

# Chime Communications

## Environmental Statement, Progress and Future Targets

### July 2016

# Chime and the Environment

We acknowledge that our customers, staff and other stakeholders have an interest in our impact on the environment and as such we have committed to monitor and improve our environmental performance where possible. The Group has strived to continually reduce its carbon footprint on a normalised basis since 2006. Whilst Chime has expanded to a number of international locations, our operations remain predominantly in the UK. We deliver services to clients based on image, ideas, research, content and event execution. We regularly incorporate our environmental performance in business credentials presentations (including new business pitches) to clients as we believe this is an important consideration when evaluating our approach to responsible and ethical trading.

Our Board receive regular updates on our work in this area as part of governance reports. Our initiatives are led by our Chief Executive, Christopher Satterthwaite, supported by divisional management and the Chime Central team.

We have considered becoming ISO accredited in order to manage our environmental and social impacts and have decided that ISO 14001 (the international standard for Environmental Management Systems) is inappropriate for Chime as we are an office based organisation and, as property leaseholders, primarily reliant on our landlords who retain control over issues relating to property infrastructure impacts.

For the second year we have participated in the Carbon Disclosure Project (CDP) Climate Change Program and aim to be reassessed for the Carbon Trust Standard in 2018. We are proud of our Business in the Community Big Tick Awards (in 2011 and 2013) for our environmental performance. We were holders of a FTSE4Good listing during our time as a public company until going private in October 2015. We intend to maintain those high standards going forward.

The information provided here is to inform our shareholders of our approach, successes and future targets. We shall continue to update and report on a regular basis.

# Performance in 2015

During 2015 we further improved our data collection systems in the UK and are making headway with our international operations. We have however, seen an increase in our business air travel mainly due to travel around our activities at major sporting events and our drive for international expansion. Whilst we have taken actions to keep this to the minimum, becoming a more global business is a primary element of Chime's strategy and therefore we acknowledge that our footprint from these emissions will continue to increase. In order to counteract this, in 2015 we took the decision to purchase carbon offsets for all air travel. This commenced in October 2015. This has been enabled by our use of one travel provider and improved our management information regarding our travel pattern which in turn will ensure compliance with a revised travel policy which is designed to control the mode, frequency and class of travel.

## Emissions during the year

In 2015, our total UK emissions were 7,112 tonnes CO<sub>2</sub>e (2014: 6,328 tonnes) a rise of 12%. Per full time employee (FTE) this reflects a rise of 2.8%. Whilst this is an increase in emissions, the increase is far smaller than between 2013 to 2014 which reflected a 35% increase in absolute emissions and 15% per FTE. We are working to continue to slow the trend.

## Net emissions after carbon offsetting

Our offset programme started in the last quarter of the year. Whilst our gross emissions per FTE reflects an increase of 2.8%, our offsetting of air travel resulted in a reduction of net emissions of 13% per FTE (i.e. excluding emissions covered by our carbon offsetting). This is evidence of our progress in other areas such as energy use. See attached charts and data.

# Outlook for 2016/7

We saw new challenges in 2015. We have taken further and appropriate action to monitor and measure our impacts on the environment and continue to investigate measures to maintain good emissions management. Our offsetting of business travel is a major change in approach and was made to counteract the increase in travel which itself is a result of our revised strategy and continued growth. This decision was taken as part of our assessment of continuing business strategy.

We shall continue to work with our major suppliers and ensure that best practice is embedded in our wider value chain. We expect to have a supplier verification system in place by the end of 2017. This will be designed to ensure the promotion of our own standards throughout our value chain.

# Targets 2016/7

1. We have set a target to reduce Scope 1 & 2 emissions by 5% per full time employee.
2. We commit to slow the increase in emissions resulting from air travel (Scope 3). We shall continue to offset all emissions from air travel.
3. Our investment decisions in real estate, property use, materials procurement and delivery systems will involve environmental impacts as part of the investment assessment.
4. We shall continue to work closely with our partners and suppliers to improve the environmental impact of our value chain. We shall deploy a system to verify supplier environmental standards by the end of 2017.

