



.krow

Environmental Impact Report 2023

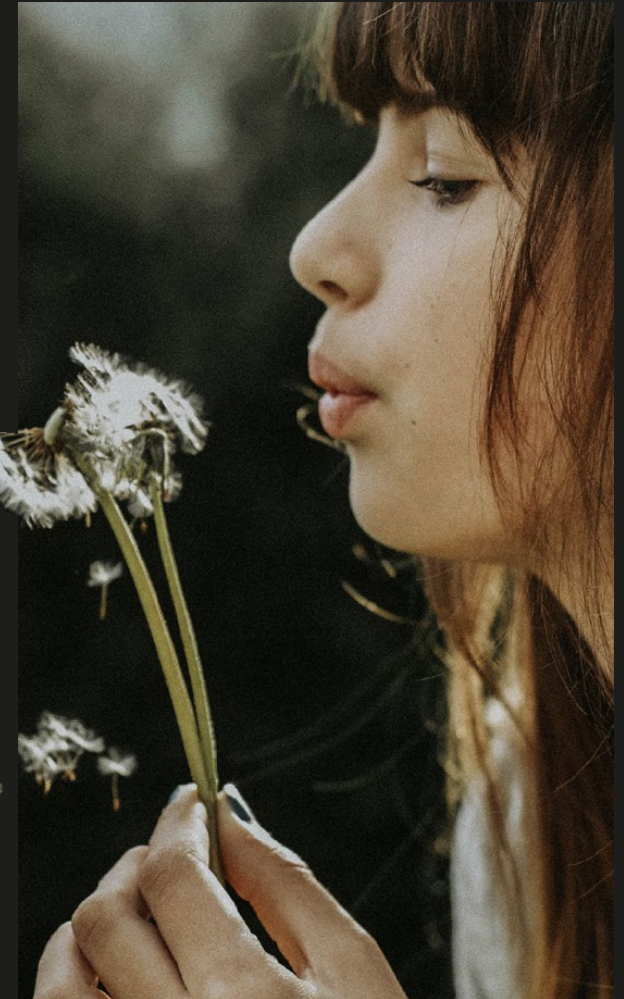


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WE
CREATE
«**BIG**»
POSITIVE
IMPACTS

that move people to think, feel and act differently



MAKING A BIG POSITIVE IMPACT



krow is an integrated creative agency that helps its clients create Big Positive Impacts with creative ideas that people talk about. As such, our business has been dealing with some significant challenges as a result of the impact COVID-19 had on our business, the current global uncertainty and our desire to make sure that we continue to make a Big Positive Impact for our own business.

2023 saw a return to pre-COVID-19 levels of business, which means we have grown and diversified our client base. With that has come new environmental challenges as we deal with producing more campaigns for our clients, are required to travel more, and do more work in the office as opposed to at home.

We have also committed to a more comprehensive level of reporting to fully understand the actions we need to take to achieve meaningful levels of change to our environmental impact.

As a result of all of this we have identified some clear actions to reduce our environmental impact: first, the roll-out of new travel and sustainable procurement policies; second, a comprehensive training programme for our creative teams on developing ideas that have less impact and include positive behaviours; and third, rolling out the environmental 'AdGreen' calculator on all our production shoots over the value of £50k.

We remain committed to reducing our environmental impact through a continuous cycle of monitoring and active management of the risks associated with the way we work and the work we do. This commitment has been made by our senior leaders and the wider agency team in our efforts to not only make a Big Positive Impact on our clients' businesses, but also on the world around us.

Understanding carbon

A carbon footprint is the total quantity of greenhouse gases (GHGs) produced by an organisation, project or place over a given time (usually a year).

- A carbon footprint is measured in tonnes of GHG emissions.
- GHGs are those which have a global warming potential (GWP).
- The main three GHGs are carbon dioxide, methane and nitrous oxide.
- Emissions are converted into CO₂e, or carbon dioxide equivalent, a standard unit for measuring carbon footprints.
- CO₂e expresses the carbon footprint as a single number with the same global warming potential as the sum of all the different GHGs measured.

How is a carbon footprint categorised?

Our carbon emissions fall within three categories, known as scopes, which are:



Scope 1

Direct emissions from owned or controlled sources, including gas for heating, fuel for transport or air conditioning and refrigeration.



Scope 2

Indirect emissions from the generation of purchased electricity.



Scope 3

Indirect emissions that occur in the value chain. This covers several categories including water, waste, working-from-home emissions, commuting, business travel and paper use.

Even bigger ambitions for MISSION

krow is part of MISSION Group which, in alignment with the Paris Agreement and the latest climate science, has set science-based targets calculated through the absolute contraction approach. Due to the significant strides the Group has made in recent years, MISSION's original target of a 42% reduction in Scope 1 and 2 emissions between 2019 and 2029 has now been increased to a target of 52% reduction.

