

# Annual ESG Report 2022

*a year of action*



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# Preface

At Media.Monks, 2022 has been a year of action on ESG. Within our industry, we've seen new initiatives and tools launched, like AdGreen, to help us move towards a more sustainable future through increased transparency and measuring of CO<sub>2</sub> emissions. There has also been an increased level of collaboration, amplified by pledges, in which we share best practices and knowledge. We support these initiatives and continue to engage with leading stakeholders, industry efforts and global initiatives — like the World Economic Forum and the International Business Leaders' Advisory Council (IBLAC), both attended by S<sup>4</sup>Capital Executive Chairman Sir Martin Sorrell.

Media.Monks signed the Climate Pledge in 2021 with a goal to reach net zero by 2040. To set science-based targets we took a full inventory of our emissions, using Greenhouse Gas (GHG) Protocol standards to understand the reduction opportunities within Media.Monks. We submitted our SBTi letter of commitment at the end of 2022, and are developing a detailed roadmap in 2023. We also enhanced our governance structure, updated our global policies and compliance, completed our TCFD risk assessment and entered our data into the CDP's global disclosure system for the first time in 2022.

In 2022 we also focused on our people and their experience with the appointment of our Global Chief People Officer James Kinney. James and our People team set our People strategy into motion with the launch of our DE&I platform — Diversity in Action — that vitally touches all aspects of our business. Embedding a greater understanding of diversity and cultural fluency is also a top priority, and to emphasise its importance and our commitment we signed the United Nations (UN) Women's Empowerment Principles.

We continue to focus on closing the representation gap in our industry by providing training to underrepresented talent. We support our clients in their mission towards a more sustainable future by continuing to use technology and creativity as a force for good, helping them amplify messages of the unheard.



*Victor Knaap*

Co-Founder Media.Monks, Executive Director S<sup>4</sup>Capital

# Highlights of 2022

## Zero Impact Workspaces

**30,627**

tCO<sub>2</sub>e

**77**

offices

**30**

countries

**503,033**

trees planted since 2021

**303**

hectares reforested

**3.69**

tCO<sub>2</sub>e/FTE



## Sustainable Work

**445**

For Good projects delivered

**274**

projects for Purpose-driven clients

**171**

projects for commercial clients

**4.43%**

of total revenue from For Good projects

**3.26%**

from Purpose-driven clients

**1.17%**

from commercial clients



## Diversity, Equity and Inclusion

**8,308**

employees

**48%**

women

**49%**

men

**3%**

undeclared

**334**

executive employees

**40%**

women

**58%**

men

**2%**

undeclared





# Media.Monks NOW

# Media.Monks *now*

Coming off of the recent few years of challenges – covid-19, social unrest, the war in Ukraine, a faltering global economy and devastating natural disasters, to name just a few – the world, and our industry in particular, has been fixated on what's next. But while everyone is looking to the future, we believe the future is too late. The world around us is happening *now*. Culture is happening *now*. And climate change is happening *now*.

At Media.Monks, finding solutions and taking action are in our DNA. It's our mindset and the way we show up every day to create technology, touch culture and unlock the future of growth for our clients. We test, we learn, we iterate. But most importantly, we act. Now.

## Who we are

As the digital-first operating brand of S<sup>4</sup>Capital plc, we connect content, data and digital media, and technology services across one global team of multidisciplinary digital talent. Our unitary structure instills in our people a set of common values, goals and a collaborative spirit that lead to the pooling of skills and knowledge towards innovative client solutions.

As a global community living our purpose-driven culture, we are committed to supporting a sustainable community and business based on the values of diversity, equity and inclusion. Building a more diverse and inclusive culture also means stepping up as an organisation to create better client work and leveraging the influence we have through the reach of our clients' audiences. The result?

We create things that matter for the world.

In 2022, we built momentum in our industry, gaining recognition for our work and model. Notably, global research and advisory firm Forrester included Media.Monks as part of its Wave evaluation, which compares the most significant partners in the software, hardware and services market. Media.Monks was designated a 'strong performer' marketing partner in The Forrester Wave™: Marketing Creative and Content Services, Q3 2022 report, and a 'contender' in The Forrester Wave™: Global Marketing Services, Q3 2022 report.



Creative Company of the Year Top 10



Webby Production Company of the Year



AdExchanger Programmatic Power Player

## What we do

As individuals, a digital landscape overlays every aspect of our lives today. And as brands seek to reach consumers where they're at, there's an urgency to consolidate marketing, data and technology to meet audiences with greater velocity and effectiveness. As such the transformation of digital is the new frontier of business growth that will continue to change our lives today and into the future. And artificial intelligence (AI) is the latest disruption in the ongoing transformation of digital. AI empowers our people to do more for our clients and, in turn, empowers our clients to do more for their customers.

At Media.Monks we catalyse by innovating, flexing and reinventing how businesses interact with the world, so that our clients — and our people — realise their full potential for growth. Over the past several years of rapid growth, we've merged with the world's leading partners in content, data, digital media and technology services to build centres of excellence across three practices — and we are experimenting with infusing AI into workflows across all aspects of our business:

### Content

We create stories, interfaces and experiences that create brands and help build deep emotional connections with audiences.

### Data & Digital Media

We deliver insights, intelligence and measurement to inform every stage of the customer journey along with the transparency and effectiveness to reach people (not just personas) at scale.

### Technology Services

We are building the architecture that underpins every moment in the customer experience.

## Our role is to...

### Consult

To be the most adapted partner for brands.

### Connect

To specialist talent in data, media, content and tech.

### Combine

Our end-to-end capabilities uniquely for businesses.

## The scope of this report

With nearly 30 merging companies unifying under the Media.Monks brand, 2022 was a year of integration and strengthening of internal processes. This report includes data from mergers that took place before 1 January 2022, which include the following subsidiaries: BizTech, Brightblue, Cashmere, Circus Network Holding, Datalicious, Decoded Advertising, Destined, Digodat, Firewood, IMAgency, Jam3, Lens10, Maverick Digital, MediaMonks, Metric theory, MightyHive, Miyagi, Orca Pacific, ProgMedia, Raccoon Group, S4Capital, Staud Studios, Superhero Cheesecake, Tomorrow, and Zemoga. For 2022, our data includes FTEs operations from 77 offices and 8,308 full-time employees in 30 countries.

Media.Monks is the digital-first, unitary operating brand of S4Capital plc. A summary of this 2022 ESG report is also published in S4Capital's 2022 Annual Report and Accounts, from pages 37-70. You can download a PDF file from <https://www.s4capital.com/annualreport22>.

- 1. Canada**  
Toronto  
Vancouver
- 2. USA**  
Denver  
Los Angeles  
New York  
Omaha  
San Francisco  
Sandpoint  
Chicago  
Irvine  
Santa Monica  
Seattle

- 3. Argentina**  
Buenos Aires
- 4. Brazil**  
São Paulo  
São Carlos  
Votorantim
- 5. Colombia**  
Barranquilla  
Bogotá  
Cali  
Medellín

- 6. Mexico**  
Mexico City
- 7. Uruguay**  
Montevideo

- 8. Belgium**  
Antwerp  
Mechelen
- 9. France**  
Paris
- 10. Germany**  
Berlin  
Düsseldorf  
Munich  
Stuttgart

- 11. Italy**  
Milan
- 12. Ireland**  
Dublin

- 13. Netherlands**  
Amsterdam  
Hilversum

- 14. Russia**  
Moscow
- 15. South Africa**  
Cape Town
- 16. Spain**  
Madrid
- 17. Sweden**  
Stockholm
- 18. United Kingdom**  
London  
Windsor

- 19. Australia**  
Melbourne  
Sydney
- 20. Greater China**  
Shanghai  
Hong Kong

- 21. India**  
Bengaluru  
Noida  
Mumbai

- 22. Japan**  
Tokyo
- 23. Kazakhstan**  
Nur-Sultan
- 24. Malaysia**  
Kuala Lumpur
- 25. New Zealand**  
Auckland
- 26. Pakistan**  
Karachi
- 27. Saudi Arabia**  
Riyadh
- 28. Singapore**  
Singapore
- 29. South Korea**  
Seoul
- 30. United Arab Emirates**  
Dubai

- New locations added to this year's scope
- Closed office





## A force to be reckoned with

Despite our size and relative infancy as a unified organisation, it's our mission to contribute work that makes the world a better place, make an impact on the audiences we serve on our clients' behalf, and become an industry force. In 2022, we celebrated creativity and ingenuity to produce impactful messages that resonated with the masses – and we were honoured to be recognised with numerous awards for our work.



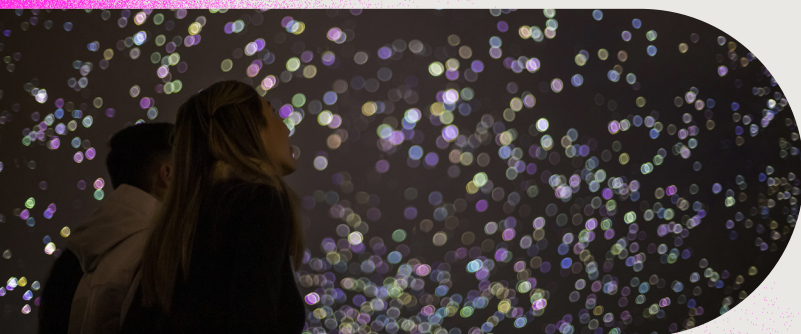
### Victoria: Cemapasúchil – The Taste of Reunion

In an integrated production for Victoria that pictures families coming together by reuniting the living and the dead, we helped keep the Day of the Dead's traditions alive for a modern audience.



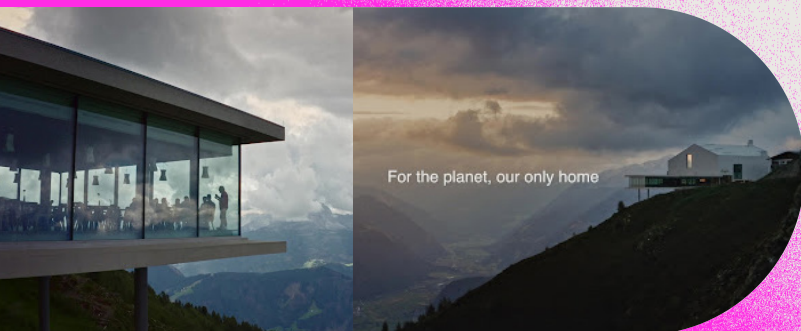
### Girls Not Brides: I'm a Criminal

Partnering with Yo Quiero, Yo Puedo and Oriental Films in their mission to end child marriage in Mexico, we helped tell the real-life story of 13-year-old Angelica who was sent to jail for attempting to escape her arranged marriage.



### Studio Roosegaarde: SPARK

Seeking a more sustainable way to celebrate, Studio Roosegaarde created SPARK, an installation of thousands of organic floating lights that mimicked fireworks – and we produced the short film that captures its essence.



### Miele: Stories From Our Only Home

We put our ESG commitment into practice with Miele, producing a Green Seal-awarded sustainable campaign that follows a 3-star Michelin chef's story about people, produce and our planet.





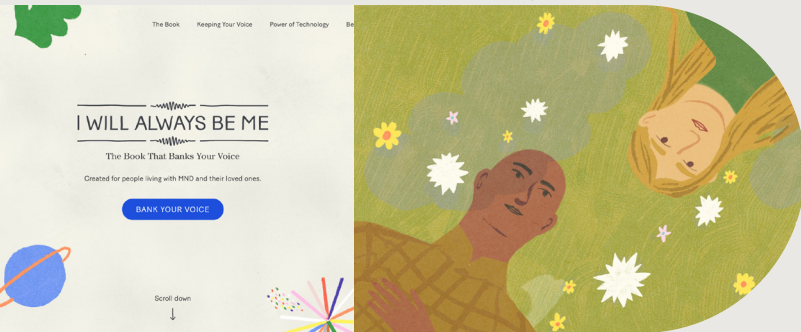
**Burberry Generation x Myron: Moss Mural**

To celebrate Burberry’s partnership with the Chinese artist Myron, we built a 288 m<sup>2</sup> living wall in Chengdu – an immortal art piece that celebrates art, culture and local creative talent.



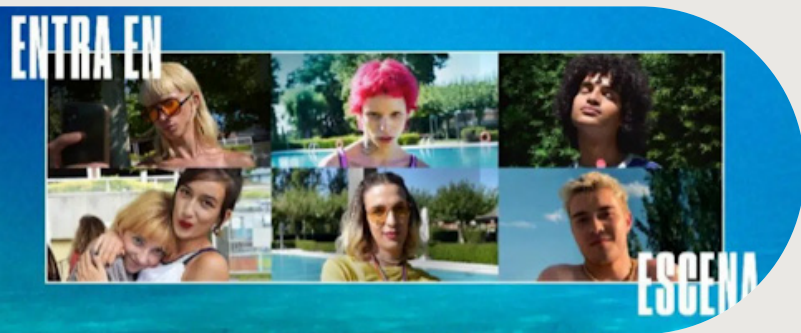
**Netflix: UN PRIDE DIFERENTE – A Different Pride**

We partnered with Netflix to create a Pride framework that not only celebrates, but also encourages reflection, amplifies individual voices of the local LGBTQ+ community in Mexico and showcases the power of inclusion on and off their content.



**Dell Technologies: I Will Always Be Me**

In partnership with VMLY&R, we helped create a unique web experience to improve the lives of people living with motor neuron disease through the power of technology.



**Amazon Prime Video: Entra en Escena**

To inspire people to be accepting of each other’s authentic selves, we brought to life a series of true stories told by Spain’s LGBTQ+ community on Amazon Prime Video’s TikTok. Over 8 million views within a week proved the power of authenticity and storytelling.



# Our sustainability commitments

We firmly believe that technology and creativity can be used as forces for good and are powerful tools in transitioning towards a more sustainable society. This belief is the core of our sustainability vision and strategy.

## Our ESG strategy

We see Environmental, Social and Governance as three core, interconnected components of sustainable development and growth. Based on our own potential impact, stakeholders' opinions and alignment with the UN Sustainable Development Goals (SDGs), three strategic pillars are in place to boost our sustainability efforts:

### *Zero Impact Workspaces*

**Our goal:** A climate-neutral and environmentally conscious household, with tangible efforts in our daily operations.

**Our plan:** Set a science-based emissions reduction target for Scope 1, 2 and 3.

### *Sustainable Work*

**Our goal:** A catalyst for change, leveraging our expertise to innovate with technology and creativity For Good, for and with our clients.

**Our plan:** Implement our Sustainable Production Lab report findings into our daily operations.

### *Diversity, Equity and Inclusion*

**Our goal:** An equitable, inclusive workplace where people of different backgrounds can grow their careers in a culture that is committed to diversity in all its forms.

**Our plan:** Intentionally work towards balanced representation, taking into consideration the diversity of the places around the world where we operate.

## 2022 Diversity in Action: Our beliefs drive our actions

While Media.Monks has always demonstrated a commitment to diversity, equity and inclusion, in 2022 we solidified our approach and areas of emphasis with our **Diversity in Action (DIA)** framework. Our internal framework comprises five areas of emphasis: Culture and Belonging, Community Impact and Outreach, Representation, Supplier Diversity, and Awareness. All DE&I-based efforts at Media.Monks are guided by these areas of emphasis in order to ensure impact and progress, ultimately connecting to our overarching ESG goal:

**To become a more sustainable and inclusive global company**

## Our responses to the United Nations Sustainable Development Goals (SDGs)

Our ESG strategy remains aligned with the UN Sustainable Development Goals (SDGs) framework – the key indicators for representing our impact. It is our vision that good communication, increased awareness and empowered consumers are essential to bringing about the shift in attitudes and behaviours needed to reach the SDGs by 2030. Our contributions to the SDGs

extend well beyond our own operations, and are reflected in the variety of work we do for our clients as well as our social and environmental-themed pro bono work for nongovernmental organisations (NGOs) and other charitable organisations. Below, we elaborate on the SDG targets we've identified for each of our ESG pillars.

### Zero Impact Workspaces



**SDG 7.2** By 2030, substantially increase the share of renewable energy in the global energy mix.

Increase our renewable energy share with solar panels and/or procurement of green energy. All offices and leased vehicles change to renewable energy in 2040.



**SDG 12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Measure and reduce our waste production per FTE and increase our recycling percentages.



**SDG 12.7** Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

Comply with global procurement reporting practices, like our S\*Capital Globe EcoVadis registration and mandatory UK climate-related financial disclosures, and continue to improve our client-related procurement processes focused on ESG.

