



Elastacloud Carbon Reduction Plan 2022

Commitment to achieving Net Zero

Elastacloud Limited and all subsidiaries are committed to achieving Net Zero emissions by 2030.

Reporting Methodology

Scope 1

Company Facilities: we are tenants in fully managed buildings managed by various providers, as such we will produce no scope 1 emissions for company facilities. We will work with our office providers to report within Scope 3.

Company Vehicles: we do not have any company vehicles, so there are no emissions from this category included in our emissions data.

Scope 2

Purchased electricity, steam, heating, and cooling for own use: we rent various residential properties across UK and Spain and have including estimated emissions for these; we are working to gather actual billing data for FY22/23 reporting. All our offices are fully managed.

For FY22/23 the average consumption of households has been used, at 2.5 tonnes CO₂e for heating and 1 tonne CO₂e for electricity.

Scope 3

Category 4 Upstream transportation and distribution

The only products we purchase are those for use by our employees such as laptops, monitors, and mobiles, we use a single hardware provider. We can't get direct emissions linked to us, so instead will use the average emissions linked to a delivery of 181g for FY 2022/23.

Category 5 Waste generated in operations

Our fully managed offices deal with all minor waste generated from our business operations within the office. For our private accommodations, we have used the average UK waste per household of 399kg for 2020 and 44% of waste being recycled, an average of 54 cubic meters of water alongside DEFRA conversion factors.

Category 6 business travel

Business travel is captured through our expense system, through receipts for public transportation and mileage claims for personal vehicles. It is calculated using the values matrix supplied by DEFRA.

Category 7 employee commuting

In 2022 we conducted an office survey for the commuting habits of our employees across all our offices. These surveys have been aggregated per office to create an estimated emission per office per travel day. We have taken the number of employees, their working pattern such as part time or full time and taken account of annual leave and bank holidays. These averages have been applied retrospectively across the organisation with appropriate staff levels at the time. Because of the



pandemic, there was very little office working, with members across all our offices mainly working remotely. We did not have a physical London office until November 2021.

Category 9 Downstream transportation and distribution

We do not transport or distribute downstream as we are a services company or provide Cloud based products that aren't shipped. As such this category is zero.

Baseline Emissions - 2021

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2021	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	0
Scope 2	0
Scope 3 (Included Sources)	Category 6 – 18.2
Total Emissions	18.2