MISSION science-based targets are set according to **each scope** outlined in the previous section.

Scope	2019 (Base)	Target (2024)	Reduction	Target (2029)	Reduction
Scope 1+2 (tCO ₂ e)	997	737	26%	477	52%
Scope 3 (tCO ₂ e)	3,863	3,052	21%	2,241	42%
Total (tCO ₂ e)	4,860	3,789	22%	2,718	44%

- MISSION is on course to reduce its total emissions by 22% by 2024 and 44% by 2029, which is above the target needed to align with the 1.5°C increase limit subscribed to by governments worldwide.

52%

The amount by which
MISSION has committed to
reduce its Scope 1 and 2
emissions by 2029.

Our 2023 performance

Back in 2019 we began measuring our environmental impact, which signalled the start of our commitment to annual reporting.

In our first impact report, we reviewed our GHG emissions across 2019, 2020, 2021 and 2022.

2023 marked a significant reset for krow as we saw a return to the 'new normal' in our industry following a protracted dip in marketing activity during and directly after the COVID-19 pandemic. Since then, the agency has grown, secured a broader client base, increased its headcount and undertaken more production shoots than in preceding years. It was also the year when we were able to monitor more data than ever in the reporting system within our EMS.

Enhanced data reporting

In 2023 we measured and captured more data than ever. We figure it's better to know and act than not to know at all.



Production:

All productions were monitored and measured using the AdGreen Carbon Calculator.



Remote working and commuting:

More comprehensive reporting of the impact of our team working remotely and their commute to the office.



Business travel automation:

New automated approach to calculating the impact of business travel (air, road, train, bus, tram).

2023 marked a return to pre-COVID-19 business levels for krow London

In 2023, we won new clients and our team grew. We also monitored emissions associated with 350% more productions and recorded more of our emissions than ever before, so it's not surprising to see a spike in our emissions in 2023.

Despite this, we continued to maintain zero Scope 1 emissions and our Scope 2 emissions continue to fall year-on-year.

	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	All Scopes (tCO ₂)
2019-2022 (average)	0	24.64	22.87	47.52
2023	0	5.01	108.44	113.46

+16%

team members

+350%

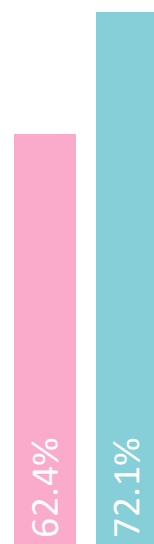
monitored production projects

Scope 3 travel and production shoot emissions continue to be our main focus for ongoing improvement

	Scope 1	Scope 2	Scope 3
2023 emissions	0 (tCO ₂ e)	5.01 (tCO ₂ e)	108.44 (tCO ₂ e)
YoY % change	0%	-80%	+139%
Analysis	Our office is fully electric, and we have not experienced any refrigerant leaks associated with our air conditioning across this period.	Our efforts to ensure our new office space was designed to minimise emissions, combined with our ongoing improvements to build awareness of how to work sustainably both in the office and remotely, have contributed to a significant fall in our Scope 2 emissions.	Our increased monitoring of Scope 3 emissions and a significant increase in productions for new and existing clients has resulted in a significant YoY increase in reported Scope 3 emissions. Within this, business travel poses our biggest challenge.
Our commitment	Maintain	Maintain/reduce	Reduce

These factors are reflected in the reported numbers for 2023 across the advertising industry

% production emissions associated with travel and transport



2022 2023

10% YoY rise on industry emissions associated with travel and transport. With air travel making up 83% of all travel and transport emissions in 2023, this rise is likely associated with an increase in productions requiring air travel.

Average carbon output of production projects



2022 2023

The average production project size has increased by 1.5 tCO₂e. This is, in part, being driven by greater adoption of the AdGreen carbon calculator on larger value shoots.

Source: AdGreen Annual Review 2023, looking at 1,424 production projects.

Offsetting our 2023 carbon footprint

We emitted a total of 113 tonnes of CO₂ between January and December 2023. To offset these emissions, we have purchased 113 carbon credits for carbon avoidance projects across the world.



MACAÚBAS LANDFILL GAS PROJECT, BRAZIL

- Brazil is the fifth-largest producer of waste which ends up in landfill, where it releases methane gas which is around 34 times more potent than CO₂.
- The main objective of the project is to prevent emissions of methane gas into the atmosphere from a large landfill site in Brazil through the installation of new active LFG extraction, flaring and electricity generation systems.