**SDG 13.2** Integrate climate change measures into policies, strategies and planning.

Formalise our ESG-related policies, ESG strategy and ESG mission statement. Our commitment to SBTi and the race to net zero by 2040.

### Sustainable Work



**SDG 9.4** Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean technologies.

Reduce the CO<sub>2</sub> emissions per unit of value added through process optimisation, or innovation. Accelerate digital solutions to mature clients' marketing activities.

**SDG 9.5** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, including encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.

Steer and drive global solutions focused on technology and design evolution by investing in R&D.



**SDG 12.2** By 2030, achieve the sustainable management and efficient use of natural resources.

Reduce the material footprint of our projects by sustainably measuring, managing and increasing the efficient use of our project resources. Measurements will be done through AdGreen.

### Diversity, Equity and Inclusion



**SDG 4.4** By 2030, substantially increase the number of youth and adults who have relevant skills for employment, jobs and entrepreneurship.

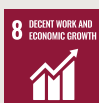
Providing access to training, resources and rotational programmes to enable on-the-job learning to uplift underrepresented groups.



**SDG 5.5** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

Ensure equal opportunities for women in executive and management positions, with a first step of measuring our current ratios and an aim of 50/50 representation.

Working towards salary bands and job levelling.



**SDG 8.5** Achieve productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value.

Ensure equal pay for equal value on our premises, with a first step in measuring our current earnings for similar work and standardising role descriptions.



**SDG 10.3** Ensure equal opportunity and reduce inequalities of outcome by eliminating discriminatory policies and practices and promoting appropriate policies and action in this regard.

Training our people to prevent discriminatory behaviour through allyship, anti-racism, anti-bias and other initiatives that promote racial and gender equity. Creating Community Groups, increasing ethnic and gender diversity at all levels of our company through a diverse slate approach to talent discovery.

## Our impact model

The impact model below explains how our sustainability strategy, our activities and the resources we utilise each lead to our ultimate impact goal. It visualises how we create added value not only now, but also in the long term.

Significant positive impact can be found in our work for clients, ranging from awareness raised on social topics to changed consumer behaviour. We are actively working to decrease this negative impact of our business operations and increase our positive added value through our creative work.

### Input

#### Our People

- 8,308 people<sup>1</sup>
- 30 countries
- 48% women
- 49% men
- 3% undeclared

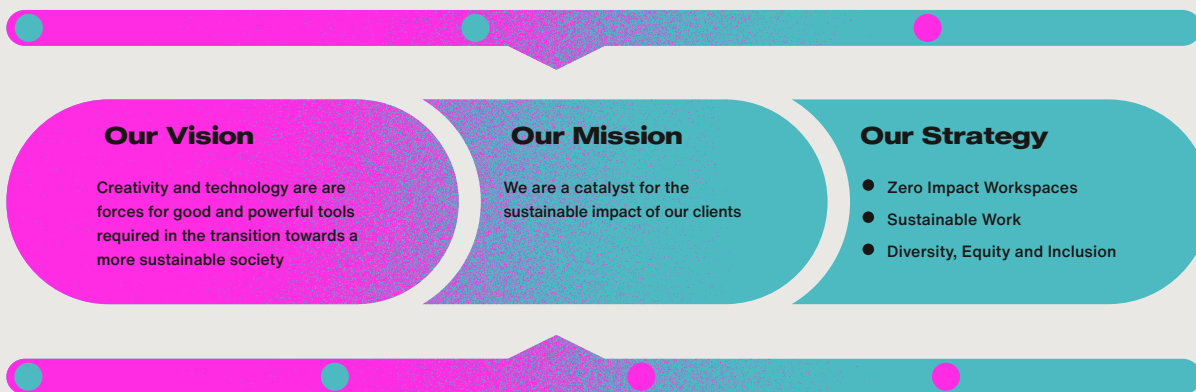
#### Our Resources

- 77 offices
- 5,821 MWh electricity used
- 14,071,207 km travelled by plane

#### Our Relationships

- Clients
- Business partners
- Charities

### Business model



### Output

- |   |   |   |  |
|---|---|---|--|
| <ul style="list-style-type: none"> <li>● Offered 392 intern positions</li> <li>● Launched Diversity in Action framework</li> <li>● Enhanced content training</li> </ul> | <ul style="list-style-type: none"> <li>● 3.7 tCO<sub>2</sub>e per FTE</li> <li>● 22.5% of waste separated</li> <li>● 57% of electricity is renewable</li> </ul> | <ul style="list-style-type: none"> <li>● £977.2 million revenue<sup>2</sup></li> <li>● £51,503 (0.01% of revenue) and 4,090 hours donated to charities</li> </ul> | <ul style="list-style-type: none"> <li>● 10,061 projects</li> <li>● 445 projects For Good</li> </ul> |
|---|---|---|--|

### Long-term value

- |   |  |   |   |
|---|--|---|---|
| <ul style="list-style-type: none"> <li>● We empower employees to be a catalyst for change, in an inclusive, diverse and creative workplace</li> </ul> | <ul style="list-style-type: none"> <li>● We create a climate-neutral and environmentally conscious business operation</li> </ul> | <ul style="list-style-type: none"> <li>● We remain economically viable and invest in our innovations to enable us to contribute to sustainability challenges in the long-run</li> </ul> | <ul style="list-style-type: none"> <li>● We improve the sustainable impact of our clients – to bring about the shift in attitudes and behaviour needed to reach the SDGs</li> </ul> |
|---|--|---|---|



<sup>1</sup> Full time equivalent (FTE) people excluding contractors, contingent workers and interns.  
<sup>2</sup> Revenue excluding current year acquisitions of XX Artists, TheoremOne and 4 Mile.



# Sustainability Governance

# Sustainability Governance

As part of our commitment to increased transparency and accountability, in 2022 we strengthened and enhanced our ESG governance structure, updated our global policies and compliance framework, and completed our first TCFD risk assessment.

## Embedding sustainability into our DNA

Our Global Code of Conduct sets out the standards and principles for every one of us, whatever our role is in the company. We are committed to building an open, honest, inclusive and supportive professional environment in which everyone is treated fairly and with dignity in line with our key values of respect and tolerance. We also take seriously our responsibility to uphold the key values of integrity and responsibility by conducting our business in an ethical way and actively addressing important social issues linked to our core principle of authenticity, integrity and the highest ethical standards in our business dealings.

As part of our process of strengthening our foundation, we revised, reintroduced and/or added key Media.Monks compliance policies affecting both our people and our operations with vendors and third parties. We also set out to establish global norms and policies for our people in their daily work lives at Media.Monks by launching our first Global Employee Handbook.

► Read more about our specific codes and policies and our non-financial information statement on page 86.

## Engagement with stakeholders

Building strong, constructive relationships and engaging regularly are key to ensuring we understand what matters to our stakeholders. Our broad range of stakeholders, representing different and often competing interests, bring informative and diverse perspectives to our decision making. Incorporating those perspectives into our decision making is a vital part of the execution of our long-term strategy. Our key stakeholders include our people, our clients, our shareowners and our suppliers, as well as our community and the environment.

## TCFD Report

This is the first year we've reported on climate-related risks, opportunities and relevant governance structures in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and Listing Rule LR 14.3.27R. Our climate-related financial information disclosed in this report complies with all the TCFD recommendations and recommended disclosures.

► Read our full TCFD Report on page 72.

# Material impact

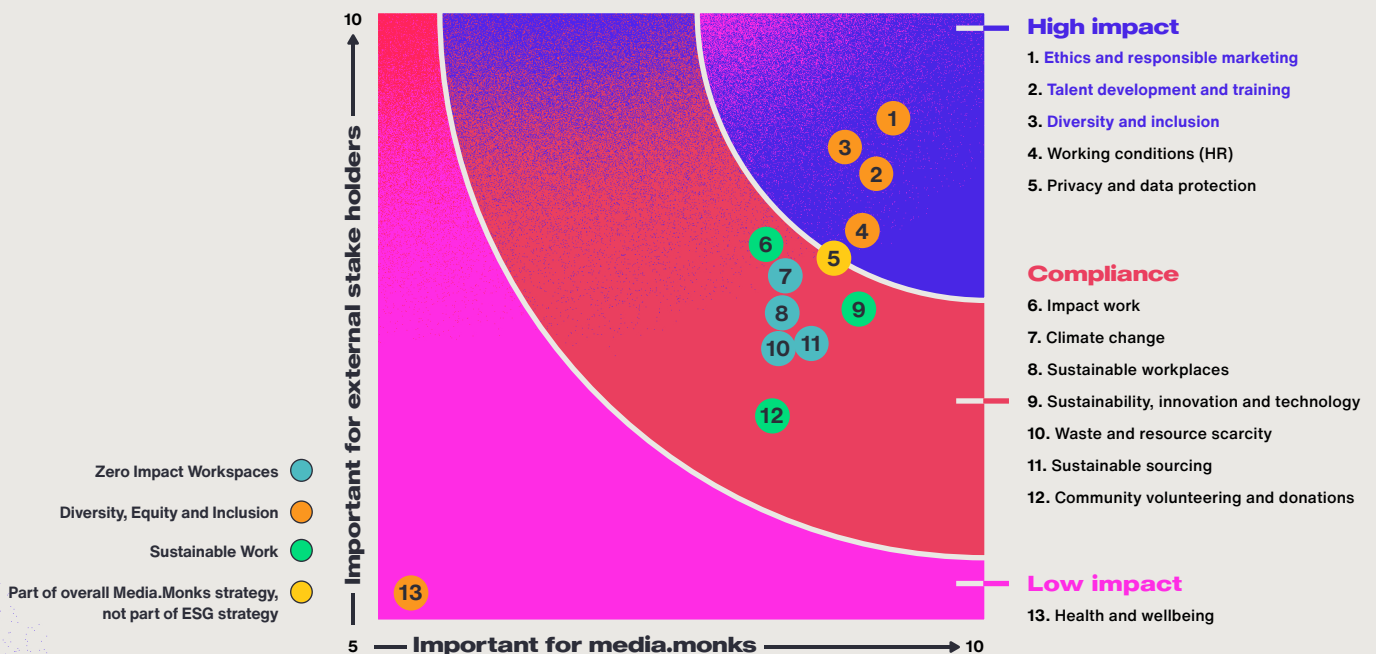
To develop our sustainability strategy, we spoke with some of our key stakeholders – our people, suppliers and clients – and considered the Sustainable Development Goals (SDGs) to determine where we could make a positive, material impact on the planet, climate and society.

In assessing impact materiality in 2022, we introduced new ESG-related topics (e.g. Community volunteering and donations) into our survey and grouped some (e.g. Biodiversity and water) into bigger topics (e.g. Climate change) based on the results of the 2021 survey and the relevancy for our business. This year we see a slight shift in the priority for our people on many ESG topics, with those in the upper-right corner – high impact items – serving as the backbone of our sustainability strategy. Most significantly our people have indicated an increase in awareness of ESG Impact.

In 2021, Climate change, Sustainable innovation and technology, and Diversity and inclusion were the only three high-impact topics for our people. This year, we've seen more ESG-related topics becoming important, including talent development and training, and working conditions (HR). This reflects the unity that we've seen within our company across continents. Hundreds of our people gathered worldwide to donate over £10,000 to Ukrainians who are on the front line. The Group also raised and donated £14,000 to people in need who were affected by the catastrophic floods in Pakistan.

The Media.Monks materiality matrix table is based on our survey of our people, clients and suppliers. Results show they value our focus on **Talent development and training (2)**, **Diversity and inclusion (3)** and highlight the responsibility we have within our industry to foster **Ethics and responsible marketing (1)**.

## Media.Monks materiality matrix 2023



This response signals a clear message:

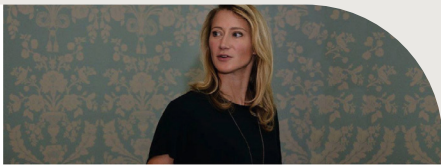
**Take care of our people and be mindful of our impact in the industry and beyond.**



# Engaging with the industry

We're actively seeking ways to exchange knowledge inside and outside the industry, engaging with our stakeholders through social media, articles, and reports. Our subject matter experts and leaders also frequently share their knowledge as panellists and keynote speakers.

In 2022, S<sup>4</sup>Capital Executive Chairman Sir Martin Sorrell joined 40 senior executives from 16 countries and regions to attend the 34th International Business Leaders' Advisory Council for the Mayor of Shanghai (IBLAC) themed "green, low-carbon development on urban sustainability." Sir Martin presented our thought piece *The Need for Corporate ESG Practices in Promoting Green and Low Carbon Transition*. He is regularly invited to share his views at global events around how industry leaders can build a sound ESG ecosystem as well as best practices from Media.Monks.

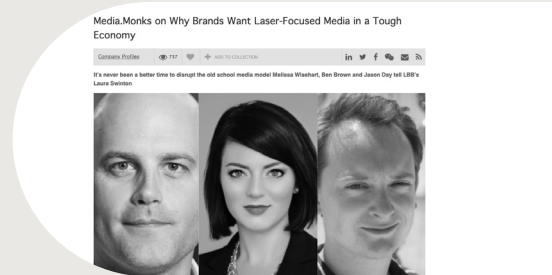


BITE THOUGHT LEADERSHIP December 22nd 2022

Lessons from 2022: Your best work is still ahead of you  
The most read long-reads of 2022 underline the importance of creative leadership and creating a future of work which works for everyone.

Global Executive Creative Director Jo Wallace's talk on the future of inclusive creativity at Creative Equals' RISE 2022 conference ranked #1 of the organisation's top five most read long-read articles of 2022. "As an employer we have to go beyond just giving people a job, we have to be inclusive and ensure people are mentally well."

Melissa Wisheart, SVP of Global Media, shared our focus on responsible media with LLB Online. "Reducing waste, focusing on effectiveness and efficiency and radical transparency all feed off of and into the drive towards responsible media."



