Aiming for Nothing.

Lawton Communications Group:
Environmental & Sustainability Policy

LAWTON COMMUNICATIONS GROUP   **dragonfish**   **fivebyfive**®

A Net-Zero company by 2030.

Lawton Communications Group, as well as our individual subsidiary businesses Five by Five and dragonfish consulting, are committed to improving our environmental performance and ensuring we are truly sustainable businesses.

To achieve that, we first recognise that we undertake a variety of activities which may have an effect on the environment.

The average annual operational carbon footprint of someone in a UK advertising agency, also comparable with other professional services, is 3.4 tonnes CO_2e[1]. Although this is much lower than other industries, our people, clients and other stakeholders still expect us to minimise the impact we have and we want to do everything we can to be a responsible group of businesses.

1. https://adnetzero.com/?scrollTo=reportSection

Our environmental and sustainability vision is to be Net-Zero by 2030.

In addition, we aim to use our position in our respective sectors to encourage those we work with to drive sustainable consumption and take action in their own industries.

We are committed to incorporating the latest science based research into our environmental policy and approach, as well as utilising independent and external bodies to audit our performance and drive future improvements.

We are currently EcoVadis accredited and hold a GOLD medal.

GOLD
2022
ecovadis
Sustainability
Rating

Further details of our EcoVadis accreditation and score can be found in appendix 1 at the end of this document.

Our Environmental and Sustainability Principles.

- Comply with all relevant environmental legislation/regulation.

- Promote environmental responsibility within the organisation and ensure our environmental and sustainability policy is implemented at all levels of the group.

- Seek to minimise our production of waste and apply recycle and re-use methods to the waste that is produced.

- Promote energy efficiency throughout the business and where possible, ensure the energy we use is from sustainable sources.

- Promote a culture of responsibility and innovation amongst colleagues to develop new ideas and initiatives to improve our environmental and sustainability performance.

- Encourage involvement in and support local, national and industry-specific environmental and sustainability initiatives and schemes.

- Undertake periodic and rigorous reviews of our progress.

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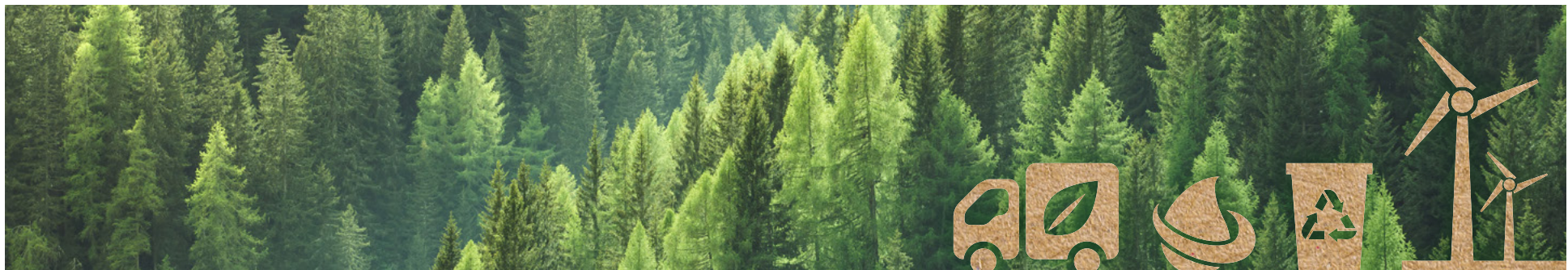
Who we support.

Signing the **SME Climate Commitment**[1] with the SME Climate Hub joins us with thousands of other businesses in the UN Race to Zero Campaign[2].

Being formal supporters of **Ad Net Zero** commits us to a set of industry specific actions and an industry wide net-zero target by 2030[3].

Being signatories of **The Climate Pledge** adds further commitments around reporting, carbon elimination and credible offset principles to our methodologies and approaches[4].

EcoVadis is the worlds most trusted sustainability ratings platform. We are regularly audited across a holistic suite of sustainability related areas: Environment, Labour & Human Rights, Ethics and Sustainable Procurement[5].