THE KATINGAN MENTAYA RESTORATION AND CONSERVATION PROJECT, INDONESIA

- Peatlands store more carbon than all other vegetation types in the world combined. When peatlands are cleared, drained or burned, the carbon stored within them is released.
- Indonesia contains some 36% of the world's tropical peatlands.
- The project sets out to protect and restore 149,800 hectares of peatland ecosystem through satellite monitoring and fire management.



UPENERGY COMMUNITY CARBON, UGANDA

- Around one-third of the world's population still relies on hazardous cooking methods, such as burning charcoal, firewood and animal dung. Excessive biomass burning amplifies GHG emissions, intensifying climate change.
- This initiative distributes subsidised, fuel-efficient charcoal cooking stoves to thousands of families who lack access to other types of stove and cooking fuel. At the heart of these projects is the belief that community investments are the greatest enablers of change for the planet and its inhabitants.

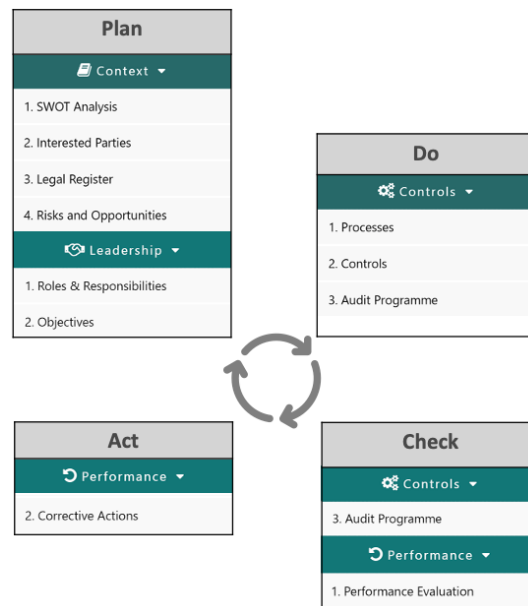


Our ongoing commitments

Through the continued focus on the implementation of our environmental management system, we will monitor and take action to reduce the GHG emissions and waste associated with our operations >

Our ENVIRONMENTAL management system

Our environmental management system has been built around our agency's goals and objectives, the risks to the environment associated with achieving these ambitions, and the controls we have put in place to actively reduce these risks.



Our action plan is focused around five core pillars, on which we have provided more detail in the following pages.

ISO14001 accredited

for our environmental
management system.

Our commitments

Pillar 1: Company values and behaviours

A commitment to ensuring that reducing environmental impact is demonstrated through our behaviours and is enshrined in our company values:

BETTER TOGETHER – taking everyone at krow on this journey, ensuring they are informed and empowered to make the right choices.

BE BOLD – we recognise that only bold thinking changes the game, so collectively we'll always back it.

EVERYTHING MATTERS – we know that lots of small actions can make a big change for the better.

MAKE A DIFFERENCE – in a world of influencers, we want to make sure we're good ones.

MUTUAL RESPECT – everyone has an important contribution to make, so we want all voices to be respected and heard.

Our action plan

- Regularly delivering team training on environmental impact and encouraging positive behaviours – whether working in the office or at home – that can contribute towards impact reduction.
- Actively communicating our values and specific policies to our clients, partners and colleagues.



Our commitments

Pillar 2: Reducing our carbon footprint

A commitment to measuring all environmental impacts that we have direct control over, and avoiding, reusing or substituting things which are harmful in line with science-based targets.

We will report annually on our achievements against targets, as well as continue to review targets to gauge whether they can be increased further.

Our action plan

Establishing and maintaining an environmental monitoring system for ongoing data capture, forming the basis of future reports.

Reducing emissions (all Scopes) through:

- Using 100% renewable energy within our office.
- Minimising the impact of car, rail and air travel, supported by increased use of videoconferencing over face-to-face meetings, provision of a cycle-to-work scheme and priority use of electric or hybrid taxi fleets.
- Supporting our employees with a hybrid working policy to reduce emissions associated with commuting to the office.

Increasing energy efficiency through:

- Time- and sensor-activated lighting, water and temperature controls.
- Delivering training to all staff on energy consumption awareness in order to curb unnecessary use.
- Introducing new policies to provide clear guidance on the optimal way to work.



Our commitments

Pillar 3: **Sustainable supply chain**

A commitment to assessing the environmental impact of those that supply our day-to-day consumables and essential services. Selecting suppliers based on achieving the lowest possible environmental impact – with a focus on both carbon footprint and waste reduction.



Our action plan

- Our sustainable procurement policy lays out our ambitions to ensure all the consumables we buy meet high sustainability standards.
- A rigorous supplier screening programme ensures we are aware of the impact of our work beyond our doors.
- Making the right purchasing decisions, be that aligning with group-level central procurement or independently researching and procuring products and services that support our policies.
- Working with new suppliers to enable us to reduce our own impact, including AvISO, Green Element, Green Shoot and AdGreen.