## Further Information:

[Chime Responsible Business Code](#)

[Providence Equity Partners – Responsible Investment Guidelines](#)

# Methodology for Footprint Calculation

Chime's GHG emissions data is reported in line with UK Government environmental reporting guidelines and the requirements of the UK Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The applicable UK Government Conversion Factors for Company Reporting have been used for estimating GHG emissions for the period under review. The data reported relates to Chime's UK operations for which we have direct operational control. Chime's UK operations constituted 84% of our global operations by number of full-time employees in 2015. Chime reports its carbon performance on a per full time employee basis, using the previous year as a rolling baseline.

Chime was a public company and was delisted in October 2015 following the acquisition by Providence Equity Partners. Our listing in FTSE4Good has therefore ended with our going private. However, we recognise the standards set by FTSE for our previous listing as having commercial value. The Board is committed to maintaining the high standards achieved and will work to ensure that they are not diluted.

# Scope 1, 2 & 3 UK GHG Data for period 1 Jan to 31 Dec 2015

Prepared by Corporate Citizenship for  
Chime Communications Ltd

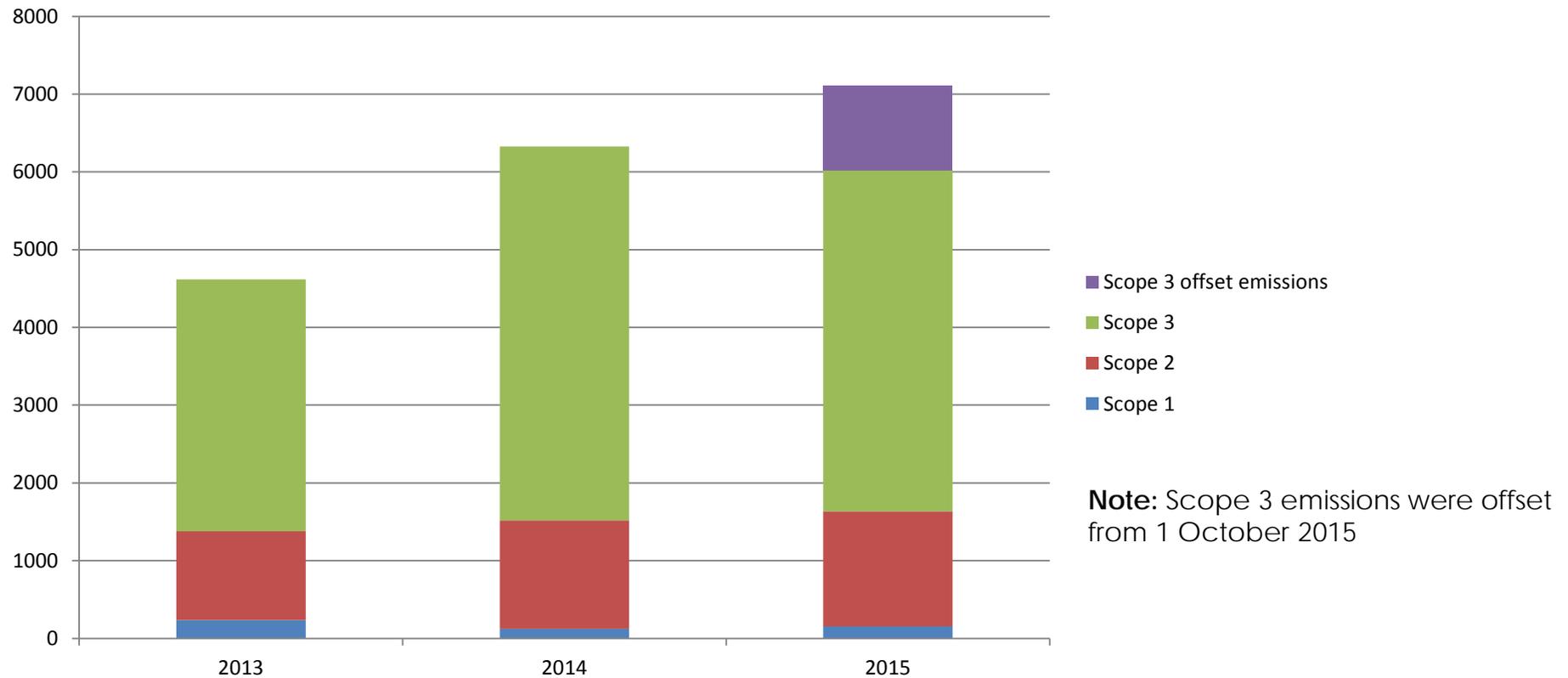
# GHG data for Chime (UK) by activity

Breakdown of Scopes 1, 2 and 3 emissions in tonnes CO2e by activity type

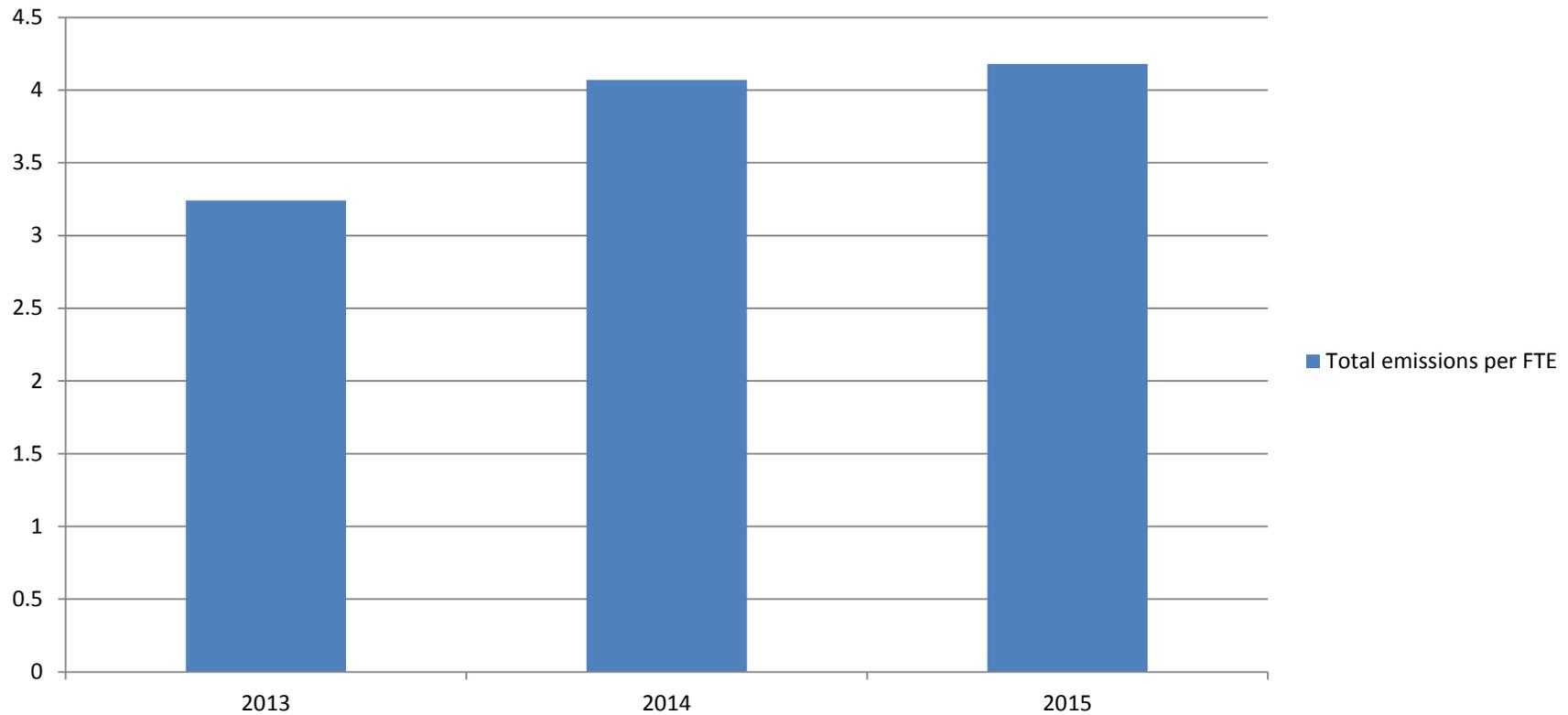
Scope	UK business (tCO2e)	2015	2014	2013
Scope 1	Gas	154	120	191
	Fleet vehicles and refrigerant loss	0	5	42
Scope 2	Electricity	1,481	1,391	1,145
Scope 3	Air travel	5,033	4,527	2,852
	Other business related travel	444	285	388
<b>Total emissions</b>		7,112	6,328	4,676
<b>Total emissions per FTE</b>		4.18	4.07	3.24
<b>% change year on year per FTE</b>		2.8%	25.4%	29.8%