1. https://smeclimatehub.org/sme-climate-commitment
2. https://unfccc.int/climate-action/race-to-zero-campaign
3. https://adnetzero.com
4. https://www.theclimatepledge.com
5. https://ecovadis.com

Environmental and Sustainability Plan:
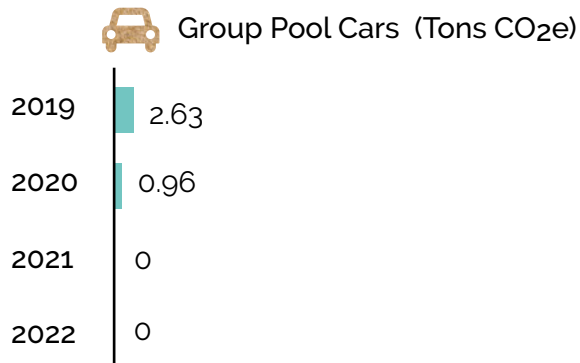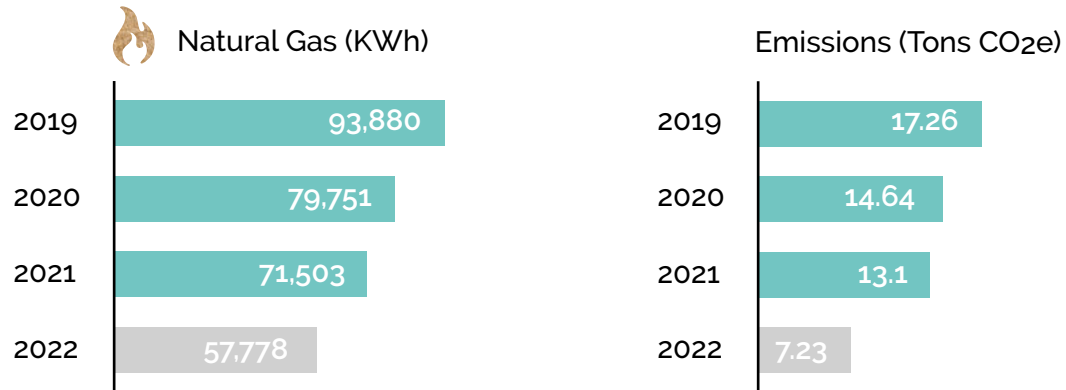# Actions and Targets.

Current data.

We are committed to measuring and reporting our carbon emissions. We understand that it is only by doing this that we can identify areas for reduction, and implement change across our business to lead us to our net-zero target by 2030.

We have identified that we do not currently have a comprehensive oversight of our Scope 3 emissions, particularly when looking beyond our immediate value chain. We are committed to improving this area of carbon measurement and reporting and are working with a specialist third party to support our progress.

Current data: Scope 1

Direct emissions from owned or controlled sources:

🔥 Natural Gas (KWh)

Year	Value
2019	93,880
2020	79,751
2021	71,503
2022	57,778

Emissions (Tons CO$_2$e)

Year	Value
2019	17.26
2020	14.64
2021	13.1
2022	7.23

🚗 Group Pool Cars (Tons CO$_2$e)

Year	Value
2019	2.63
2020	0.96
2021	0
2022	0

Current data: Scope 2

Indirect emissions for the generation of purchased electricity, heat or steam

⚡ Electricity (KWh)

Year	Value
2019	174,217
2020	99,240
2021	98,299
2022	109,186

Total Emissions (Tons CO_2e)

