's (when available) are charged using green electricity sources where possible including installing charging points at our sites which are supplied with green electricity contracts.

SCOPE 1: Refrigerants

This is a low impact area for us; however, we will endeavour to reduce our impact where possible. We will seek to:

- Remain compliant, directly or via our landlords, with the Ozone Depleting Substance Regulations (2015) and F-Gas Regulations (2018), ensuring our air conditioning units either have automatic leak detection systems or undertake annual leak checks (achieved through servicing). Where systems fall below the thresholds of the Regulations, we will ensure they are serviced as per the manufacturers recommendations (typically annually).
- Ensure correct end-of-life treatment of refrigerant gases; recover and dispose of refrigerant gases correctly when maintaining, upgrading or decommissioning a system.
- In ASK4 owned premises, when renewing HVAC system, choose the most efficient systems:
  – Investigate systems using low GWP refrigerants and low potential leakage.
  – Installing new systems may offer energy savings as well as next generation refrigerants (HFOs (hydrofluoro-olefins) and natural refrigerants).
- Limit use of air conditioning systems through efficient building management controls.

SCOPE 2: Electricity

The emissions from electricity are a relatively low-impact area in relation to other categories; however, it is one we can directly control. All three of our UK premises are already on green energy contracts. We remain committed to maintaining these contracts and will strive to further reduce electricity consumption through the following initiatives:

- We will seek to obtain primary data from our Madrid Office, including the type of contract held and total consumption.
- We will review the option to improve the energy efficiency of our Madrid office by engaging our landlord and request the use of Passive Infra-Red sensors (PIRs), replacing lighting with LEDs, and other optimisation and management controls.
- Regularly review capital expenditure (CapEx) opportunities to reduce energy consumption.
- Promote energy conservation amongst our employees to facilitate positive behavioural change.
- Energy champions at each site will be gathering up-to-date monthly energy performance data to provide feedback. Energy champions will also gather ideas from colleagues across our organisation to supplement and introduce energy best practices.
- Energy surveys will be undertaken at sites consuming large amounts of electricity to identify CapEx opportunities.
- Investigate opportunities, in collaboration with landlords, to install green energy production facilities onsite where practicable (e.g., solar panels, wind turbines).

SCOPE 3 Category 1: Purchased goods and services

This is the largest single source of emissions in FY24 and is therefore a key priority action area. Our emissions in this category also include our Capital Good emissions (Category 2) as our current processes are limited in disaggregating our spend data.

As a result, we will work towards being able to more accurately disaggregate purchased goods and services and capital goods in the future

We realise that much of the GHG reductions in this category will happen because of our suppliers reducing their carbon emissions and becoming more carbon aware as our supplier regions such as the UK, EU, China and Taiwan have made commitments to Net Zero by 2050 (2060 for China). However, that does not mean that we will take a passive approach to the category especially as it accounts for 88% of our total emissions. To try and enact positive change on our suppliers we will:

- Engage with tier 1 suppliers to first understand their carbon footprint (scopes 1, 2 and relevant 3) by sending out carbon surveys.
- Be selective about working with sophisticated carbon suppliers (where possible), and additionally, support suppliers to reduce their emissions.
- Work with suppliers to collaboratively set carbon emissions reductions targets.
- Prefer local suppliers where possible.
- Request life cycle assessments for products purchased and choose products with a lower environmental impact such as:
  - switching to recycled printing paper
  - removal of paper towels for hand drying
  - procuring uniforms from recycled polyester and/or organic cotton
  - partner with local business (Alpkit)
  - ensure all our meetings use local water (or filtered water), locally brewed coffee, tea etc.

SCOPE 3 Category 4: Upstream transportation and distribution

This is a low impact area for ASK4. We will seek to improve the data used to calculate this category as it is currently estimated based on average mileage distances from our warehouse to client sites, rather than primary data. In addition, we will:

- Endeavour to streamline logistic processes to ensure we are optimising the sourcing, storage, configuration and transportation of our devices.
- Requests for freight and logistic data from providers.
- Request the use of EVs where possible, avoid next-day delivery and use providers with green tariffs in place for warehouses/storage facilities.

SCOPE 3 Category 5: Waste

Although this is a very low impact area compared to other emissions sources, we can make improvements as we have a greater degree of control over this impact area. We will also engage with landlords and waste providers to obtain primary waste data, where available.

We will aim to reduce our waste by:

- Rolling out employee training programmes to provide clear, consistent training and information to minimise waste and maximise recycling including reinforcing the waste hierarchy.
- Ensure responsible end-of-use of our products by adhering to the waste hierarchy, prioritising reuse over recycling by donating unwanted but functional items to alternative providers such as charities.
- Tracking the disposal methods of our various waste streams and ensure our (or landlords) waste management companies avoid waste to landfill.
- We will separate all food waste from general waste and where in ASK4's control ensure it goes for composting.
- All promotional materials are to be recycled / upcycled.