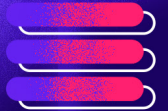
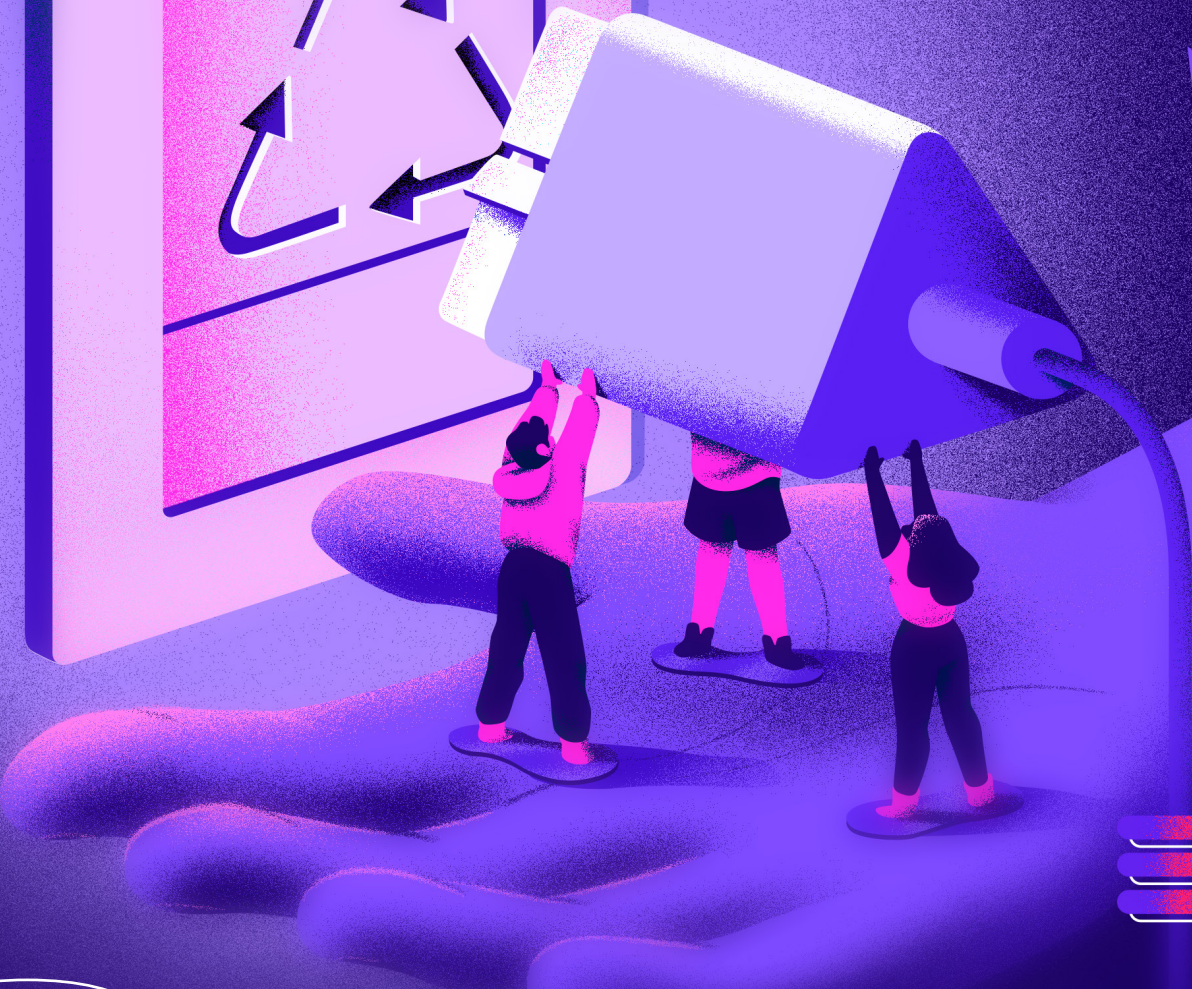
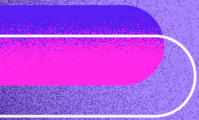
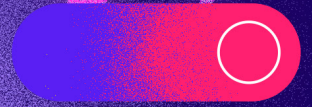
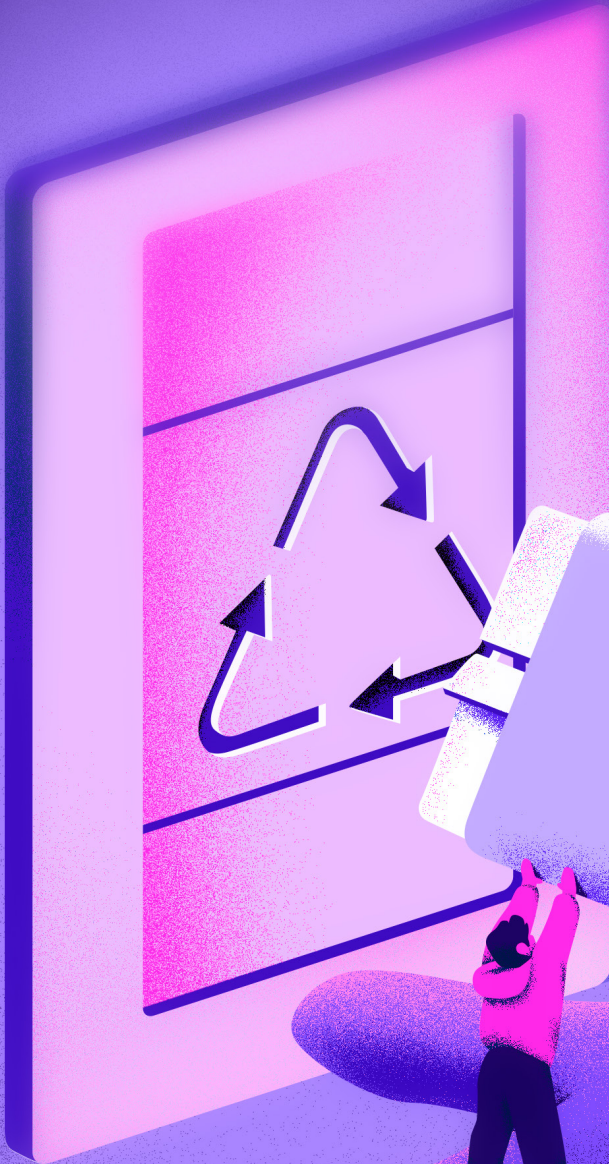
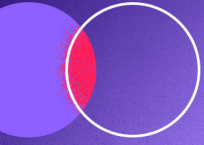
At IBC2022, one of the most influential conferences in the broadcasting industry, SVP of Innovation & Creative Solutions Lewis Smithingham spoke about the benefits of our AWS-powered workstream that greatly reduces the carbon footprint of broadcasts, which typically required an on-the-ground team tangled in wires and packed in a truck. Our workstream requires very few people on location.

"Our future is unimaginable without the role that corporations have to positively impact climate change."



Regina Romeijn

Global Head of ESG



# Zero Impact Workspaces

# Zero Impact Workspaces

## Our commitments to fight climate change

A steady stream of devastating natural disasters marked 2022, many of which affected our people and their communities. It’s clear global warming is taking its toll on our planet and its people. For us, reaching net zero is not a nice-to-have – it’s our rallying cry. We aim to reach net-zero emissions by 2040.

### 2022 in action

**77**

offices

**30**

countries

#### Physical growth

Our workforce grew by 30%, we added 13 offices and operate in five additional countries.

**30,627**

total tCO<sub>2</sub>e

**3.69**

tCO<sub>2</sub>e/FTE

#### 2022 vs 2021

Our absolute CO<sub>2</sub> equivalent emissions are higher than 2021. This is explained by the recovery and reopening of offices, as well as opening offices in new countries in 2022 compared to 2021. The result was an increase in commuting and energy usage, which contributed significantly to the increase of our carbon intensity.

**57%**

renewable energy

**70%**

employees commuting by public transportation<sup>1</sup>

#### Committed to SBTi

We’ve signed the SBTi commitment letter. This means we hold ourselves accountable for a minimum emissions reduction of 42% over the course of the next 10 years.

<sup>1</sup> 70% is the percentage compared to the number of employees who reported to go to work using CO<sub>2</sub>-emitted means of transport. This number does not count employees who work remotely or go to work by bicycle or on foot. Read about Scope 3 emissions on page 26 for more details.



## Refining our data collection and methodologies

As the first in our industry to sign The Climate Pledge, we've committed to reaching net zero by 2040 — 10 years earlier the Paris Agreement's net zero 2050 — to do our part in holding global warming below 1.5°C.

In 2022, we matured in calculating our impact on the planet by adopting the SBTi's (Science Based Targets initiative) Corporate Net-Zero Standard. Previously, in both 2020 and 2021 — which was the second time we calculated our CO<sub>2</sub> footprint at a group level — we followed the GRI Reporting Standard (2016) guidance on Climate Change and Environment (302:Energy and 305:Emissions), together with TCFD requirements on metrics and targets.

In early 2022, we aimed to better understand our actual impact and craft more effective strategies through the more stringent, science-based framework, with the goal of formally committing to SBTi standards. First, we needed to recalculate our 2021 GHG emissions according to SBTi's Corporate Net-Zero Standard. In the process, material discrepancies were identified. We needed to add more GHG metrics to measure our environmental impact more rigorously and credibly to ensure we were setting meaningful and actionable decarbonisation targets to a prior carbon emissions disclosure in our 2021 ESG report.

We calculated our emissions in accordance with the GHG Reporting Protocol Corporate Standard. For the CO<sub>2</sub> calculations, we used accurate data where possible and, in some cases, used estimates based on extrapolation of real data. We took a sum of all relevant data from offices with actual data; and extrapolated based on headcount and square metres. With regard to commuting data, we issued a global survey and used the outcome to extrapolate commuting data for all of our people.

Compared to our 2021 GHG disclosure, our SBTi Baseline for 2021 introduced three additional GHG metrics: "refrigerant leakage" (Scope 1), as well as "capital goods" and "purchased goods and services" (both Scope 3). We identified that the GHG from these three new metrics accounted for a substantial 83% of our recalculated GHG emissions in 2021. This explained the material difference between our GHG disclosures in the 2021 ESG report and the recalculated 2021 SBTi Baseline.

For 2022, we continued measuring our GHG emissions using the SBTi's Corporate Net-Zero Standard and formally signed our SBTi commitment letter in December 2022. The table below shows our performance in 2022 compared to our SBTi Baseline for 2021, to ensure a better comparison of our performance year by year and the consistency of methods recruited in gathering the data.

"Climate change is no longer just a concept confined to newspaper headlines and research papers. Its impact is evident in the form of heatwaves and floods that are affecting vulnerable South Asian countries like India, Pakistan, and Nepal. Unfortunately, these trends are predicted to continue unless governments, organisations, and individuals invest in inclusive development. By striking a healthy balance between the welfare of humankind and biodiversity, we can avoid the worst effects of climate change."



Himangini Kumar

Creative Lead

## Our performance in 2022

In our aim to build zero impact workspaces, it is of utmost importance that we have a good understanding of the impact caused by our own operations and that of our supply chain.

In 2022, our total carbon emissions equivalent was 30,627 tonnes, and our carbon intensity ratio was 3.69 tonnes per FTE. This intensity ratio was 53.7% higher than in 2021.

As we are a constantly growing company (both organically and through mergers), it's important to understand the scope and changes between the two reporting years. It's still a challenge to broaden our scope annually. This also means that absolute emissions are difficult to compare year on year without taking into account the relevant changes.

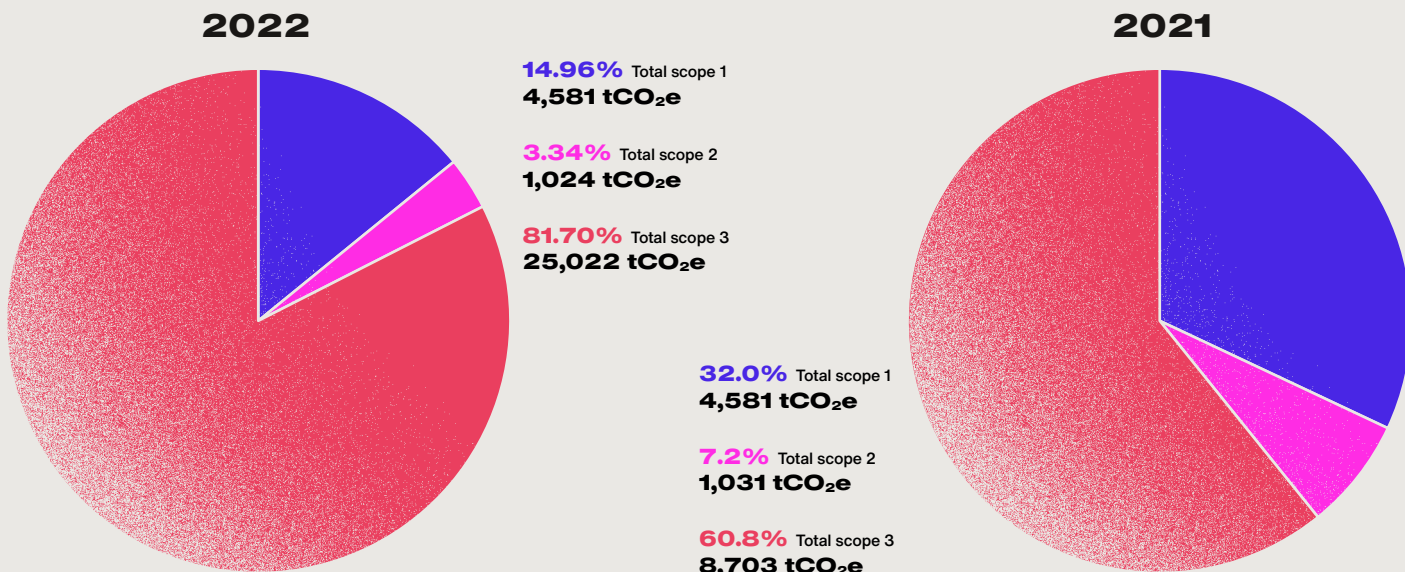
2022	2021	Change %
77 offices	66 offices	+17%
8,308 FTEs	5,874 FTEs	+41%
3.69 tCO <sub>2</sub> e/FTE	2.40 tCO <sub>2</sub> e/FTE	+54%

*Difference in reporting scope YoY*

## 77 offices in 2022 reporting scope

- **49 offices**  
in full operation
- **28 offices**  
operated on an average of 6.5 months
- **2 offices**  
closed in Hong Kong and Moscow

There was a material shift in the proportion of carbon emissions per scope. In 2022, Indirect emissions from Scope 3 increased substantially and accounted for 81.7% of total emissions, while emissions from Scopes 1 and 2 were cut in half compared to 2021.



*Annual share of GreenHouse Gas Emissions per Scope*

## Overview of our greenhouse gas emissions per scope, 2022 vs 2021

We started measuring greenhouse gas emissions in 2020 globally. As a part of our SBTi commitment, we chose 2021 as the year to set our greenhouse gas baseline as we had a better overview of our emission-related activities as a group. The 2021 data in the table below represents the recalculated emissions for the SBTi Baseline 2021.

The material discrepancies have been adjusted from the published data in our [2021 ESG report](#) and are restated here in this report. The table does not include the 2020 CO<sub>2</sub> emissions data as it is not comparable to the CO<sub>2</sub> emissions metrics of 2021 and 2022.

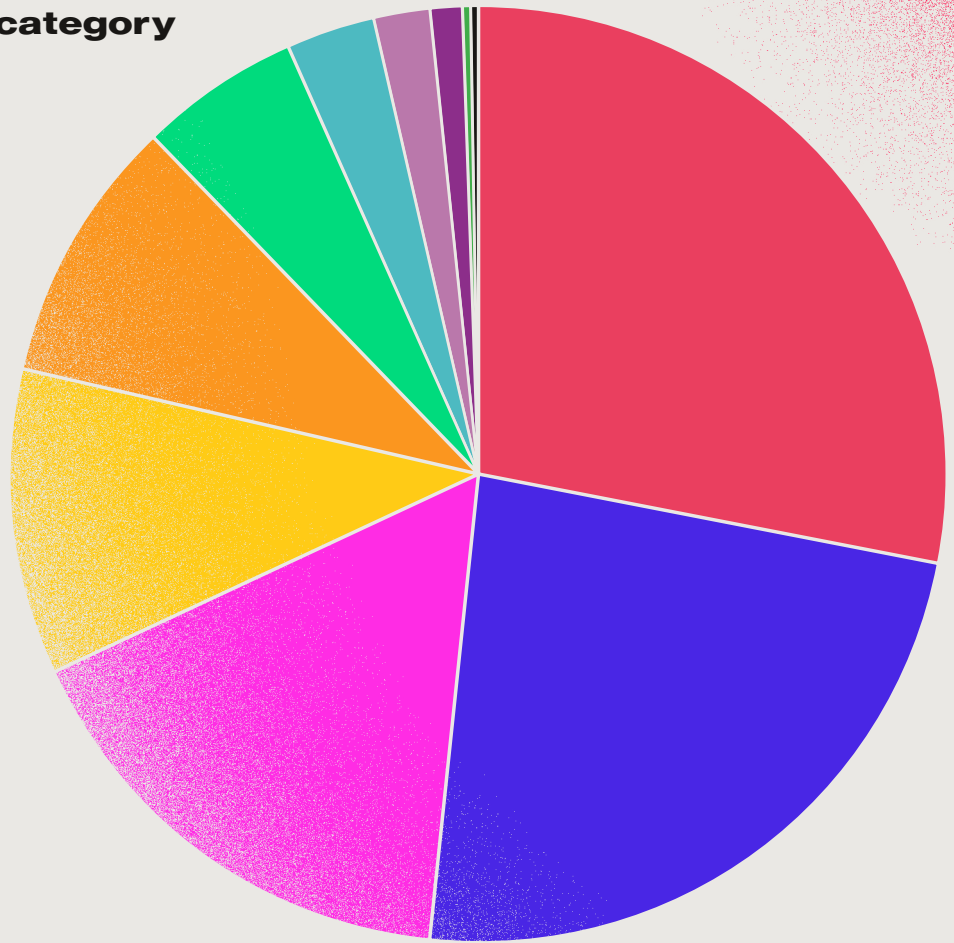
	2022		2021	
	Total absolute (tCO <sub>2</sub> e)	Carbon intensity (tCO <sub>2</sub> e/FTE)	Total absolute (tCO <sub>2</sub> e)	Carbon intensity (tCO <sub>2</sub> e/FTE)
<b>Scope 1.</b>				
<i>Direct emissions</i>				
Natural gas	1,710	0.21	201	0.03
Company cars	84	0.01	29	0.005
Refrigerants	2,787	0.34	407	0.07
<b>Total scope 1</b>	<b>4,581</b>	<b>0.55</b>	<b>637</b>	<b>0.11</b>
<b>Scope 2.</b>				
<i>Indirect emissions</i>				
District heating	32	0.004	20	0.003
Electricity grey	991	0.12	561	0.1
Green electricity as a percentage of total consumption	57%	-	30%	-
<b>Total scope 2</b>	<b>1,024</b>	<b>0.12</b>	<b>581</b>	<b>0.10</b>
<b>Scope 3.</b>				
<i>Other indirect emissions</i>				
Purchased goods and services	7,267	0.87	6,680	1.14
Capital goods	8,612	1.04	4,644	0.79
Fuel -and energy-related activities	575	0.07	238	0.04
Waste generated in operations	337	0.04	78	0.01
Business travel uber + train + plane	4,987	0.60	650	0.11
Employee commuting	3,245	0.39	581	0.10
<b>Total scope 3</b>	<b>25,022</b>	<b>3.01</b>	<b>12,871</b>	<b>2.19</b>
<b>Total GHG emissions</b>	<b>30,627</b>	<b>3.69</b>	<b>14,089</b>	<b>2.4</b>

As the world recovers from the covid-19 pandemic, we've experienced a resurgence of in-person work. There was a substantial increase in occupancy rate at our offices and more travel taken for client work compared to 2021 as countries lifted travel restrictions. As a result, we experienced higher emissions per FTE due to material increases in several categories such as natural gas, capital goods and employee commuting.