Year	Value
2019	44.53
2020	23.14
2021	20.07
2022	17.73
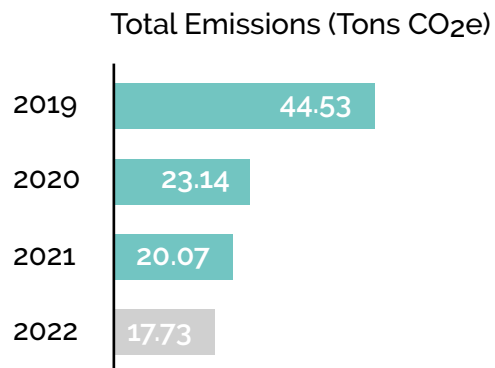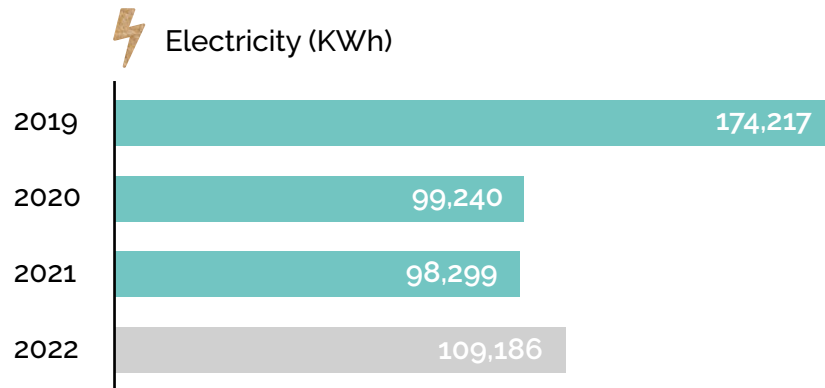
Current data: Scope 3

All indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including upstream and downstream emissions.

Water Used (m³)

Year	Value
2019	323
2020	164
2021	160
2022	158

Waste Water (m³)

Year	Value
2019	307
2020	156
2021	152
2022	150

Consumed (m³)

Year	Value
2019	42
2020	8
2021	8
2022	9

Waste (KGs)

Year	Value
2019	5,250
2020	1,408
2021	536
2022	551

Recycling (KGs)

Year	Value
2019	1,200
2020	0
2021	700
2022	1,575

WEEE (KGs)

Year	Value
2019	0
2020	525
2021	80
2022	160

Air Travel

Year	Value
2019	33.79
2020	0
2021	3.35
2022	18.43

Public Transport

Year	Value
2019	0.64
2020	0.30
2021	7.42
2022	8.04

Other Car & Taxi Journeys

Year	Value
2019	0.70
2020	0.11
2021	2.55
2022	3.27

Total Emissions (Tons CO₂e)

Year	Value
2019	35.13
2020	0.41
2021	13.32
2022	29.74

Area 1:
Business Operations.

By measuring our carbon footprint data we have been able to establish our emissions sources and identify ways of reducing them, as far as possible.

Business Travel.

Having implemented a truly flexible way of working, colleagues' requirement to travel to and from office locations is vastly reduced, thus removing emissions from many personal commuting journeys.

A commuting loan scheme has been put in place to encourage use of rail/bus over car travel, as well as a contributory cycle to work scheme (which includes electric bikes).

Company owned vehicles have been removed from operation in order to encourage the use of public transport for client visits and travel between our offices.

Work to improve the quality of travel data collected has enabled a more accurate and robust approach to reporting, removing the requirement for assumptions. Validation checks on all travel expense claims continue to be in place to ensure the continued accuracy of our data.

We recognise the significant impact air travel has and have a rigorous validation and approval process in place to ensure all air travel is considered necessary prior to booking. We are aware that class of travel has a significant impact on carbon emissions of the journey. The vast majority (in excess of 75%) of flights in the most recent reporting year were economy class. Only flight times over 7.5 hours will be considered for

premium economy or business class, and only if deemed strictly necessary to support business operations.

For the year 2022, Lawton Communications Group offset a total of 18.5 tons of carbon specifically relating to air travel, investing £3,000 in a range of projects.

We understand that carbon removal offsets are not a route to net-zero in themselves and that every effort should be made to reduce sources of carbon emissions. Whilst we continue to make progress towards our 2030 target, we feel investing in high quality projects is vital for the air travel emissions we cannot currently reduce.

Energy.

Energy accounts for the majority of our business emissions and so we have made steps to not only reduce this, but to move to renewable-only tariffs where possible.

In September 2022, we made changes so that 100% of the electricity supplied to our head office comes from renewable certificates and nuclear. Our London office was already 100% renewable.