SCOPE 3 Category 6: Business travel

Business travel is a moderate impact area for us and is a key area we can influence through management controls. We will endeavour to do this through the following methods:

- Continue utilising video conferencing to minimise business travel. Where travel is required we will optimise our meeting schedules to reduce the total mileage travelled.
- Maintain and enhance our travel policy which prioritises rail travel over flights or car travel where possible. The Policy also outlines strict controls on flying economy class over business class.
- Encourage the uptake of EV vehicles. Consider paying favourable mileage reclaim rates and also the possible installation of EV charging points at our site, where practical.
- We will also begin collecting more granular Business travel data to better calculate our GHG emissions in future years, avoiding the use of expense summaries and focusing on extracting actual data where possible

SCOPE 3 Category 7: Employee commuting

This is our second highest emission area accounting for 5% of our total emissions. We recognise we cannot directly influence what modes of travel our employees use, however, we will do all we can to encourage them to join us on our sustainable journey.

We will aim to reduce our waste by:

- Sending a travel survey to each one of our employees to understand how they currently get to and from work.
- Consider employee commuting and proximity to public transport option in future decision-making processes when reviewing building leases upon expiry.
- Putting in place initiatives that promote low emissions commuting, including:
  - Cycle-to-work schemes
  - EV salary sacrifice schemes
  - Encouraging carpool arrangements
  - Providing information on public transport alternatives
  - Review access and payment options on EV charge points at our office locations
  - Paying favourable mileage reclaim rates to EV vehicles

SCOPE 3 Category 7: Employee homeworking

Employee homeworking was a limited source of CO_2e emissions (0.4% in total), and we recognise we have limited control over the consumption of fuel and energy in an employee's home environment(s). As such, we will focus on continuing to promote awareness of employee energy consumption and efficiency measures:

- We will collecting granular data by sending a survey to all employees working from home to understand their energy, waste and water usage during working hours.
- Encourage switching to renewable energy tariffs where possible.
- Implement an awareness campaign for reducing working from home carbon footprint:
  - Install SMART meters
  - Reduce energy consumption of home appliances
  - Reduce, reuse, recycle, limit waste sent to landfill

Conclusion

We have now measured our corporate CO_2e emissions for the first time and have set FY24 to be our base year from which we have set our Net Zero targets and roadmap to Net Zero. We have set ambitious Net Zero targets: 34% reduction in absolute Scope 1 and 2 emissions by 2030 and 92% reduction in absolute Scope 1, 2 and 3 emissions by 2045, compared to our FY24 base year emissions. This Net Zero target is 5 years ahead of the UK Government and EU's Net Zero targets and speaks to our ESG ambitions.

We have also identified the key emission hotspots within our corporate inventory and are setting a wider sustainability strategy and developing an action plan to deliver reduction in line with the Net Zero targets and roadmaps this process has formulated.

We will recalculate our carbon footprint annually for each year ending 31st October with 2025 being the first post-base year. We are also focused on expanding the coverage of our GHG emissions reporting to include all relevant categories from FY25 to ensure inventory completeness going forward. We will track how we are performing vs our targets and adjust our methods to ensure we stay on track to hit our Net Zero target.

Emissions methodology – Inclusions within current numbers:

Scope 1

Scope 1 sources included in the inventory are onsite (or "stationary") natural gas and biogas combustion, mobile fuel combustion from leased and owned vehicles and fugitive emissions of refrigerant gasses based on maintenance top-ups of HVAC systems.

- Where possible, activity data has been used to quantify emissions (energy/fuel type and consumption quantities [litres/kWh], distance travelled [miles/km], type and wight of refrigerant).

- Where not available, we have used an estimation based on floor area and national average consumption to estimate fuel/energy/refrigerant gas consumption. Alternatively, we have used spend to derive consumption using a cost per unit estimate for the reporting period.

Scope 2

Purchased electricity was the only identified Scope 2 emissions source. However, per the GHG Protocol Scope 2 Guidance, Scope 2 emissions have been calculated and reported using two separate methodologies:

- A location-based method reflecting the average emissions intensity of grids on which energy consumption occurs.

- A market-based method reflecting emissions from the electricity that we have purposefully chosen via our energy procurement activities. This accounts for energy purchased from green energy suppliers and a residual mix used where non-renewable energy tariffs are currently in use.

Scope 3

Category 1: Purchased goods and services

Includes all upstream (i.e., cradle-to-gate) emissions from the production of goods and services purchased or acquired by us in the reporting year.

- We have used a spend-based approach to quantify emissions from the purchasing of goods and services in FY24.

Category 3: Fuel and energy-related services

Relates to transmission and distribution losses, and the well-to-tank emissions for all fuels consumed as a result of our operations:

- Well-to-tank emissions account for all the emissions related to the extraction, production, and shipping of fuels excluding only the direct combustion of the fuel. (e.g., fuel consumed by our owned or leased vehicles).

- Transmission losses account for all the energy that is lost between the electricity production in the powerplant and when it is used (e.g., resistance in power lines).

Category 4: Upstream transportation and distribution

Includes all emissions from the freighting and storage of goods, paid for by us.