Given that 2021 was the year we recalculated our SBTi Baseline, the total carbon emissions per FTE in 2022 (3.69 tonnes) is also higher than in 2021 (2.40 tonnes). The increase is seen across all emission-related metrics except for emissions generated from purchased goods and services. Our carbon emissions of purchased goods and services noticeably declined from 1.14 tonnes per FTE to 0.86 tonnes per FTE.

### Our emissions per category per FTE

- 28.1%** Capital goods
- 23.7%** Purchased goods and services
- 16.3%** Business travel: uber + train + plane
- 10.6%** Employee commuting
- 9.1%** Refrigerants
- 5.6%** Natural gas
- 3.2%** Electricity: grey
- 1.9%** Fuel -and energy-related activities
- 1.1%** Waste generated in operations
- 0.3%** Company cars
- 0.1%** District heating



# Scope 1 Direct Emissions

Scope 1 emissions are **direct emissions from company-owned and controlled resources**. In our case, they are our facilities and leased company vehicles. Under Scope 1, we're collecting data in the following three categories: stationary combustion, mobile combustion and fugitive emissions.

We have reduced over half of our Scope 1 emissions contribution from 32% in 2021 to 14.96% in 2022. This is the result of our direct effort in reducing our emissions in stationary combustion and mobile combustion.

	% of Scope 2022	Total absolute (tCO <sub>2</sub> e)		Carbon intensity (tCO <sub>2</sub> e/FTE)	
		2022	2021	2022	2021
<b>Scope 1.</b> <i>15% of total GHG emissions</i>	<b>100%</b>				
<b>Natural gas</b> <i>stationary combustion</i>	37%	1,710	201	0.21	0.03
<b>Company cars</b> <i>mobile combustion</i>	2%	84	29	0.01	0.005
<b>Refrigerants</b> <i>fugitive emissions</i>	61%	2,787	407	0.34	0.07

**Stationary combustion** is natural gas consumption mostly used for heating. While consumption of natural gas per FTE was higher in 2022 than in 2021, this was largely due to the addition of 13 offices in five additional countries, as well as an increase in the number of our people heading back to our offices year over year. That said, over 70% of our offices that were operational in 2022 are gas free, which puts us on a positive trajectory towards our goal of 100% gas-free office spaces in the near future.

**Mobile combustion.** Our total leased vehicles in 2022 was 28, and 20 of them were electric and hybrid. The eight vehicles that run on burning fuels account for 1.83% of total Scope 1 emissions. While this seems trivial, it is in our pursuit to replace these with electric vehicles by 2030.

**Fugitive emissions** are potential leaks from greenhouse gases from our refrigeration and air conditioning units. We started calculating our potential refrigerant leakage for the first time in 2021 while recalculating our three Scopes emissions following SBTi standards. To calculate our potential refrigerant leakage, we followed the UK Government's Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, March 2019 (Updated Introduction and Chapters 1 and 2). Refrigerant gases are a thousand times more dangerous than CO<sub>2</sub> emissions and therefore the CO<sub>2</sub> equivalent is expected to be higher than other metrics. It was an educational process for us to understand the actual impact of refrigerant leakages. In 2021, refrigerant leakages or losses of cooling agents accounted for 3% of our total CO<sub>2</sub> in 3 Scopes. Compared to 2021, this number has significantly increased to over 9% of total CO<sub>2</sub>. This can be explained by the expansion of our team with offices in hot-weather countries where refrigerant systems are an essential part of the workspaces, like Brazil (Racoon Group) and Colombia (Zemoga).



# Scope 2 Indirect Emissions

Scope 2 emissions are **indirect emissions from the generation of purchased energy from a utility provider**. For us, electricity and district heating are the sources of Scope 2 emissions.

Taking advantage of contract renewals with existing suppliers, we transitioned from non-renewable energy to renewable energy as much as possible. Indeed, almost 60% of our energy use was from renewable sources. This number has doubled compared to 2021. São Carlos,

São Paulo, Votorantim, Amsterdam, Hilversum, Dublin, Kuala Lumpur, Stockholm, Auckland and London are the locations where our buildings are run on 100% renewable energy. When the option exists, we make sure that new offices run on renewable energy. At some locations we made the decision to move our teams to offices where renewable energy is offered by the landlord, such as the move from our offices in old buildings in Paris and London to modern buildings run on 100% renewable energy.

	% of Scope 2022	Total absolute (tCO <sub>2</sub> e)		Carbon intensity (tCO <sub>2</sub> e/FTE)	
		2022	2021	2022	2021
<b>Scope 2.</b> <i>3.3% of total GHG emissions</i>	<b>100%</b>				
<b>District heating</b>	3%	20	32	0.003	0.004
<b>Electricity grey</b>	97%	561	991	0.10	0.12
<b>Green electricity as a percentage of total consumption</b>	-	57%	30.18%	-	-

The increase of renewable energy in our electricity mix was the main factor that reduced Scope 2 emissions from 7.2% of total CO<sub>2</sub> in 2021 to 3.34% in 2022. This is an encouraging result for our transition to 100% renewable energy in 2040.

In 2022, 24 out of 77 offices were co-working spaces. With our workforce moving towards hybrid working.

“Co-working spaces offer a more flexible solution for us, as they typically have shorter lease terms and provide amenities such as conference rooms and fully equipped offices. Next to this, they offer us the possibility to upgrade and downgrade our square metres following our needs, with fewer empty square metres as a result. As empty square metres are always a waste of energy, we’re very focused on limiting this as much as possible.”



Wisse Schellevis

EMEA Lead IT & Facility

# Direct action to mitigate Indirect Emissions

## Farm.Monks Singapore

The average “farm-to-table” journey for leafy greens consumed in Singapore is 2,000 km. Following in the footsteps of Farm.Monks São Paulo, our team in Singapore was determined to serve as many “wall-to-table” salads as possible. And while we’re not fully self-supplied, we are self-fulfilled – in nurturing both our leafy greens and our commitment to building a greener tomorrow.



## Colombia celebrated Earth Day in the field

On Earth Day, more than 80 people (including our colleagues, friends and families) came together to plant 500 native-species trees in environmentally protected areas within the cities of Bogotá, Medellín and Cali. In addition to contributing to the sustainability of our planet, inspiring actions like these bring us closer together and unite us in our mission to build a better future.

## Future-proof studio in Stuttgart

Sustainable production has grown increasingly important in our industry. Our clients consider it when choosing partners and – given the energy consumption of equipment for physical shoots and the server farms necessary for digital production that run 24/7 – our people want to work at a studio that considers and deploys green options. Today, thanks to a solar-powered system we installed at our studio, we are at 50% renewable energy, and are aiming for 100% renewable energy in the coming years.



# Scope 3 Other Indirect Emissions

Scope 3 emissions are **all indirect emissions – not owned and not included in Scope 2 – that occur in our value chain, including both upstream and downstream emissions**. For Scope 3 we have examined the 15 categories identified in the CDP Technical Note to determine the material categories that we include in the reporting for our sector. For 2022, we’re reporting on six of 15 Scope 3 categories: purchased goods and services, capital goods, fuel -and energy-related activities (not included in Scope 1, 2), waste from in operations, business travel, and employee commuting.

Scope 3 emissions represent 81.7% of total emissions, the largest contribution to our total CO<sub>2</sub> emissions. While we’ve identified a gradual reduction in our Scope 1 and 2 emissions, we have faced an increase of over 20% in Scope 3 emissions compared to 2021.

	% of Scope 2022	Total absolute (tCO <sub>2</sub> e)		Carbon intensity (tCO <sub>2</sub> e/FTE)	
		2022	2021	2022	2021
<b>Scope 3.</b> <i>81.7% of total GHG emissions</i>	<b>100%</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Purchased goods and services</b>	29%	7,146	6,680	0.86	1.14
<b>Capital goods</b>	34%	8,612	4,644	1.04	0.79
<b>Fuel-and energy-related activities</b>	2%	575	238	0.07	0.04
<b>Waste generated in operations</b>	2%	458	78	0.06	0.01
<b>Business travel</b> <i>Uber + train + plane</i>	20%	4,987	650	0.60	0.11
<b>Employee commuting</b>	13%	3,245	581	0.39	0.10

Emissions from capital goods and purchases of goods and services are responsible for the largest part of Scope 3 emissions at 62.97%. We measured carbon emissions from capital goods and purchases of goods and services based on GHG protocol. We follow our own financial accounting procedures to determine the items to be allocated under capital goods or purchases of goods and services. This is in line with our financial disclosure in our 2022 Annual Report.

Since these are indirect emissions from our supply chain, it was challenging to obtain quality data in 2022. Details of the emission-related metrics we improved upon in 2022 can be found on the next page.

## Employee commuting

Due to limited availability of employee commuting data, we've extrapolated this data through a global survey that asked about the average commuting distance, type of transport and the registered days people went to the office. We've made extrapolations based on data received from the survey respondents.

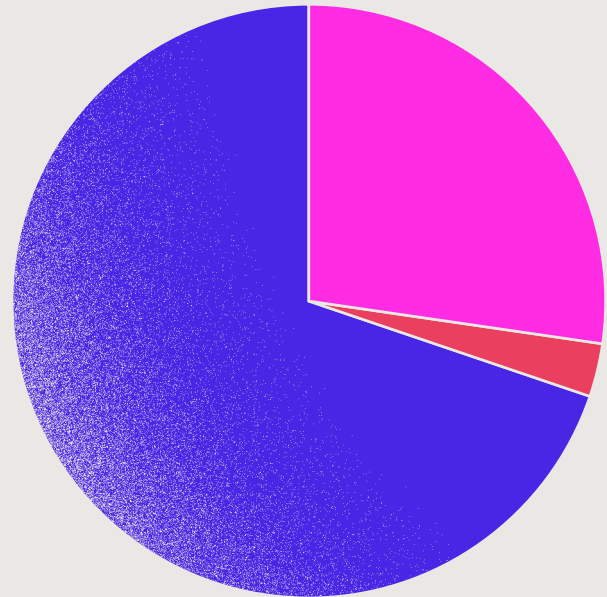
Based on the commuting survey data<sup>1</sup>, 65.2% of our employees are heading to the office to work. The rest are registered as working remotely- or going to the office once a month or less. For the people who do go to the office, the average number of days at the office are 2.5 days per week.

The pie chart below does not take into account emissions-free means of transportation such as cycling and walking to work.

Public transportation emits three times less emissions than petrol cars, according to the average emissions factor from Our World in Data, accounting for 0.193 kg CO<sub>2</sub>e/vehicle km for people commuting by car and 0.053 kg CO<sub>2</sub>e/passenger km for people using public transport (bus, tram, metro or train).

Globally, around 70% of our people commute using public transportation. This is likely because most of our offices are intentionally in close proximity to public transportation. Selecting office spaces accessible to public transportation is our default setting when it comes to scouting new locations.

APAC stood out as the region with the highest proportion of employees who take public transportation to work, followed by EMEA. LATAM and NAMER are responsible for the most commuting distance travelled by petrol vehicles.



**69.80%** Public transport  
**17,348,446 km total**

**27.30%** Commute by petrol car  
**6,791,430 km total**

**2.90%** Commute by electric car  
**729,307 km total**

*Total commute distance per transportation method, excluding emissions-free means of transportation such as cycling and walking to work.*

Interestingly, findings from the commuting survey data also showed that the countries with high numbers of employees who used public transportation to go to work are also responsible for the highest distance travelled by car from the rest of the team, namely Australia, with an average of over 5,800 km/year/FTE, and the Netherlands with just over 5,000 km/year/FTE. In 2022, 576 employees out of 790 employees in the Netherlands took trains to work – a whopping 70% – riding over 2 million km by train. And 2022 was the first year we received the CO<sub>2</sub> emissions report from our train partner NS, the principal passenger railway operator in the Netherlands. With 100% of NS trains running on renewable energy, we saved 233 tonnes of CO<sub>2</sub> emissions, which is equivalent to 11,650 trees.

As such, we promote public transportation as a first option, but in certain countries it's simply not possible given the lack of good public transportation systems or facilities to accommodate electric vehicles, as is the case in China and India, where many of our people are located. We see room for improvement in countries where options are available, such as Argentina, Singapore, the Netherlands and Australia, in order to aim for a commuting emissions reduction per FTE.

By the way, 8.2% of our people pedal to work!



### How much CO<sub>2</sub> have we reduced in the Netherlands?

We commuted 2,084,811 km by train in 2022, saving 233 tonnes CO<sub>2</sub>. This is the equivalent of 11,650 trees.



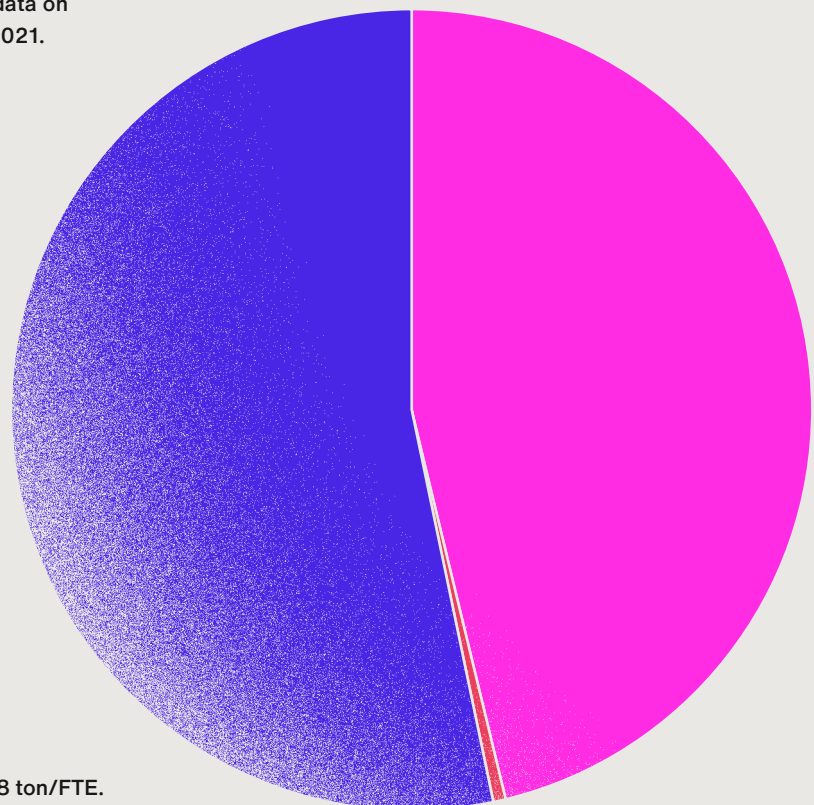
<sup>1</sup> The response rate from the commuting survey was 34%. Full commuting data was extrapolated using the real data collected.

## Business travel

The majority of our carbon emissions under the category of business travel are the result of the production of films and other content we created on behalf of our clients. In 2022, business travellers were responsible for 16.28% of total greenhouse gas emissions and emitted 4,987 tonnes of CO<sub>2</sub> equivalent.

CO<sub>2</sub> equivalent emissions from business travel increased almost six times over 2021. This was expected given the growth of our international team and the easing of travel in 2022 compared to 2021 when strict covid-19 restrictions were still the norm for many countries.

Business travel by land, including taxi and car rental services, accounted for the highest carbon emissions of total business travel emissions at 53.5%. Due to the difficulty of measuring the percentage of taxi rides with electric vehicles versus fuel vehicles, we have used the market-based carbon conversion for fuel vehicles. This has automatically led to a higher number of carbon emissions in this category. Despite this challenge, we were pleased to have obtained higher quality data on business travel records by land compared to 2021. As a result, we have substantially reduced the percentage of data based on extrapolation.