The gas supplied to our head office is 10% backed by Renewable Gas Guarantee of Origin Certificates and 90% backed by carbon credits from qualified and registered projects.

We can already see some positive impact in our reported 2022 figures. These show that although energy usage has increased due to business growth, the resulting CO_2 emissions have actually reduced year on year.

We should see the full impact of this switch in our 2023 data.

Sustainable Supplies.

Whilst we cannot remove all consumption from our business, we do have initiatives in place to reduce the impact and undertake audits to look at additional methods of improving in this area, particularly when it comes to single-use plastics.

These initiatives include:

- Switching to milk in glass bottles to remove approximately 60kg of plastic per year (based on 42g plastic per 2 pint bottle).

- Soft drinks and bottled water provided in glass bottles or cans, rather than plastic.

- Upgraded water filters installed on all kitchen taps to encourage reduction of bottled drinks being consumed.

- All tea and coffee is bought in bulk and provided in reusable containers to prevent excessive single use plastics/materials.

- we exclusively use FSC accredited recycled paper across our offices.

- Frequently bought stationery, such as notepads and pens, are sourced from a sustainable provider.[1]

- Our pens are made from 100% recycled PET bottles, notebooks are 95% recycled materials and are PEFC accredited, post-it notes are made from 100% recycled paper and our flip chart rolls are reusable and recyclable.

1. The Green Office, part of DEOS Group.
   https://www.thegreenoffice.co.uk/our-commitment-to-creating-a-greener-business
   https://www.thegreenoffice.co.uk/environmental-and-csr-policy

Recycling.

Throughout the business, opportunities for recycling are in place and are continually reviewed to find improvements.

These initiatives include:

- Recycling stations are established in kitchens to sort and recycle plastics, tins, paper/cardboard and glass.

- Paper recycling bins are in place in all offices.

- Removal of under-desk bins to encourage use of central recycling stations.

- All printer cartridges (23kg in 2023) are recycled through Effective Consumable Solutions[1].

- IT equipment at the end of its life (765kg between 2019-2023) is recycled through a local professional and ethical IT recycling company who operate as a charity to support homelessness.[2]

1. https://www.ecs-uk-ltd.co.uk/greener-side
2. https://jamies.org.uk/about-us

Carbon Removal.

Our aim is to reduce our emissions as much as possible but we also recognise that there may be some that we are unable to prevent. Therefore, with effect from 2022, each year we will identify carbon emissions that currently cannot be removed from our business operations and will use high quality carbon removal offsets to support our journey to be net zero by 2030.

We are particularly interested in ensuring the schemes we use and support are verifiable and transparent in their practices, and that the projects used focus on the latest technological advancements in carbon capture and removal. We have therefore adopted The Oxford Principles for New Zero Aligned Carbon Offsetting[1] and work with SuperCritical[2] to ensure our carbon removal investments legitimately support our journey to net-zero.

1. https://www.smithschool.ox.ac.uk/sites/default/files/2022-01/Oxford-Offsetting-Principles-2020.pdf
2. https://gosupercritical.com

Area 2:
Advertising Production.

Carbon Calculations.

We utilise AdGreen's carbon calculator[1] to establish the carbon cost of our production work. The tool allows for the measurement of any stills, motion or audio project which is part of an advertising campaign.

Information is recorded in four key areas: transport, spaces (encompassing non-filming spaces such as offices, locations and studios, and accommodation), materials (such as food, set build and decoration items, batteries and costume), and disposal of waste.

Whilst collecting data we will identify opportunities to make carbon reductions on a live, ongoing basis. Further to this, once we have collected sufficient data around our production work, we plan to implement wider scale procedural and policy changes, including working directly with clients and suppliers to educate and make proactive suggestions on where carbon savings can be made.

Where carbon cannot be removed or reduced, we will explore the introduction of budgets to offset using Albert's Creative Offsets Scheme.[2]

ADGREEN
where **low impact** counts

1. https://weareadgreen.org/carbon-calculator
2. https://wearealbert.org/creative-offsets

Production Suppliers.