# GHG data evolution for Chime Group

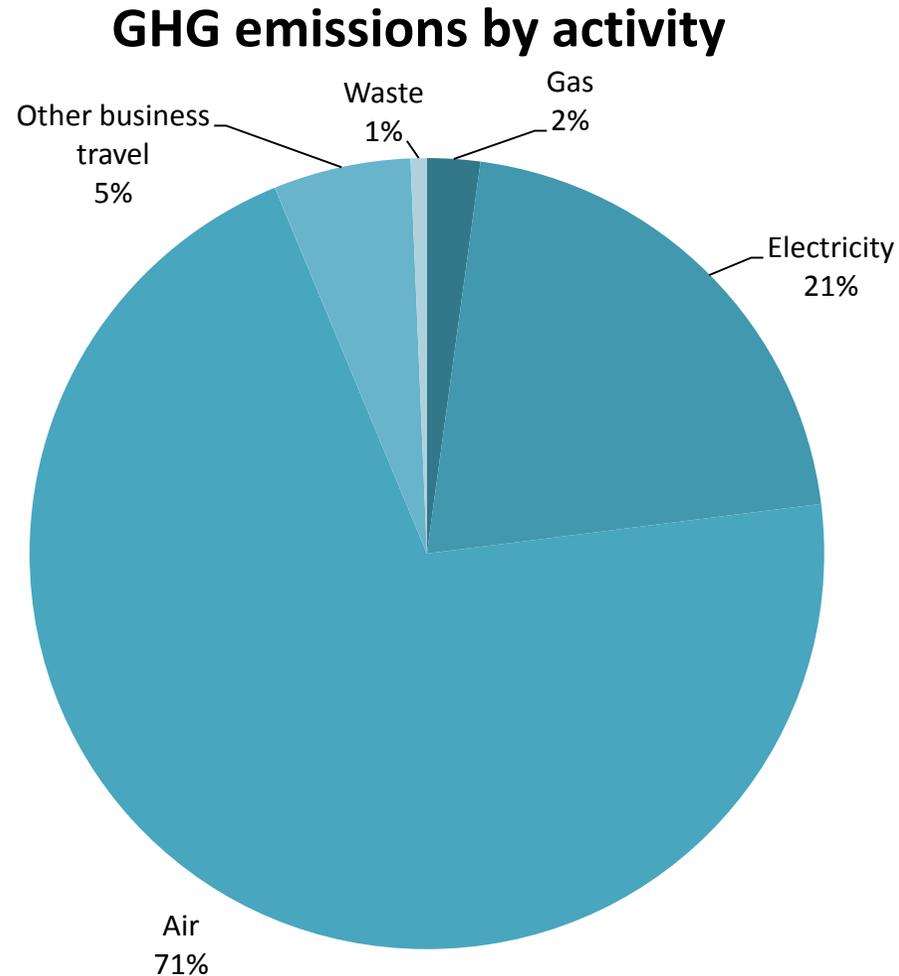
Including emissions net of offset



# Total emissions per FTE



# Breakdown by activity



# Notes on data

## Methodology for footprint calculation

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# Corporate Citizenship Fast Facts

- Global management consultancy specialising in sustainability and corporate responsibility.
- Established in 1997.
- Teams based in London, Melbourne, New York, San Francisco, Santiago and Singapore.
- Pro-business, and work with corporate clients to achieve their commitments to responsible business behaviours and sustainable practices.
- Projects completed in more than 45 countries.
- Published more than 40 [thought leadership papers](#) and regularly host events, webinars and seminars.
- Advised Fortune 1000 and 50% of FTSE 100 companies, whilst also working with small- to medium- sized companies.
- Current and past international clients include Unilever, Abbott, Diageo, Golden Agri, Cisco, McGraw Hill Financial, Nigerian Stock Exchange, and Sembcorp.
- Publish [Corporate Citizenship Briefing](#) and provide daily news and monthly analysis on sustainable and responsible business.
- Founder and manager of [LBG](#), the globally recognised measurement framework for corporate community investment. The LBG network consists of more than 220 companies internationally.
- [Team](#) of 40+ has valuable in-house knowledge and experience, each with their own expertise area.
- Part of [Chime Communications Limited](#).

# Contact us



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