In 2022, CO<sub>2</sub> emissions from air travel was 0.28 ton/FTE. This is slightly higher than 2021's 0.21 ton/FTE. We see this as a positive, given the increase in business travel overall during the year. This is in line with our effort to utilise trains as much as possible and is practical (especially in EMEA where various locations are well-connected by the modern rail system). We also acknowledge that our people in other regions – such as Colombia, Mexico and India, among others – do not have access to many options on some routes and must opt for planes.

**53.5%** Business travel on land  
**2,670 tCO<sub>2</sub>e**

**46.1%** Business flights  
**2,301 tCO<sub>2</sub>e**

**0.3%** Business travel by train  
**16.08 tCO<sub>2</sub>e**

As a digital advertising, marketing and technology services company, we're not only on the lookout for the latest technology available in our industry, but also for technology available in travel and in reducing our travel impact. Sustainable aviation fuel (SAF) was introduced to us at the beginning of 2022 by KLM Royal Dutch Airlines. SAF uses renewable feedstocks to recycle carbon rather than adding carbon to the atmosphere, closing the carbon loop. SAF emits a minimum of 75% less emissions compared to fossil jet fuel – including that from production, distribution, transportation and combustion. It also reduces other harmful emissions like particulates (by 90%) and sulphur (by 100%).

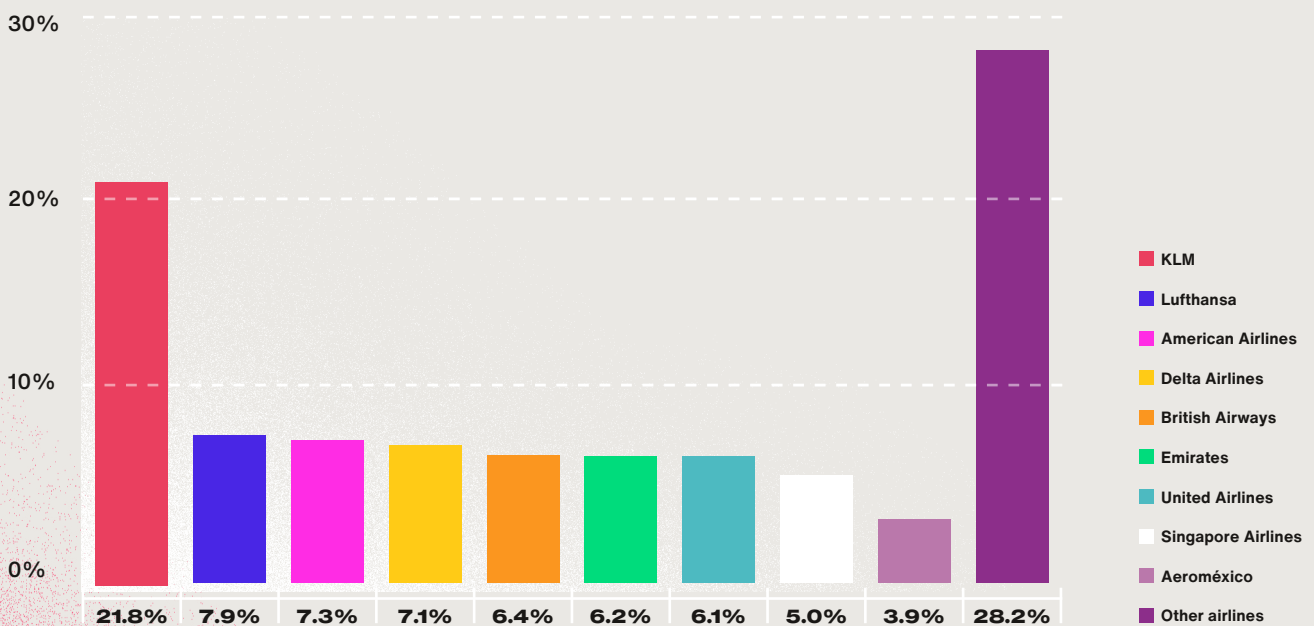
In 2022, KLM flights departing from Amsterdam had 0.5% of SAF mixed in their fuel, and 21.8% of our flights were taken with KLM. We purchased 921 kg SAF for these flights and mitigated an estimated 2.7 tonnes of CO<sub>2</sub> in 2022.

Our ambition is to reduce our travel per person by 50% in business travel emissions by 2040. One of our strategies in reducing our business travel emissions is to go digital first and physical second, where appropriate. We have started taking the first step in measuring climate impact for our clients' film production using the AdGreen framework.

We believe that transparent measurement of greenhouse gas emissions is the first critical step towards long-term and effective carbon mitigation. In addition, we have invested in innovative technology to offer integrated production to our international clients to deliver carbon-minimalised work.

► Read more about our Sustainable Work and case studies on pages 37-40.

### Share of air travel by airline



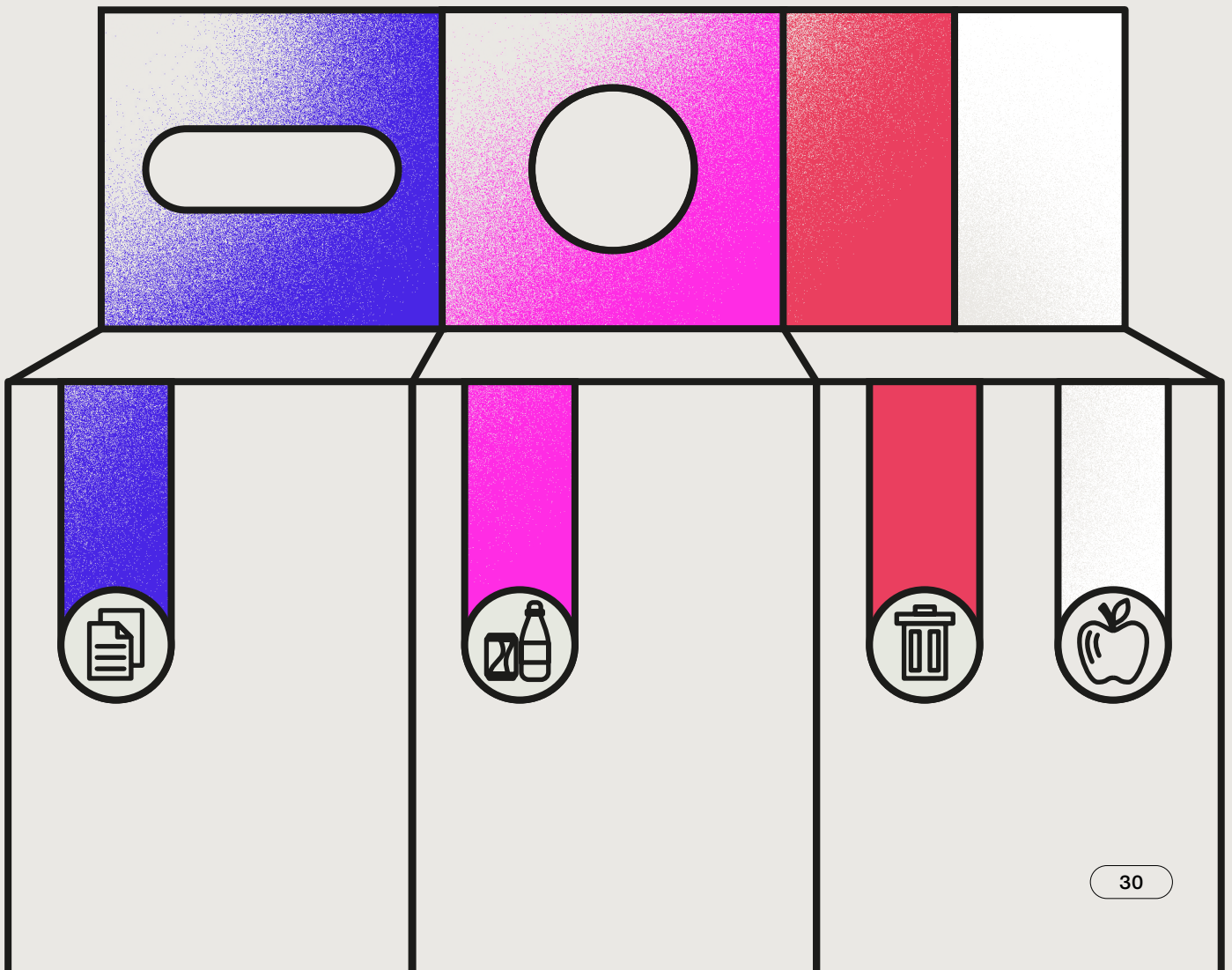
## Waste usage

The carbon emissions per FTE increased slightly from 0.01 tonne in 2021 to 0.04 tonne in 2022. While the marginal increase in waste-related emissions in 2022 is not ideal, these emissions continue to account for a very small amount at 1% of our overall carbon emissions.

For hazardous waste such as electrical appliances, we either donated to a local NGO (if appliances were still usable) or recycled with a local recycling company.

When it comes to residual waste, it's still a challenge for us to be able to measure our actual waste consumption and find a systematic solution for waste recycling. With the majority of our offices located in shared buildings or co-working spaces, we are highly dependent on our landlord or local residual waste solutions. Much of our waste is still measured manually or estimated by our local teams.

There's still work to be done to keep waste-related emissions lower year over year. Our current waste data is based on estimation. We are set to implement a better system to monitor and calculate our waste consumption in 2023 and hope this will contribute to a reduction of emissions in this category.



## Hosting and servers

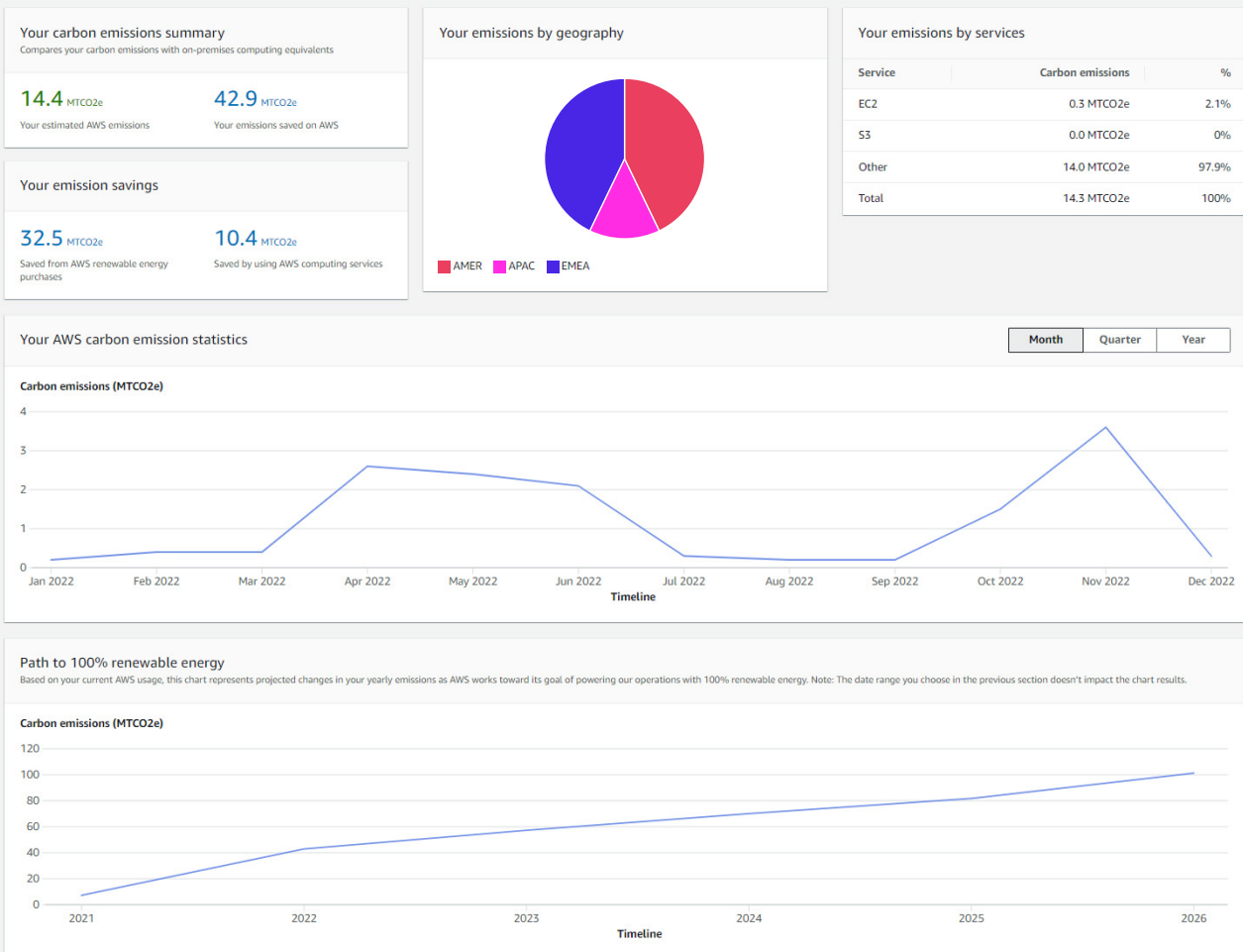
Hosting and servers are considered a part of purchased goods and services. We measure this metric separately to be able to understand the direct emissions related to client work.

As a digital advertising, marketing and technology services company, our business relies heavily on hosting and servers to create and deliver multimedia and digital content for our clients. Digital services and data storage require significant energy consumption to power and cool the servers that host our work and our digital communication.

In 2022 we opted for a hybrid method of calculating our hosting and server energy consumption. This incorporates the supplier-specific method where GHG data was provided to us by our suppliers. Our biggest cloud services suppliers Amazon Web Services (AWS) and Google Cloud Platform were able to deliver carbon emissions reports on our actual yearly consumptions which helped us gain a better and more accurate understanding of our digital footprint. However, the AWS data wasn't available for the full year. Therefore, we did need to add secondary data based on extrapolation of existing data to fill the gaps.

Total carbon emissions from hosting and servers was 28.66 tonnes, accounting for only 0.4% of total emissions from purchased goods and services.

AWS is aiming for carbon-neutral data centres by 2025 and, as evidence of their commitment, they've been offering CO<sub>2</sub> reports to their clients since 2021. As mentioned, we also do much of our work in the Google Cloud. Google is carbon neutral today, with the goal of running on carbon-free energy 24/7 at all of their data centres by 2030. With more and more collective actions from our suppliers in the supply chain and industry pressure for these suppliers to be more transparent about their climate change action plan, we're hopeful that we'll be able to significantly cut down our Scope 3 emissions from purchased goods and services over the next few years.



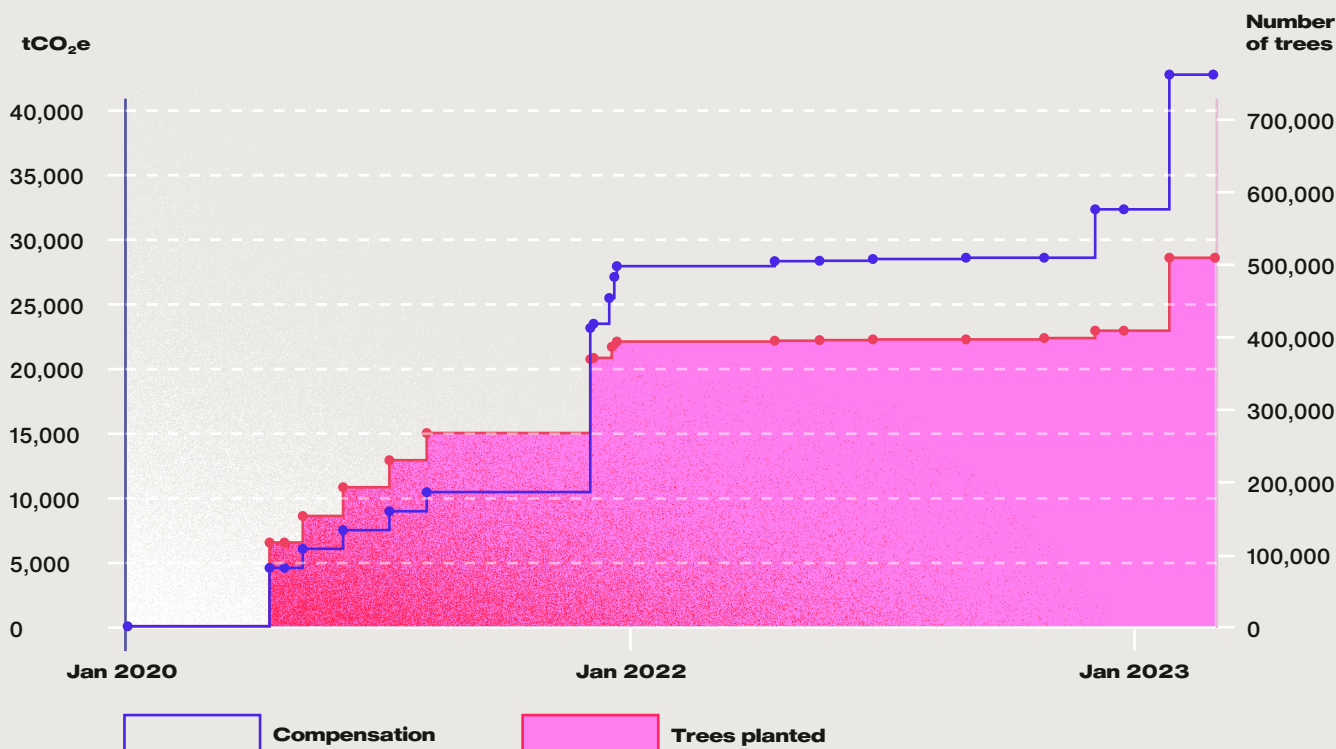


# Offsetting via the S<sup>4</sup> Forest

Our primary focus is the decarbonisation of our operations, however when this is not possible we continue to offset emissions. In 2022 our S<sup>4</sup> Forest was in its second year of cultivation. Our goal has been to plant enough trees to offset average annual emissions of our people and –in partnership with Tree-Nation– through the end of 2022 we have planted more than 503,033 trees, reforesting over 300 hectares and capturing 43,479 tonnes of CO<sub>2</sub>.