The suppliers we use also play a significant role in the overall impact of our production work.

As we develop a broader picture of the impact of our work, through AdGreen's carbon calculator[1], the significance of the types or suppliers and choices made will be more readily identifiable.

We have introduced a supplier code of conduct and a set of criteria to review potential suppliers against to ensure they not only hold the same principles as us regarding the environment and sustainability, but they have clear actions in place to reduce and mitigate the impact of their activities.

We will be adding more robust criteria to our supplier assessment process over the coming year and removing from our supply chain any suppliers we do not believe align with our Net-Zero target.

1. https://weareadgreen.org/carbon-calculator

Education.

Educating ourselves is one of the best ways we can make a difference.

Collecting and understanding data for our business will give us the information required to make informed decisions about our environmental impact. In addition, educating our workforce on the impact they can have in their role is a powerful way to ensure everyone in our business is aligned behind our environmental and sustainability vision and principles.

Utilising Ad Net Zero[1], AdGreen's[2] and #ChangeTheBrief's[3] industry education resources, we aim for all colleagues to have completed either Sustainable Essential Certificate, Production Training, Sustainable Production Familiarisation training or the Alliance training programme by the end of 2023.

In addition, we will be incorporating specific environmental and sustainability targets throughout our Performance and Development Review (PDR) process to ensure accountability at all levels.

1. https://ipa.co.uk/courses-qualifications/ad-net-zero-essentials-certificate
2. https://weareadgreen.org/training
3. https://www.changethebrief.org

Strategic Approach.

Our strategic approach for the reduction of carbon in advertising production is summarised below:

Awareness & Education

Raise awareness throughout the agency on the environmental impact of advertising and campaign production.

Education is the foundation and all colleagues will undertake training through Ad Net Zero, AdGreen and/or #ChangeTheBrief. ▶

Data Collection

Use measurement tools to collect data on the current carbon impact of our advertising production work.

Tracking our current impact provides a benchmark for continuous improvement. ▶

Audit

Auditing our data and current processes, procedures and practices regarding advertising production, will allow us to establish the areas with the highest carbon cost. ▶

Action

Using the audit results a series of target-based actions will be implemented to make positive improvements to the carbon footprint of our advertising production methods. ▶

Continuous Review

Regular and rigorous reviews of progress will be undertaken, to ensure we are finding opportunities to improve and further reduce the impact of our work.

Further areas of focus.

Championing change in Media Planning & Buying.

It is our view that clients and media agencies collaboratively have the most power to reduce the carbon impact of their operations. Although our business is not directly involved in the planning or purchasing of media, we recognise that we are an integral part of the media supply chain as we produce the assets ultimately used by media agencies.

Our contribution in this area is to use the influence we do have to educate and lobby the media agencies we work with to adopt the IPA Media Futures Group's Climate Charter[1] which will provide the support and resources required for a zero-carbon future.

We will also ask our clients to consider their choice of media agency carefully and will recommend those we know are making positive changes and who have adopted the Climate Charter.

In addition, we hope to be able to use the DIMPACT[2] tool when it is released to better understand the carbon impact of our digital work.

1. https://ipamediaclimatecharter.co.uk
2. https://dimpact.org/about

Championing change in consumer behaviour.

In line with Ad Net Zero's[1] fifth action, we're investigating ways to put Climate Action at the heart of our work to help change consumer behaviour.

We have joined the #ChangeTheBrief[2] alliance which is a partnership between agencies of every size and type – media, creative, design, PR – and their clients, learning and acting together to directly address the challenge of the climate crisis by promoting sustainability via every channel available to them.

We have incorporated sustainability oversight as part of our agency briefing process, providing the opportunity to proactively and holistically incorporate sustainability and

environmentally positive messaging into our work. In addition, part of this strategy is to actively seek out opportunities to work with clients who are working in the sustainability space or operating in sustainable ways.

For example, working with FutureFeed[3] who exists to support the growth of the use of Asparagopsis as a natural ingredient for livestock to significantly reduce carbon emissions.