- We have used an estimated approach using the average mileage of each trip multiplied by the total number of trips taken by each provider. The mass of products is considered to be negligible and therefore has not been used in the estimates.

Category 5: Waste

Includes emissions from third-party disposal and treatment of waste generated in our owned or controlled operations in the reporting year:

- We have utilised the 'waste–type-specific' method, which involves using emission factors for specific waste types and waste treatment methods.

Category 6: Business travel

Includes emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars. This also includes emissions resulting from hotel stays and subsistence resulting from business-related trips.

- We have used the distance-based method, which involves determining the distance and mode of business trips, and then applying the appropriate emission factor for the mode used where possible. Where not possible, we have used a spend-based approach to estimate distance travelled by mode.

- We have used the number of nights stayed in hotels to calculate the emissions where available and used a spend-based approach to estimate hotel stay when data was not available.

Category 7: Employee commuting

Includes emissions from the transportation of employees between their homes and our offices. Emissions from employee commuting may arise from car, bus, train, or cab travel. We have also included energy consumption and waste production which occur from employees working from home in this category

- Where appropriate we have used the average-data method, which involves estimating emissions from employee commuting based on average (e.g., national) data on commuting patterns.
- We will in future years supplement the above with employee travel surveys which collect data from employees on commuting patterns (e.g., distance travelled, and mode used for commuting) and apply the appropriate emission factors for the modes used using the distance-based method.

Category 7: Employee homeworking

Includes emissions from employees working from home. This includes the expected additional energy, heating, water use and waste disposal resulting from working at home.

- We have used average working patterns by entity to derive the total number of days/hours employees worked from home in FY24. UK national average estimates for energy, heating, water use, and waste disposal have then been applied on a day/hour rate to estimate total emissions from homeworking.

Emissions methodology – Material exclusions from current numbers:

Scope 3

Category 2: Capital Goods

Capital Good emissions are captured in Category 1: Purchased Goods and Services as current accounting processes do not allow the disaggregation of spend data between Purchased Goods and Services and Capital Goods.

Category 11: Use of sold goods

Is excluded from FY24 baseline emissions as accurate data is not held for emissions associated with the use of our sold products. We are working to calculate an expected kWh per product and therefore hope to include this category in the future.

Category 12: End-of-life treatment of sold goods

Is excluded from FY24 baseline emissions as accurate data for the treatment of our sold products is not available. For future calculations, we will endeavour to provide the type of products and weight of products sold.

Emissions methodology – Non-material exclusions for FY24 baseline emissions:

Scope 3

Category 8: Upstream leased assets

Is excluded from FY24 baseline emissions, as we do not lease any assets in Scope 3.

Category 9: Downstream transportation and distribution

Is excluded from FY24 baseline emissions as we do not sell goods that need to be transported by our customers.

Category 10: Processing of sold products

Is excluded from FY24 baseline emissions as we do not manufacture products.

Category 13: Downstream leased assets

Is excluded from FY24 baseline as we don't lease assets to customers/ third parties.

Category 14: Franchises

Is excluded from FY24 baseline emissions, as we do not operate franchises

Category 15: Investments

Is excluded from FY24 baseline emissions, as we only have a small shareholding in UTOPI but have no operational control over the business. We do not have any other investments whereby we provide capital or offer financing as a service.

Appendix

Appendix figure 1. ASK4's FY24 tCO_2e hotspot analysis by entity.

Scope/Category	Sub-category	Emission Hotspot Analysis (% of category total)
SCOPE 1		
Stationary combustion	Gas consumed	0.62%
Transportation	Owned and leased vehicles	1.48%
Refrigerants	HVAC's	0.00%
SCOPE 2		
Electricity (market-based)	Purchased electricity, for own use (specific contract)	6.20%
Electricity (EVs)	Purchased electricity, for use in company vehicles	-
SCOPE 3		
Category 1: Purchased goods and services	Goods and services	50.40%
Category 2: Capital goods	CapEx expenditure	-
Category 3: Fuel and energy-related activities	WTT (Well-To-Tank) & T&D (Transmission & Distribution losses) for S1 and 2	1.69%
Category 4: Upstream transportation	Paid transport for goods (upstream & downstream), well to wheel (WTW)	4.56%
Category 5: Waste	Waste	3.05%
Category 6: Business travel	Land and air travel and hotel stays for business purposes WTW	1.62%
Category 7: Employee commuting	Employees commuting to and back from work & homeworking	12.96%
Category 8: Upstream leased assets	Emissions from the assets you lease from others	-
Category 9: Downstream transportation and distribution	Transport to customers (WTW)	-
Category 10: Processing of Sold Products	Emissions from the processing of sold goods	-
Category 11: Use of Sold Goods	Direct and indirect emissions from use of goods sold	-
Category 12: End-of-life treatment of sold goods	Waste disposal and treatment of products sold (by customers)	-
Category 13: Downstream leased assets	Emissions from the assets you lease to others	-
Category 14: Franchises	Emissions from your franchises	-
Category 15: Investments	Emissions from your investments	-

ASK4

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