In 2022, our offsetting efforts dedicated to reforestation programmes restored ecosystems, improved the livelihoods of local communities and helped tackle climate change. Reforestation projects we supported include Eden Reforestation Projects in Nepal and Madagascar; Usambara Biodiversity Conservation in Tanzania; Trees for Tribals in India; and the Forest Garden Program in Senegal.

**Number of trees planted and CO<sub>2</sub> captured**



# What's next

With our hybrid work environments, we'll be assessing occupancy rate per location with the goal of increasing efficiency in the use of workspaces through smart redesigns and increased use of outdoor spaces.

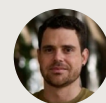
Moving forward, our strategy for contracting office workspaces is to opt for co-working spaces. Co-working spaces offer a more flexible solution for us as they typically have shorter lease terms and provide amenities such as conference rooms and fully equipped offices, while offering options for upsizing or downsizing space according to our needs. Empty space results in wasted energy, and we're very focused on limiting unused space as much as possible. The challenge, as mentioned previously, is that it's difficult to collect data on co-working spaces, so we're working with landlords to help calculate our co-working space energy use and seeking new locations that offer that option.

Additionally, when scouting for new offices or replacing existing ones that do not meet our standards, we're creating a process to select office suppliers based on our Green Building Checklist, and we are in the process of formalising a green building policy.

Our travel policy is being updated in 2023 given the expansion of our global footprint with ongoing integration of recent mergers. We will include greener travel options both for commuting and necessary travel related to client work.

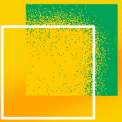
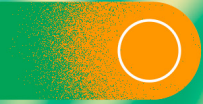
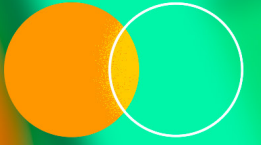
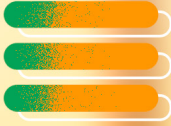
There is increased focus on our position in the value chain as a supplier and for our suppliers and our procurement practices. We are currently in the midst of shaping our overall Sustainable Procurement Policy which includes guidelines for ensuring supplier diversity and sustainable purchasing. In the US and UK we report on our supplier diversity when requested by clients. And we serve clients by continuing to register with EcoVadis globally.

**“At Media.Monks, our focus is to attend to the needs of contemporary society through conscious and responsible operation of our offices. Some actions we've taken are part of our daily routine, such as using energy from clean sources like hydroelectric and solar energy, and others require initiative and diligence, like the responsible disposal of obsolete equipment. But ESG goes far beyond these initiatives. Companies must evaluate their relationships with stakeholders – such as employees, suppliers, business partners and clients – to transparently and efficiently seek action that will have both short-and long-term effects on our planet's sustainability.”**



**Diego Bertolini**

CFO Brazil



# 4 Sustainable Work



# Sustainable Work

## Our commitment to increase impactful work

We understand that every video, every campaign and every new technology that we create has an impact both socially and environmentally. Sustainable Work encompasses the impact we create not only through the work we deliver but also how we do the work. We aim to deliver 20% of total revenue on For Good projects by 2040.

### 2022 in action

**445**

For Good projects

**4.43%**

Net revenue from For Good projects of total revenue

#### Less dispersion for more impact

We increased the amount of For Good work done for a focus group of clients, resulting in higher net revenue per client.

**75**

Purpose-driven clients

Account for **85%**

of net revenue from For Good projects

#### Less passive donations, more active participation

We shifted our community outreach efforts from passive donations to active participation and increased the hours dedicated to voluntary work by 180%.

**4,090**

Hours dedicated to volunteer work

**£929,531.66**

Spent on Innovation

#### Less bragging, more innovation

We spent 23,533 hours on innovation across the capabilities that offered novel technological solutions for our clients, new knowledge for the industry, and carbon emissions reduction for our operations.

We seek to understand the environmental and social impact we're having in the course of our daily work, along with where and how we can improve our methods and outcomes. Our For Good work is part of our long-term ambition to Pledge 1%. As we are drafting our For Good policy, we define For Good projects as impactful work done for our clients that:

- **Contributes to the SDGs connected to our ESG strategy**
- **Is produced with carbon-optimised option and promote solutions to climate change**
- **Promotes diversity and inclusion**
- **Promotes equity for everyone**

Our For Good projects cover paid, discounted and pro bono work for all our clients. We registered For Good projects done with Purpose-driven clients as well as our commercial clients. Our ultimate aim is to:

Facilitate **greener productions** by reducing emissions of our digital productions, designing emission-reducing best practices and technologies, and offering clients sustainable solutions.

**Maximise purpose-driven impact** by promoting For Good projects, empowering Purpose-driven clients, fostering community involvement and outreach through donations and volunteer work, and promoting inclusive marketing.

**Invest in the Future of Sustainable Work** – and the future of our planet – through innovation and Research and Development (R&D).



## Our performance in 2022

After almost two years of keeping distance during the covid-19 pandemic, our strategy for 2022 was to focus our resources on building stronger relationships and producing more impactful media content and solutions with a smaller group of clients. Compared to 2021, we've expanded our impact through our sustainable work and have seen an increase in almost all measures.

We proudly grew 77% of For Good projects delivered for a total of 143 clients compared to 2021. Net revenue on delivered For Good projects rose 84% to £43,448,053 in 2022. We strengthened our commitment to the communities around us through a 180% surge in volunteer hours, while constantly reinventing our way of working to stay ahead of the industry through a larger budget for innovation spend in 2022.

	2022	2021	2020	% change 2022-2021
<b>Total number of projects</b>	10,061	14,331	7,800	-30%
<b>Total registered For Good projects</b>	445	251	41	77%
<b>Net revenue from For Good projects</b>	£43,448,053	£23,610,000	-	84%
<b>% net revenue from For Good projects/revenue</b>	4.45%	4.21%	-	5%
<b>Number of Purpose-driven clients (PDC)</b>	75	69	-	9%
<b>For Good projects for PDC</b>	274	159	-	72%
<b>Net revenue from PDC</b>	£31,917,969	£13,950,000	-	129%
<b>% net revenue from PDC/revenue</b>	3.27%	2.49%	-	31%
<b>% of revenue from projects for alcohol clients (tobacco clients: 0)</b>	1.94% of revenue	0.93% of revenue	-	109%
<b>Monetary donations to community and charity services</b>	£51,503 0.01% of revenue	£87,091 0.02% of revenue	£356,568 0.12% of revenue	-50%
<b>Hours donated to community and charity services</b>	4,090	1,460	-	180%
<b>Innovation</b>	0.1% of revenue	0.07% of revenue	1.23% of revenue	43%

# Green(er) productions

We're committed to making greener digital products and sharing our ideas and processes publicly. Our Labs.Monks drive and steer Media.Monks' global solutions focused on technology and innovation, and pay their learnings forward with results-oriented solutions across a variety of mediums. One result of their efforts is a guide on [Sustainable Production](#) which emphasises the positive environmental impact we can have by taking a closer look at practices around measurement, design, production, hosting and storage, and lifecycle assessment. And, thanks to the work of our Labs.Monks, we offer a variety of green(er) production options to every client.

We use our Labs.Monks Sustainable Production report as a guidepost in our work –every department plays a role in the sustainability of the products we create and the Labs report highlights best practices for every step in the production process, including design. And when it comes to web development, a good portion of our development projects use frameworks –essentially libraries of prewritten code that can be reused to optimise tasks–cutting down on development time and, naturally, the energy and emissions on any given project.

## How sustainability can be Measured



### Digital Carbon footprint of an ad campaign

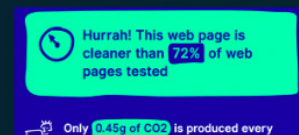
[Good-Loop](#) launched a carbon calculator to help brands and media agencies limit CO2 emissions.

The calculator is based on impressions as a metric, which is known to be notoriously unreliable.



### Carbon footprint of film production

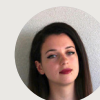
Film can use a lot of carbon through extensive travel, hotels and transport of equipment. At Media.Monks we measure our carbon footprint of film projects using [AdGreen](#).



### Digital Carbon footprint of websites

A website's digital footprint is based upon how the code is written among dozens of other factors. While energy consumption can be estimated, figures for the amount of energy used per gigabyte of data transferred vary depending on the system boundaries that the application is considering.

“As a designer I think it is my responsibility to propose ideas, materials and solutions that can minimise the environmental impact while maximising the experience we are creating. It's not about making compromises. It's about applying the right knowledge and design thinking in the early phases of the creative process that will truly help develop concepts that can truly make a difference.”



Diana Andradi

Experiential Designer

## Reduced digital carbon footprint production

We want to take responsibility for our planet, and that includes considering the growing digital carbon footprint. Every time a user loads a website, large bulks of data are retrieved and large quantities of energy are consumed. It's thought that by 2040, 14% of the world's emissions will be created by digital data storage.<sup>1</sup>

As a digital advertising, marketing and technology services company, hosting and servers are essential to our business. Our work is hosted on Amazon Web Services (AWS) by default (unless requested otherwise by clients) and we run our servers with Google Cloud Platform. We do our best to make sure we deploy the right amount of capacity for the workload we have. With autoscaling, new instances do not start until they are actually needed, and we're adopting new technologies more and more – like AWS Lambda serverless, where the computing power is provided by the hosting provider, and we don't have instances running idle.

We follow the principles in [AWS' Well-Architected Framework](#), which has a [Sustainability Pillar](#) that details how we can reduce our emissions. By innovating the traditional broadcast model through our cloud-based solutions, the cost savings were not just in dollars, but also carbon emissions.

Amazon is a co-founder of The Climate Pledge (a platform which, coincidentally, we built for Amazon and continue to host). Along with over 400 other signatories to The Climate Pledge, Amazon is committed to reaching net-zero carbon by 2040, 10 years ahead of the Paris Agreement.

**“When the Labs team did research into sustainable digital production best practices we noticed there are a lot of opportunities for improving our practices and footprint. We've formalised these best practices into guidelines that could be applied to any project and help lower its (digital) carbon footprint. Many departments have ideas that could be operationalised, or even become the standard way of production. But changing habits has proven hard, a trend we see around sustainability in general. To combat this our aim is to offer clients the option to opt-in to sustainable practices through a menu of choices they can apply to their project at the moment of intake and possibly include it in the SOW.”**



**Geert Eichhorn**

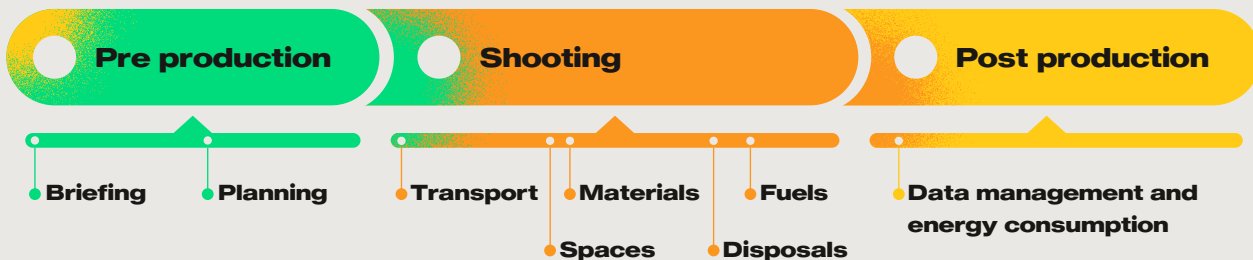
Head of Labs, Innovation Director

<sup>1</sup> Belkhir, Lotfi & Elmeligi, Ahmed. (2018). Assessing ICT global emissions footprint: Trends to 2040 & recommendations. *Journal of Cleaner Production*. 177. 10.1016/j.jclepro.2017.12.239.

## Reduced physical carbon footprint production

Physical productions – film shoots – are just one aspect of our work, and an area where we can have a positive impact in reducing our CO<sub>2</sub> footprint. It’s a top priority for us, and our industry, and a topic we discuss openly and often with clients.

How we identify production emissions stages so we know where and what to reduce:



Inspired by SDG17: Partnerships for the Goals that aims to strengthen and revitalise the global partnership for sustainable development, in 2022 we began tracking and reporting ESG key performance indicators (KPIs) using the AdGreen Carbon Calculator to measure the production footprint on several of our global campaigns for Sanofi.

“Travel for crew/talent, generator fuel usage to power lights, and ground transportation made up the bulk of the CO<sub>2</sub> impact [when working with Sanofi]. We managed to separate waste on set, reduce single-use plastic water bottles and cutlery, and organised several shoots at our sustainable studios. We also scored very well on a third-party DE&I survey executed by ModelTrust which asks talent and crew questions on safety, diversity, equity, and inclusion in front of and behind the lens.”



**Bernd Out**

Executive Producer

Our fully-owned studio in Amsterdam is run on 100% renewable energy, and our Stuttgart studio is at 50% with its own solar panels. And at our integrated production studio in New Delhi, we can digitally swap out assets, change backgrounds and apply colour schemes instantaneously – creating multiple versions of the same product in groundbreaking time, without needing to shoot the physical assets. This saves both travel (to locations) and repetitive studio work – resulting in tremendous CO<sub>2</sub> reduction (roughly 30%) per production.

Our Experiential.Monks team explored how we should create and build with sustainability in mind, and executed numerous projects. HP Orchestra of Sustainability is an example of this pursuit: interactive, immersive, engaging and above all, green and sustainable. This was a fully locally produced project with 100% building materials from local suppliers.



### HP: Orchestra of Sustainability

We created an interactive art installation that invites guests to experience the connection between tech, people and real-life nature. The installation represents HP's efforts around reforestation, ocean-bound plastic recycling and improving digital literacy.



### Miele: Stories From Our Only Home

Supporting Miele's commitment to sustainability, we created a short film featuring 3-star Michelin chef Norbert Niederkofler. Set at his mountain restaurant, Stories From Our Only Home paints an inspiring portrait of Niederkofler and his philosophies around people, product and our planet. We shot the film with the smallest possible crew and footprint. The project earned an EMA Green Seal Award for sustainable production in 2022.



### NBA: Broadcasting Games Live in VR

Partnering with AWS, our 7-game "virtual broadcast truck" production during the NBA in VR season, helped reduce our footprint to 0.1 metric tonne of CO<sub>2</sub>. By comparison, a single round-trip flight from New York to Los Angeles has a five times higher carbon footprint than our entire AWS usage over the same period, translating to a 75% reduction in crew air travel.



# Maximising purpose-driven impact

Maximising purpose-driven impact requires a multi-faceted strategy that involves clarity of our core mission and values: **technology and creativity can be used as forces for good and are powerful tools in transitioning towards a more sustainable society.**

## Our strategies include:

### Empowering Purpose-driven clients

We scale positive impact from Purpose-driven clients. Overall, these are organisations whose activities help solve urgent global problems, like climate change and inequality, and make things better for everyone at a mass scale. By promoting these clients, we can help address these issues more effectively and efficiently.

### Promoting For Good projects

We prioritise ethical and sustainable practices, such as using eco-friendly materials, fostering ethical consumerism and supporting diverse voices in doing project works. We partner with our clients to promote purpose-driven content in empowering climate actions, breaking social norms and gaining social justice.