1. https://adassoc.org.uk/ad-net-zero
2. https://www.changethebrief.org
3. https://www.future-feed.com

Awards & events.

Awards and events are a significant part of the advertising culture, however they can have a huge impact on the carbon emissions generated by our industry.

We attend a very limited number of overseas events and see this is a huge factor in our below-average carbon footprint from travel. We will continue to critically assess whether attending overseas events or award ceremonies is viable and where attendance does occur, previously mentioned offsetting schemes will be utilised.

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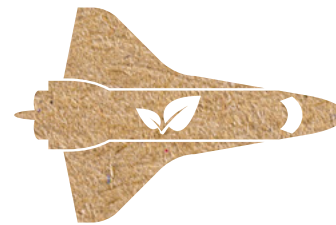
Aiming for Nothing: Our Commitment.

Lawton Communications Group, Five by Five and dragonfish consulting are individually and collectively committed to measuring and reducing our carbon footprint in order to be net zero by 2030. We recognise this is an investment in our business and planet's future and are willing to make the necessary adjustments in order to fulfil our environmental and sustainability vision.

Signed by Leadership Teams

Nick Lawton,
Group Chairman
Lawton Communications Group

Hannah Weston,
Group Finance Director
Lawton Communications Group

Katie Whittam-Hayes,
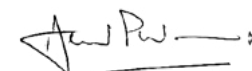Group HR Director
Lawton Communications Group

Annabel Mackie,
Managing Director
Five by Five

George Roberts,
New Business & Marketing Director
Five by Five

Linda Pengelly,
Operations Director
Five by Five

David Prideaux,
Executive Creative Director
Five by Five

Emmeline Kite,
Strategy Director
Five by Five

Stephanie O'Neil,
Client Services Director
Five by Five

Niall Cluley,
Managing Director
Dragonfish

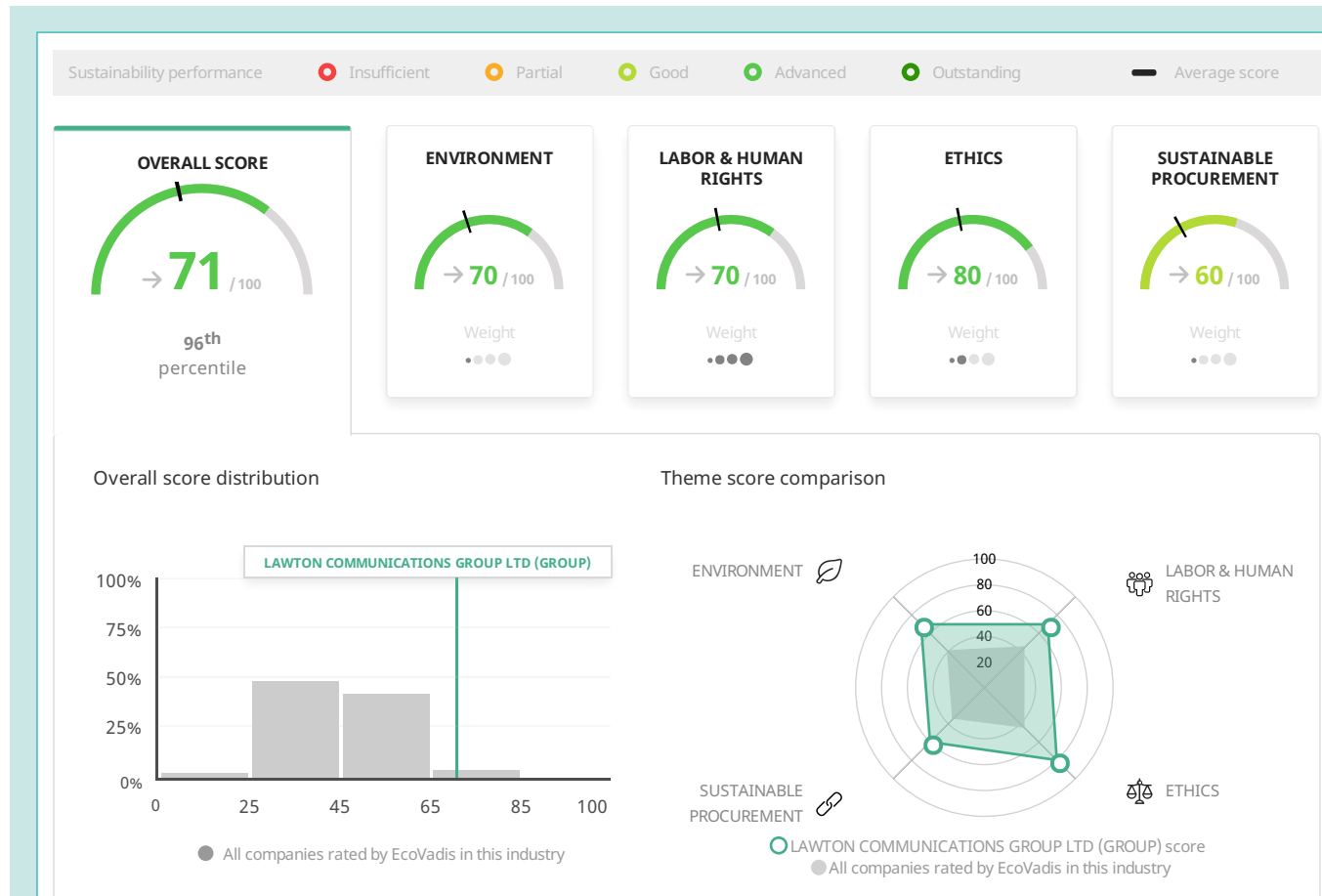Andree Gowar,
Strategy & Research Director
Dragonfish