Our commitments

Pillar 4: Engaging with our clients and the wider industry

A commitment to making our environmental policies and action plan clear to our clients, engaging with them positively over action they can take, and sharing our own ideas and processes with them.

In addition, we will take an active role in the development of new thinking, monitoring tools and ways of working for the wider advertising industry.

Our action plan

- Communicating this report – and each annual report thereafter – to all of our clients and suppliers.
- Initiating conversations with all our clients around how we can help them create a positive environmental impact, whether by including the AdGreen Levy on their production budgets (to support the industry's shift to net zero), featuring environmentally responsible behaviours in our work or simply advising them on how they can be more efficient in the way they manage their communications work.
- Actively sharing our work with other agencies and adding our voice to industry steering groups.



Our commitments

Pillar 5: Reducing our production footprint

Creating an end-to-end origination process that ensures our ideas, and the production of them, are as sustainable as they can be. This starts at creative ideation, continues through into pre-production planning and is realised, monitored and measured at the final shoot.



Our action plan

- Continuing to use the AdGreen Carbon Calculator on all our production projects, which will allow us to more accurately monitor and reduce emissions on our shoots in the four main areas of transport, spaces, materials and disposal.
- AdGreen training for all our producers, creatives and account handlers.
- Attendance of independent auditor, Green Shoot, on larger production projects, who provide a post-shoot sustainability report to help us on our journey of continuous improvement.
- Upskilling our creative teams on how to develop communication ideas that can be produced with minimal negative impact – specifically considering seasonal planning, representing green behaviours in our work and avoiding large set builds.
- Actively and consciously pre-planning production projects to minimise the impact of transportation of product, plan for remote shoot attendance, meat-free catering, using local crew and talent, and contracting suppliers, studios and accommodation running on 100% renewable energy.
- Openly communicating our approach with our clients, including offering the option of including the AdGreen Levy of 0.25% on production costs and the contribution of any remaining production wardrobe or props to charities.

Our ongoing commitment

This document has outlined our approach to measurement and target-setting, and our plan for reducing our environmental impact.

But plans will only be successful if we continue to evolve them based on an ongoing review of targets and progress against them.

While there are instant and positive changes we can make, reducing our carbon impact is not a quick fix, and for this reason we commit to the following:

1

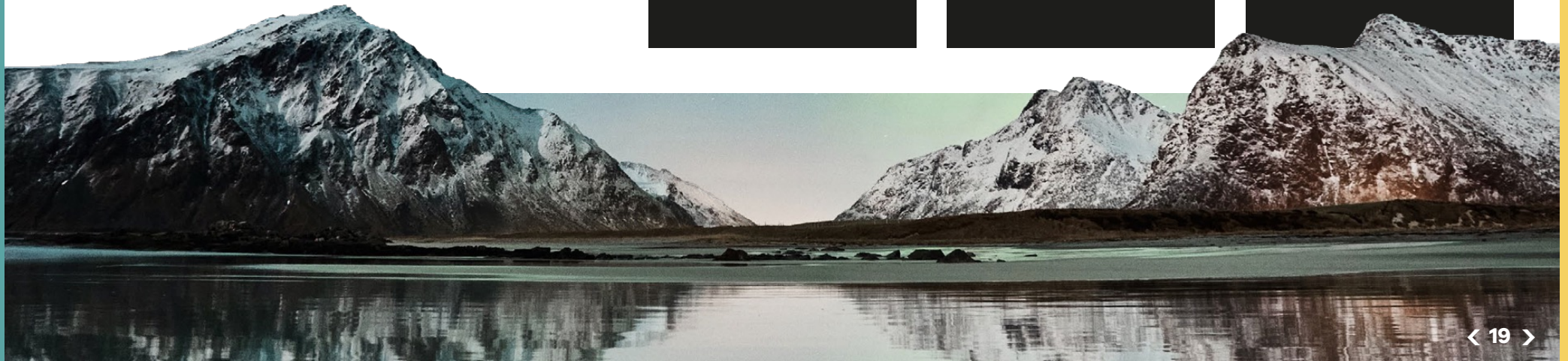
Continuing to measure all environmental impacts, including carbon impacts in Scopes 1-3.

2

Reporting our carbon emissions annually, highlighting our progress against targets and offsetting all our emissions by investing in sustainable projects around the world.

3

Maintaining our ISO14001 accreditation. We will use the feedback and recommendations made as part of these audits to continue to update our processes and policies.



“What you do makes a difference, and you have to decide what kind of difference you want to make.”

Dr Jane Goodall, scientist and activist