### Inclusive marketing

We inspire brands to show up in more relevant, authentic, inclusive and meaningful ways. By identifying specific cultural spaces, communities, and community leaders to tap into, we establish credibility to build a connection with key audiences. By going specific with our cultural spaces and communities, we grow to broader mass awareness.

### Community outreach and impact

We unite to work towards a common goal: peace and equality for all, including our planet earth. Devastating events happening in 2022 posed great challenges to our societies. For us, 2022 was the year we experienced a strong, beautiful unity of our people, not only within the organisation but also beyond to the communities among us.

The next page details our performance based on these 'purpose-driven' strategies to maximise impact

## Empowering Purpose-driven clients

In 2022, 85% of total net revenue from For Good projects was done for Purpose-driven clients. We follow the B Corp definition of purpose-driven organisations: nonprofit organisations, charities, government organisations and benefit corporations; for-profit cooperatives designed to create a specific positive social/environmental benefit (i.e. those with an Impact Business Model); local and independent farms; local and independent community banks; women and minority-owned businesses; and Certified B Corp organisations.

We were proud to serve a very diverse group of Purpose-driven clients from almost all categories. Not surprisingly, sustainability-led initiatives are building a new market and economy, driving innovation and new business models.

The number of start-ups and social enterprises focused on addressing people and planet challenges using sustainable development business models is growing, and we would like to use our capabilities to amplify their purpose.

We've maintained and strengthened our relationships with a number of existing non-profit organisations — such as 100WEEKS, Make-A-Wish Nederland and Pink Ribbon — offering both pro bono and discounted work. And we were fortunate to be involved in wonderful long-term projects with additional Purpose-driven clients such as Stichting Space Buzz Foundation and Music Care.

We're proud to be media allies with educational facilities such as RMIT University and Flinders University of South Australia, as well as medical nonprofit organisations like Bon Secours Mercy Health and Memorial Hermann Healthcare System in working towards SDG 9: Industry, Innovation and Infrastructure. We've helped upgrade technological capabilities to assist the healthcare and education sectors in ensuring access to opportunities while enhancing the experience for people.

Our performance:

**274 Delivered purpose-driven Projects**

**75 Purpose-driven clients**

**£31,917,969 net revenue**

**3.29% of total revenue**

“When we prioritise purpose over growth, we make an impact that matters. I'm honoured and humbled when working on projects like Music Care or The Uncensored Library and I'm proud to be part of a company that is committed to clients and work that puts purpose first. The impact is meaningful for the people dedicating their lives to important things like justice, free speech and making sure our elders live happily, healthily and with dignity. I hope that, moving forward, the fundamentals of what makes us thrive is our highest priority: a safe, just and sustainable planet.”

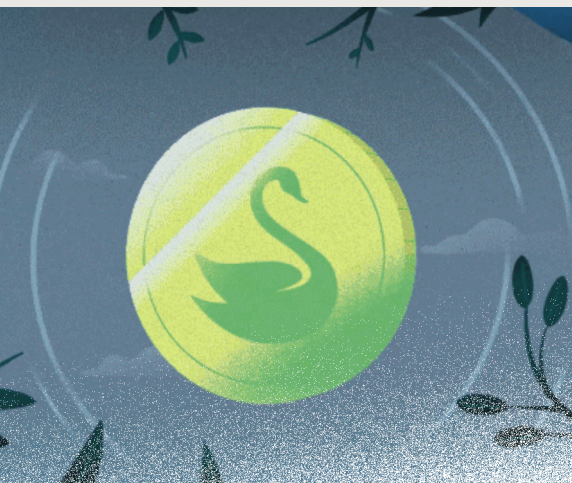
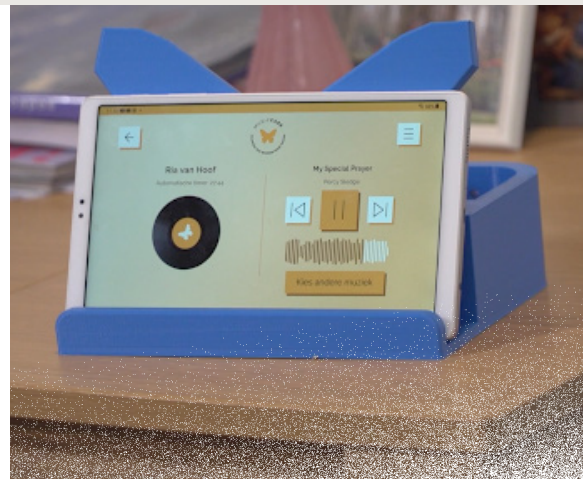


**Javier Sancho**

Project Manager

### Music Care: Improving healthcare for Alzheimer’s patients

Media.Monks built Dutch Foundation Music Care a progressive web app that helps soothe elderly patients experiencing Alzheimer’s. Using the app, healthcare workers can select and play a Spotify playlist with personalised music based on the activity at hand –the right music at the right time– to help patients instantly shift from feeling fear and depression to become more positive and cooperative.



### Green Swan Lab: Brand movie

Green Swan Lab is the world’s expert peer-review platform for improved ESG disclosures and accelerating climate solutions. We worked closely with Green Swan Lab’s founders to develop a peer-review engine that validates and improves the value of corporate ESG disclosures. By integrating human expertise with machine-driven insights, we add resolution and clarity to disclosed metrics – maximising understanding and minimising greenwashing around environmental impact.



### Creatures United

For the launch of Creatures United during #COP15 in Montreal– an innovative campaign that tackles the issue of biodiversity loss –we used voice-to-face tech and Unreal Engine to bring the brand’s protagonists to life. Campaign assets that feature animated, virtual animals helped Creatures United spread their message far and wide and continue to support all life on our planet.



## Promoting For Good projects

We actively pursue projects that we create in partnership with clients to deliver a specific positive impact and benefit to the planet and society that contribute to one or more of the UN SDGs – something we call For Good work.

It all started with taking a pause and asking ourselves. “What happens if we use our creative superpowers to try and make a difference? Can we make 1/10 pitched concepts sustainable, and how does a sustainable idea even work?”

We actively answer these questions through our actions. In 2022, we delivered 77% For Good projects compared to 2021 with an 84% increase in net revenue. Besides 75 Purpose-driven clients, we won pitches with sustainable concepts for 68 commercial clients.

Our performance:

**445 Delivered For Good projects**

**143 clients** (including Purpose-driven clients)

**£43,448,053 net revenue**

**4.45% of total revenue**

As a digital advertising, marketing and technology services company working with influential brands with global reach, we’re responsible for a good amount of content on the web – and we understand that the work we do has the ability to help influence audiences to create a positive impact. Our collaboration with clients has resulted in awesome projects across six regions, from promoting solutions to address climate change such as HP Forest Positive or Cummins Destination Zero, to actively taking part in Pride liberation with our long-term clients like Havaianas and Google. We also helped rail companies elevate their message to clients on choosing a lower-impact mode of transport. Our creativity also went to support art and culture, namely Gucci Vault-Future Vision, or Google Arts & Culture.

Learning to concept and deliver For Good work has taught us how to use creativity to have a more sustainable output. We have not yet reached the 10% sustainable pitch and it’s still a learning process. Though 2022 is done, we are working hard to increase the For Good clients in 2023.

“The [Miele] project goes beyond traditional commercials to reveal the people, partnerships and purpose behind the brand. It’s more than just words on a mission statement. With these films, we’re able to share the forward-thinking philosophies that can inspire others in their journey to sustainability. For us, it’s a perfect symbiosis between the work we do and how we do the work.”

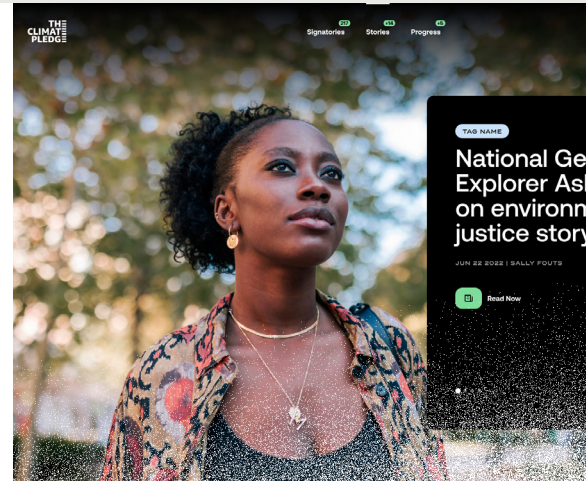


**Ben Phillips**

Creative Director Films & Content at Media.Monks

## Amazon: The Climate Pledge Platform

In collaboration with The Climate Pledge team, we created a rebranded platform which rallies companies to commit to net-zero carbon emissions by 2040. Our multidisciplinary, four-continent team defined an ownable visual language, tone of voice and seamless user interface. The experience rooted in optimism includes an immersive, WebGL-powered timeline, dynamic storytelling and an ever-changing industry leaderboard that inspires prospective signatories to be the planet's turning point.



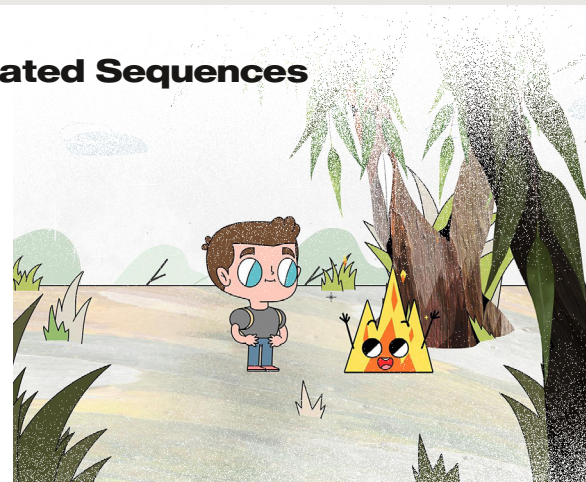
## Havaianas: Pride Research

We teamed up with Havaianas, Datafolha and All Out to create Brazil's biggest ever LGBTQIA+ survey. We handled strategy, concept and creative execution, publishing the results in an interactive report and OOH campaign. With 9.3% of Brazilians over the age of 16 identifying as LGBTQIA+, Pride Research represents a giant step in gaining visibility for this community that was excluded from the country's census.



## The Nacelle Company: Down To Earth Animated Sequences

Marking our first venture into original content production, we worked with The Nacelle Company to produce animations for the second season of the Netflix Original docuseries "Down to Earth". Viewers follow Zac Efron and Darin Olien as they traverse Australia, uncovering secrets to sustainable living. Adding a visual twist to the show's pertinent topics, we designed our host (quiff included) along with a cast of expressive, Aussie-themed characters. From the rowdiest Tasmanian devil since Looney Tunes to a blazing personification of fire, our collection of animated guests illustrate the devastating effects of climate change throughout the show's explainer-style animations.



## Community outreach and impact

The year 2022 was fraught with global crises that touched our people and their communities – the war in Ukraine; political unrest; inflation; natural disasters that spanned flooding, wildfires and earthquakes; mass shootings; police brutality and the ongoing persistence of covid-19, to name a few. In a show of solidarity, our people took to their communities to support the causes they care about. Through our DIA Community Outreach and Impact area of focus, we're working with causes and community programmes that are meaningful to our people, including youth programmes, local charities, local community engagement activities and environmental clean-ups.

Our performance:

**£51,503 donated by Media.Monks**

**0.01% of total revenue**

**4,090 hours of volunteering work**

And **OneOpp Coalition** – a nonprofit launched by Cashmere, which merged with Media.Monks in 2021 – strives to drive positive social change for BIPOC and underserved communities in the areas of financial literacy, overcoming educational inequality, overcoming environmental racism and social justice reform.

**Quality education to reduce inequality.** In February 2022, our team in Buenos Aires created a volunteer project for the media hub with the objective of generating upward mobility and social integration for underprivileged youths through digital education. We taught six classes for Puerta 18 students, and held seven seminars for Semillero Digital students, reaching approximately 195 men and women ages 18 to 25. Additionally, during the second quarter, we added a mentoring programme for Semillero Digital students whereby seven employees provided assistance and guidance to individual students on a 1:1 or 1:2 basis to help them on their path to applying for their first job in digital marketing.

“Just as light is both a particle and a wave, Media.Monks represents both individuals and a community. We share common values, goals and views –those of freedom, respect and compassion. I am thankful and proud of the efforts we've collectively put into helping others during these challenging times: individuals donating to meaningful charities, or groups coming together for a special cause, or assembling for an occasion that begins with 'today we gather..!' Being part of a community is rewarding on many levels but awareness is absolutely crucial. Awareness reveals opportunities to come together in matters that are important to individuals, and those are the matters that resonate.”



**Anna Medvedieva**

Senior Operations Producer

## Ukraine support

Every day we hear news of atrocious conflict in Ukraine. So we focused our energy on uniting to help our fellow colleagues and the people of Ukraine. Raising over £10,000, we sent necessary supplies to people in need. Funds went directly to: extraction efforts to transport our people to safety in Poland, financial support to those both in Ukraine and Poland, and protective gear and medical necessities. We also gathered in-kind donations of medical supplies, food, clothing and shoes, children’s toys and diapers, children’s bedding, and general bedding items.



## Monks Doing Good: Monks.Giving

Holiday season 2022, our team in Hilversum piloted a giving programme that will be used as a playbook for our Media.Monks offices around the world, Monks.Giving. During Thanksgiving week, the team collected around 20 boxes of toys and old tech for underserved kids and donated them to De Foodbank and Holland Recycle. Our people were joined by the Dutch Blood Bank to have a conversation about blood donation and were inspired to become blood donors and save someone’s life.



## Aid to Pakistan Flood Victims

In September 2022, Pakistan was hit with devastating floods. The areas around Karachi, where our office is located, suffered severe shortages of food. Everyone in Pakistan, including our people, did what they could to support those in need. We donated £14,000 to local relief efforts, as advised by our team on the ground who worked tirelessly to help support their neighbours and communities.





## Inclusive marketing

At Media.Monks we understand the power that marketing has to normalise culture– it can foster either belonging or exclusion. Because of this, we see it as our responsibility to celebrate people as they are, and to respect the depth and nuance of the audiences we speak to on our clients' behalf. As part of our Diversity in Action (DIA) Representation focus, our Inclusive Marketing team meets regularly with both internal and client teams on messaging and best practices. And we conduct DE&I data-driven assessments with our DE&I Marketing Advisory team on the actual representation, versus our clients' ambitions and KPI, and co-create a roadmap for improvement when needed.

Integral to our inclusive marketing approach for brands is our team from Cashmere– culture-first and socially led, the Cashmere team specialises in identifying trends to create and execute campaigns that resonate and drive inclusive and diverse culture. Utilising unconventional methodologies that span social media, creative, digital media, experiential, influencer and public relations, Cashmere provides full-service support to our clients in their quest for more inclusive marketing.

Our performance:

**In 2022, we worked to institutionalise inclusive marketing concepts into our creative and strategy processes and more than 150 creatives took part in ongoing internal training.**

**Late in 2021 we publicly launched the microsite *A Practical Guide to Inclusive Marketing*, our compilation of best practices for creating more inclusive content and campaigns.**

**We helped a number of our global technology clients become more inclusive brands via internal brand strategies and training tools, and we are piloting an automated DE&I impact tool for our clients.**

“Our implementation of inclusive marketing takes a culture graphic approach and goes beyond traditional psychographic and demographic data to uncover the cultural footprint of our audience and understand the intersectional context of where your brand has the best opportunities to connect with the consumer, all while honouring the fact that representation and cultural recognition in all forms matters and is ever present in our work.”



*Aisha Bean*

Chief Diversity Officer, Cashmere

### Dell Technologies: I Will Always Be Me

In partnership with VMLY&R, we helped Dell Technologies, Intel, the MND and Rolls-Royce create a unique web experience to help improve the lives of people living with motor neuron disease through the power of technology. The web experience/e-book prepares families for a future with MND while banking the reader’s voice in a fun, accessible and humane way.



"I Will Always Be Me" - Read by Stefanie Lorenzo / From England



### WarnerMedia Entertainment, TBS/TNT: MORE Campaign

When WarnerMedia’s TBS, TruTV and TNT networks were looking to celebrate voices of their Black talent, employees and audiences, they tapped our Cashmere team to deliver MORE – more content, authenticity, untold stories, joy and inspiration. With a bold OOH campaign, national broadcast spot and dedicated social platform across Twitter and Instagram, that spotlight continues to shine bright, winning a 2022 Bronze Clio.