Rachel Hall,
Client Delivery Director
Dragonfish

Appendix 1:
Ecovadis standard and scorecard summary.

Overall score summary

Sustainability performance ⬤ Insufficient ⬤ Partial ⬤ Good ⬤ Advanced ⬤ Outstanding ▬ Average score

OVERALL SCORE
→ **71** / 100
96th percentile

ENVIRONMENT
→ **70** / 100
Weight

LABOR & HUMAN RIGHTS
→ **70** / 100
Weight

ETHICS
→ **80** / 100
Weight

SUSTAINABLE PROCUREMENT
→ **60** / 100
Weight

Overall score distribution

LAWTON COMMUNICATIONS GROUP LTD (GROUP)

⬤ All companies rated by EcoVadis in this industry

Theme score comparison

ENVIRONMENT — LABOR & HUMAN RIGHTS

SUSTAINABLE PROCUREMENT — ETHICS

○ LAWTON COMMUNICATIONS GROUP LTD (GROUP) score
⬤ All companies rated by EcoVadis in this industry

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Appendix 1 [continued]:
Ecovadis standard and scorecard summary.

Environment

Strengths

Environment	Weight ● ● ○
Strengths	
Policies	
Strengths	
Environmental policy on waste	
Quantitative objectives set on energy consumption & GHGs	
Environmental policy on energy consumption & GHGs	
Comprehensive policy on a majority of environmental issues	
Actions	
Strengths	
Refurbishing and internal reuse of IT hardware	
Use of eco-friendly or bio-based input materials	
Internal sorting & disposal of waste according to waste streams	
Reduction of internal wastes through material reuse, recovery or repurpose	
Purchase and/or generation of renewable energy	
Energy and/or carbon audit	
Measures to inform clients on environmental impacts of projects/services	
Training/programs to raise employees' or engineers' awareness regarding project's environmental impact	
Results	
Strengths	
Reporting on total weight of waste recovered	
Reporting on total weight of waste	
Reporting on total energy consumption	
Standard reporting on environmental issues	

Improvement areas

Environment		Weight ● ● ○
Improvement Areas		
Policies		
Priority	Improvement Areas	
Medium	No information on endorsement of external sustainability initiatives or principles	
Medium	Inconclusive documentation for policies on environmental services & advocacy	
Low	No information related to reporting on total amount of renewable energy consumed	
Low	Declares reporting on total gross Scope 1 GHG emissions, but no supporting documentation available	
Low	Declares reporting on total gross Scope 2 GHG emissions, but no supporting documentation available	

Appendix 1 [continued]:
Ecovadis standard and scorecard summary.