Reporting Year - 2022

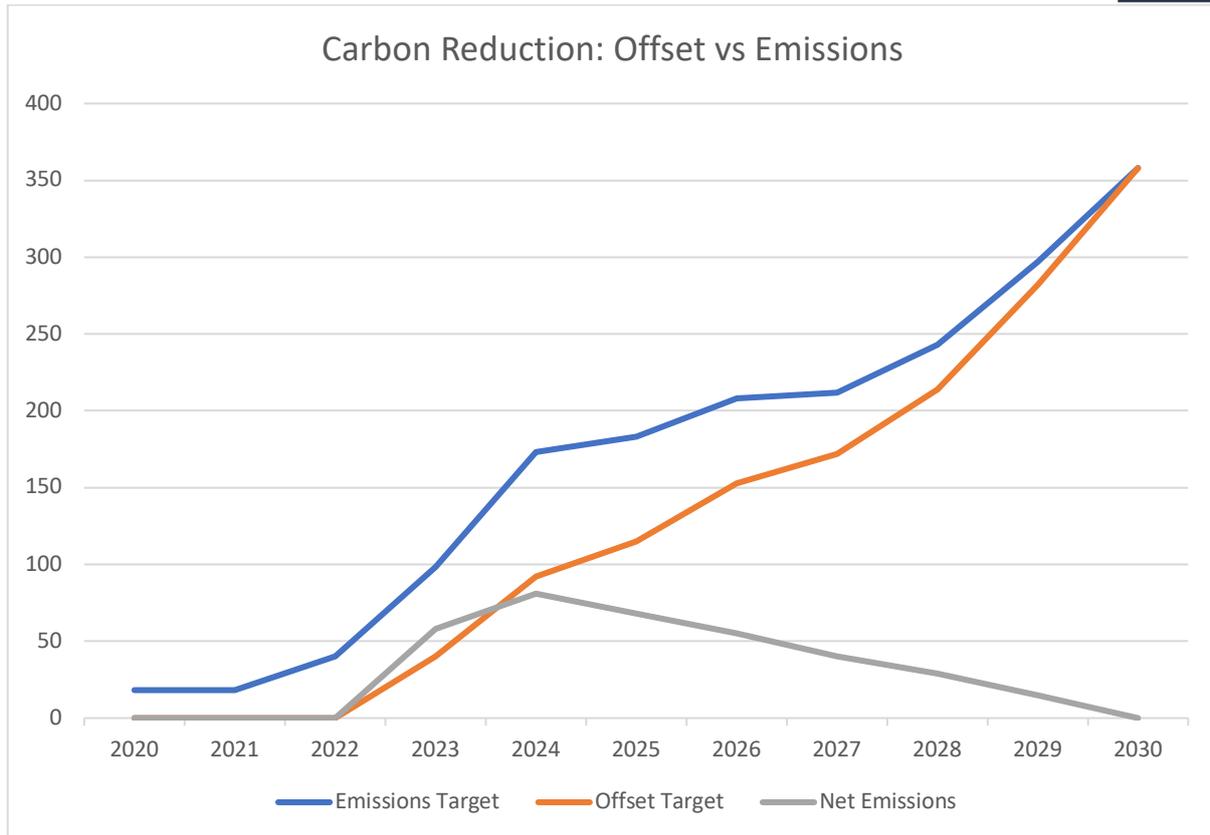


Reporting Year: 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	0
Scope 2	10.5
Scope 3 (Included Sources)	Category 4 – 7.602 Category 5 – 0.578 Category 6 – 21.2 Category 7 – 0.376 Category 9 – 0 29.756
Total Emissions	40.256

Emissions Reduction Targets

To continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to 41 tCO₂e by 2027. This is a reduction of **51.5%** from peak 2024 levels and in line with 2022 levels.



Carbon Reduction Initiatives

The following environmental management measures and projects are being envisaged against the 2021 baseline. Whilst we have low level of emissions currently, we would look to contain and inhibit growth of these emissions per employee despite a growing global footprint.

Business travel & Employee Commuting

In addition to the current baseline, we aim to be mostly remote workforce with only mandatory travel necessary both contractually and practically. This has been communicated to our customers where necessary that are looking to employ similar policies but maybe not as drastic. Air travel will be reduced to the minimum possible levels by ensuring that expertise which needs to be onsite is available in the host countries where we are performing the contract or that Elastacloud operates remote resources that do not need to be onsite.

We are currently working on an internal application that will monitor employee commuting emissions. This work will be completed in FY21/22 with full rollout in FY22/23.

We will continue to expand our data collection capabilities with attempts to capture Scope 3 Category 7 Teleworking emissions already underway to unsure emissions from remote workers are still attributed to us.

Communication

As our organisation grows, we will ensure we keep strong communication with our partners and stakeholder to capture any new emissions we may create. We will apply pressure to our landlords and building managers to be more transparent in the emissions from our leased assets and include in our Scope 3.



Employee learning and behaviour change

A dedicated product team has been created in Elastacloud creating products aimed at sustainability data and reporting. This team will also have an internal mandate of education and evangelisation for carbon reducing and carbon efficient software development, this will not only have an impact on our emissions, but also out customers.

Working with all employees, we will encourage better energy use and reduced waste. During the pandemic for example, while most employees were working from home, it highlighted how printing is not as essential as previously thought to our business operations as part of our daily work lives, and we will aim to maintain this as a goal for a more paperless office.

Technology

The majority of Elastacloud's work effort is migrating data platforms to the Azure cloud. To do so initiatives have been created which allow for more accurate measures of dynamic carbon intensity scores for the Azure data centres which calculate effective POE values for all compute used. In this way our initiatives look to offset heavy-usage software against lighter-usage cloud alternatives and capture for our own consumption and software products as well as our customers with an accurate measure of how green their software is.

Leadership

We intend to appoint a Chief Sustainability and Disruption officer in FY22/23, they will be a board member. Before this time, it is being made aware to all in leadership that carbon reduction and Net Zero by 2030.

The Board will lead by example, by modelling best practice behaviours in carbon reduction wherever possible, by helping to push for and then implementing changes, along with arranging for specific sub-project funding when needed.



Declaration and sign off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of Elastacloud Limited

A handwritten signature in black ink that reads "R. A. Conway". The signature is written in a cursive style and is positioned above a long, thin, diagonal line that extends from the bottom left towards the top right.

Richard Conway

CEO

Date – 29/09/2022