**Labour and
Human Rights**

Strengths

Improvement areas

Labor & Human Rights — Strengths (Weight ● ● ●)

Strengths

Policies

Strengths

Labor & human rights policy on diversity, equity & inclusion

Labor & human rights policy on career management & training

Labor & human rights policy on working conditions

Labor & human rights policy on employee health & safety

Standard policy on a majority of labor or human rights issues

Actions

Strengths

Family Friendly programs (FFPs) implemented (e.g. parental or care leaves, childcare services or allowances)

Actions to promote gender inclusion in the workplace

Actions to prevent workplace harassment

Actions to prevent discrimination in professional development and promotion processes

Compensation for extra or atypical working hours

Employee satisfaction survey

Bonus scheme related to company performance

Flexible organization of work (eg. remote work, flexi-time)

Health care coverage of employees in place

Grievance mechanism on discrimination and/or harassment issues

Actions to promote wage equality in the workplace

Employee health & safety detailed risk assessment

Regular assessment (at least once a year) of individual performance

Active preventive measures for stress

Active preventive measures for Repetitive Strain Injury (RSI)

Provision of skills development training

Setting of individual career plan for all employees

Training of relevant employees on health & safety risks and best working practices

Labor & Human Rights — Improvement Areas (Weight ● ● ●)

Improvement Areas

Policies

Priority	Improvement Areas
Medium	No information on endorsement of external sustainability initiatives or principles
Low	No quantitative target on labor and human rights issues

Results

Priority	Improvement Areas
High	Insufficient reporting on labor and human rights issues
Low	No information related to reporting on average training hours per employee

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Appendix 1 [continued]:
Ecovadis standard and scorecard summary.

Ethics + Sustainable Procurement

Strengths

Ethics — Weight ●●○○

Strengths

Policies
Strengths

Policy on fraud

Policy on money laundering

Policy on conflict of interest

Disciplinary sanctions to deal with policy violations

Employee signature acknowledgement of ethics policies

Policy on information security

Policies on corruption

Exceptional policy on ethics issues

Dedicated responsibility for ethics issues

Actions
Strengths

Whistleblower procedure for stakeholders to report information security concerns

Whistleblower procedure for stakeholders to report corruption and bribery

Incident response procedure (IRP) to manage breaches of confidential information

Implementation of a records retention schedule

Information security risk assessments performed

Specific approval procedure for sensitive transactions (e.g. gifts, travel)

Sustainable Procurement — Weight ●●○○

Strengths

Policies
Strengths

Sustainable procurement policies on supplier environmental practices

Actions
Strengths

Internal purchasing processes for data hosting services integrate sustainability

Internal purchasing processes for wood or wood-based products integrate sustainability

Internal purchasing processes for stationery and related items (e.g. pens, pencils) integrate sustainability

Supplier sustainability code of conduct in place

Improvement areas

Ethics — Weight ●●○○

Improvement Areas

Policies

Priority	Improvement Areas
Medium	No information on endorsement of external sustainability initiatives or principles

Actions

Priority	Improvement Areas
Medium	No conclusive documentation on awareness training to prevent corruption and bribery
Medium	No conclusive documentation regarding corruption risk assessments
Low	No conclusive documentation on audits of control procedures to prevent corruption
Low	No conclusive documentation regarding an anti-corruption due diligence program on third parties

Sustainable Procurement — Weight ●●○○

Improvement Areas

Policies

Priority	Improvement Areas
Medium	Inconclusive documentation for policies on supplier social practices
Medium	Basic sustainable procurement policies: lacks details on specific issues

Actions

Priority	Improvement Areas
High	No information on social or environmental clauses being included in supplier contracts
High	No information on sustainability risk analysis being conducted (i.e. prior to supplier assessments or audits)
Medium	No information on assessments of suppliers on sustainability issues

Appendix 1 [continued]:
Ecovadis rating certificate.

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