### Amazon Prime Video: Entra en Escena

Entra en Escena is a series on Amazon Prime Video’s TikTok that tells stories from Spain’s LGBTQ+ community to inspire people to be accepting of each other’s authentic selves. We teamed up with Spanish LGBTQ+ influencers and creators to tell true stories based on their personal experiences. The series reached 8 million views within a week as well as special recognition from the Effies for promoting diversity and inclusion.



# Innovations: Investing in the Future of Work

Innovation is critical to addressing sustainability issues globally. In our industry, Research and Development (R&D) plays a massive role in driving innovation by advancing the use of digital production technology and processes. For Media.Monks, R&D & innovation expenditure quantifies our technology-driven efforts and is interwoven in various capabilities within our company. We've identified four qualities that a project or activity must have to be calculated as R&D & innovation expenditure:

## Novel

New knowledge to the business and not already in use in the industry.

## Creative

New concepts that improve upon existing knowledge.

## Uncertain

Outcome and the cost (including time allocation) that cannot be precisely determined relative to the goals.

## Transferable

Transfer of new knowledge that ensures its use and allows others to reproduce the results as part of their own R&D activities.

In addition to creating more sustainable outcomes by reducing energy use and emissions, optimising resource use and reducing waste, R&D is also leading to more efficient digital practices overall, where new systems are being developed to make better use of assets. This could mean anything from automation of image resizing tools to instant localisation and transcreation, and everything in between.

In 2022, we continued to support R&D and innovation in our industry through our Labs.Monks who continually release missives on the bleeding edge of technology. [Our Labs Report](#) on generative AI explores the AI tools that have captured creatives' imagination and social feeds. Other 2022 reports include explorations into: Technology Across APAC, Sustainable Production and Motion Capture.

Additionally, our Social Innovation Lab and "Phenomena" team are dedicated to research and thought leadership in the social space. Exploring how technology shapes the ways consumers find and make meaning in their lives, the lab uncovers how brands can adapt to the new era in digital.

Our performance:

**28% growth in R&D spend  
year over year**

**0.1% per total revenue**

"In today's competitive business environment, R&D and innovation are essential tools to help companies remain competitive and address the pressing sustainability issues of our time, and with our collected group of best-in-class talent, we're seeing continuous improvement in this field."

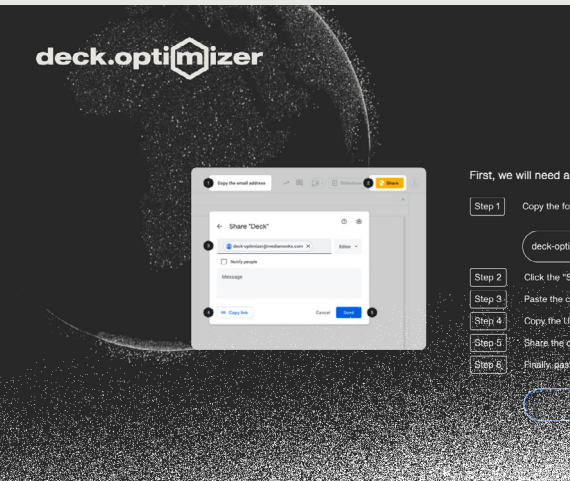


**Sander van der Vegte**

VP of Emerging Tech and R&D

### Media.Monks: An Automation Hackathon

In collaboration with Workato, we invited our people to a hackathon in 2D metaverse Gather.town. The aim of the game? To use Workato and Slack to automate everyday work challenges, create more sustainable workflows and build their solutions – all within an 8-hour time limit. Teams created options that not only increase efficiencies and build better processes internally, but also deliver better results for clients.



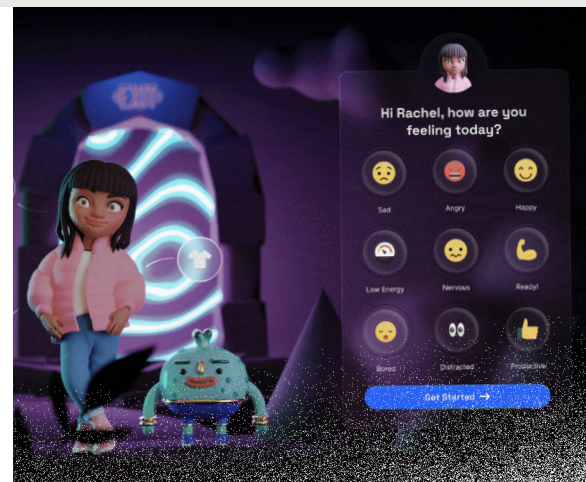
### Deck Optimizer

We love great-looking presentations. But beautiful visuals and videos mean increased file sizes, and in a time where everything is loaded on demand, each megabyte saved in size results in less energy consumed. So we created Deck Optimizer – a tool that automatically reduces presentation file size without compromising quality. Since every megabyte stored equals ~20 gms CO<sub>2</sub>, this tool alone could reduce CO<sub>2</sub> emissions by literally tonnes.



### NWEA: Innovating a next-gen education platform

NWEA, a research-based not-for-profit organisation that creates student assessment solutions to tailor instruction, needed help envisioning an educational platform that incorporates Social and Emotional Learning (SEL), a teaching modality in response to the devastating impact of the pandemic on youth. We created SOMO, an interactive third-person world that lets students explore SEL educational activities, learning assessments, personal resources and community groups to foster continued engagement while alleviating critical bandwidth issues for overworked instructors.



# What's next

In pursuit of greener productions, one of our biggest ambitions (and areas of potentially massive impact) will be to look at reducing travel and on-site waste by continuing to push our in-house studio solutions, our New Delhi Unreal Studio integrated production proposition and videolinks for location shoots. Videolinks offer clients a means of remotely viewing an on-location shoot via an online camera feed so they don't need to travel to the shoot location in person. As with our film/post production studio in the Netherlands where we can offer default offsetting for all the shoots we do by measuring via AdGreen, we are considering offering carbon offset as a default mode for clients globally. We're also building an "a la carte" menu of sustainability features and options to include in our procedures in working with clients.

We will continue to follow or partner with industry solutions where possible, like SeenThis or Scope3, that aim to reduce or measure the impact of our clients' campaigns. And we piloted our own tool to reduce data storage, which we plan to scale. Our innovation teams are working on tooling to measure emissions of digital products or asset creation and our data team is continuously seeking solutions that will create higher transparency and measurability.

We saw more clients show openness towards more sustainable directions, and we aim to partner with like-minded clients to increase total net revenue from For Good projects to 20%, with 10% coming from Purpose-driven client projects, by 2040.

**"As a creative serving a client that empowers a global community through their products and services, it is our responsibility to ensure innovation, creativity, and technology meet at the intersection of good. Working with sustainably-driven brands that genuinely believe that "Better for People is Better for the Planet," we continue to advocate for change when it comes to climate action, human rights, and digital activity. At Media.Monks, we keep moving forward in these challenging times by showing up responsibly and creating a lasting impact through our actions and our work."**



**Rajat Gupta**

Group Creative Director

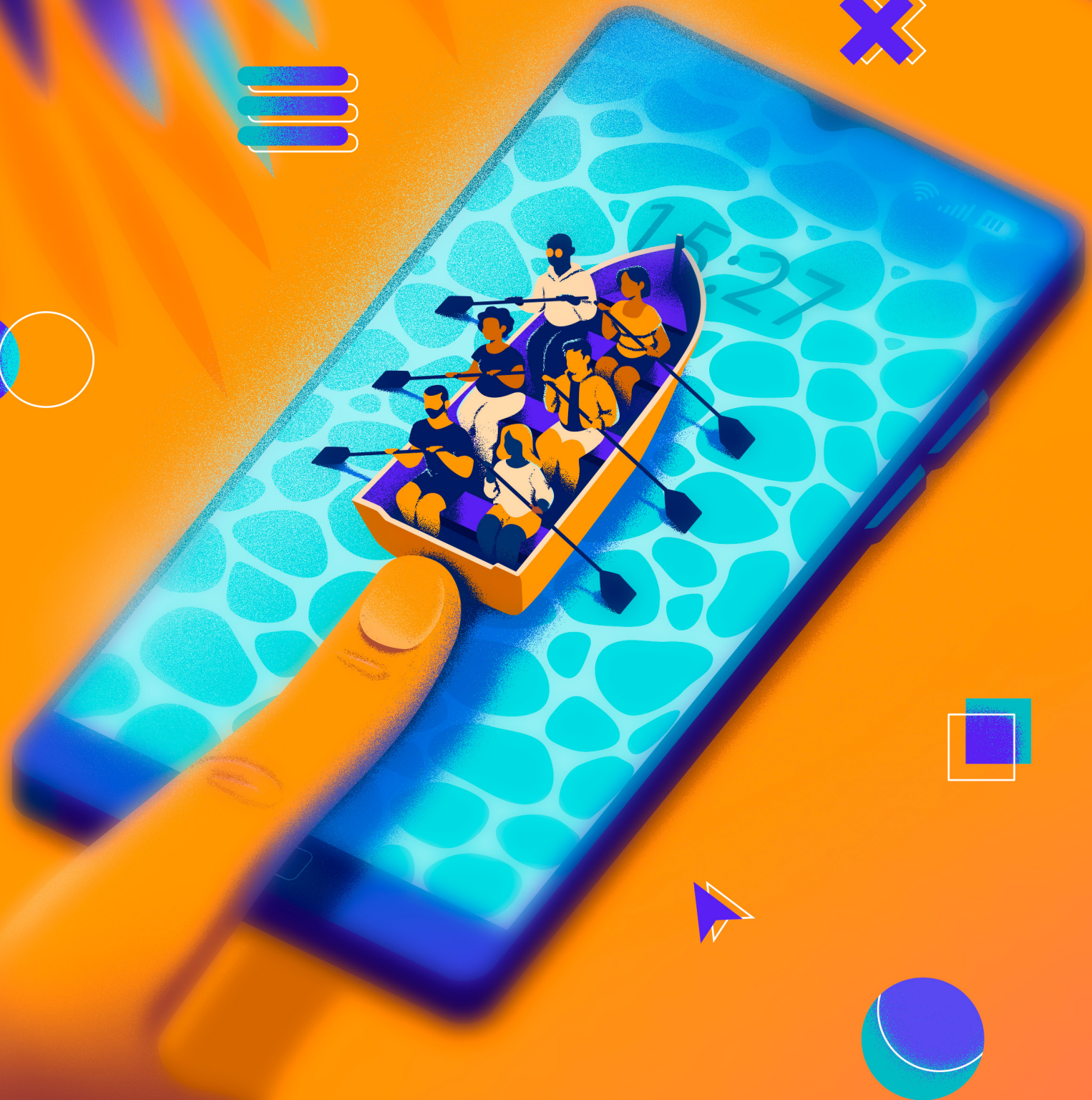
With regard to community outreach and impact, our aim is to increase our hours and budget to 1% of total revenue to increase active participation from our teams to tackle environmental and social injustices and support charities that are working hard to make a difference.

The rapid growth of generative AI (aligned with brands' need to lower cost) is of course influencing the ways brands and agencies create content – and there are already a handful of AI startups that have spun up from the sophistication of AI. At Media.Monks we're working across capabilities to design more efficient and sustainable workflows that empower our people and clients with AI.

The incorporation of AI into business processes and creativity requires deliberate consideration of representation, bias, and potential harms. Media.Monks has well-established strategies to account for these issues in all facets of our business, and we are beholden to these core principles for all societal issues related to AI.

We have been pushing initiatives for coding standards and client-paid packages that decrease energy consumption. It's a continuous push to get this done, and that's what we aim to do. We are constantly asking ourselves what the impact is of our research, and how we can apply it to the rest of the business.

# Diversity, Equity and Inclusion



# Diversity, Equity and Inclusion

## Our commitment to fulfilling the promise of being a people-first organization

We use the principles of Diversity, Equity and Inclusion to guide our actions and create an inclusive culture. This is embodied in our programmes, policies and practices we employ day to day, and how we have reshaped our People organisation.

### 2022 in action

**47.6%**

women of total FTEs

**37.2%**

BIPOC representation in the US

#### Diversity in Action

Diversity in Action (DIA), our first-ever global formal framework for DE&I, introduced five areas of emphasis that guide and enhance our efforts. DIA redefined structures of existing programming, increasing programme utilisation and group representation by 130%, and brought new initiatives to life.

**392**

internship positions

**40%**

women in management and executive positions

#### A Diverse Slate Approach to hiring

In 2022 we launched our Diverse Slate Approach to hiring (DSA), requiring a 50% diverse candidate slate. This approach, coupled with the expansion of existing internal programmes, supports the connectivity and retention of our diverse global workforce.

#### Increased diversity representation across our US workforce

#### 1st Global Chief People Officer

#### Living and working our purpose

We relaunched our global Talent Discovery team with a purpose-driven strategy to support and encourage our people to *live and work your purpose*, derived from the Japanese concept of *ikigai*. This foundation set the trajectory for our reinvigorated approach to people and recruitment.

In 2022 we welcomed James Nicholas Kinney, now serving as our first-ever Global Chief People Officer. James brings a wealth of experience in People and HR operations, as well as a strong desire to support the delivery of foundational steps to improve our people experience and culture.

We also evaluated and took action on what our people want and need, developing a strategic vision and three year plan for 2023-25 focused on creating a more engaging environment for all our people.



## Our performance in 2022

We take seriously our ambition that each person choosing to work with us feels confident they can contribute their best work in a place that values diversity, equity and inclusion. But building and maintaining a culture of belonging takes more than desire — it takes self-reflection, intention and action. With a respect for diversity in all its forms, empathy for the individual, and transparency through communication, we're committed to building a professional environment in which everyone is treated fairly and with dignity — an environment in which to thrive.

## Our global workforce and activities in 2022

Our employee base has grown 41% in 2022 through organic and merger-based growth. While our overall turnover increased, we are pleased to see better trends in the retention of women in our workplace, as this is a continued area of focus.

“We are building a new era, and to us, that means equity in every form, building empathy as a muscle, and ensuring the planet and humanity of today is a better one tomorrow. We measure by metrics but more so by impact. DE&I is not a people function exclusively for us; DE&I performance is required from our board members to our new hires.”



**James Nicholas Kinney**

Global Chief People Officer

Our Media.Monks people	Total employees 2022 <sup>1</sup>	Women 2022	Men 2022	Undeclared 2022 <sup>2</sup>	Total employees 2021	Women 2021	Men 2021	Undeclared 2021
Employees	8,308 people	48%	49%	3%	5,874 people	43%	44%	13%

Turnover	Turnover rate as a percentage of total headcount	Gender balance overall turnover rate women	Gender balance overall turnover rate men	Gender balance overall turnover rate undeclared
2022	29%	42.4%	48.4%	9.2%
2021	21%	48%	42%	10%

Our Media.Monks people	2022	2021
Employees	8,308	5,874
Part Time	2%	3%
Full Time	97%	97%
Permanent Contract <sup>3</sup>	99%	-
Temporary Contract <sup>4</sup>	1%	2%
Covered by collective bargaining agreement	28%	15%
Absenteeism <sup>5</sup>	1.6%	0.5%

<sup>1</sup> Consistent with our 2021 reporting, scope featured in this report represents our full time and part time employee population inclusive of interns but not contingent workers

<sup>2</sup> The undeclared category includes those who chose not to self-identify or did not have their gender identity listed as an option.

<sup>3</sup> These contracts have definite end dates

<sup>4</sup> These contracts do not have end dates, but the contract indicates that a person will be working only for a fixed time in the company.

All other contracts (not fixed term or temporary) are indefinite.

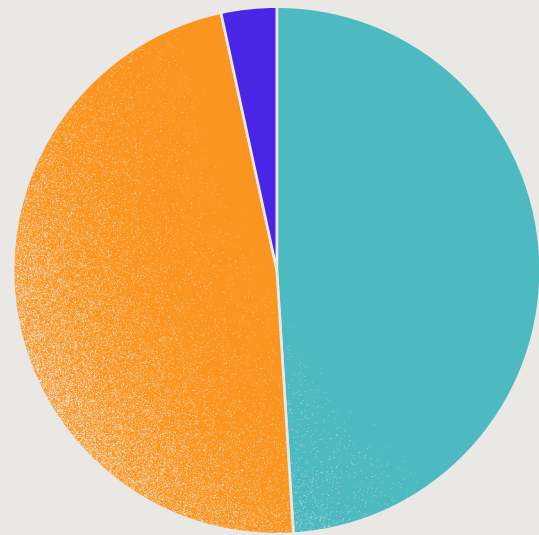
<sup>5</sup> This only includes data for the following offices: Media.Monks Amsterdam and Hilversum.



## Gender diversity globally

Overall, gender continues to be relatively balanced across the company. While in 2021 we demonstrated a significant portion of undeclared respondents, a concerted effort and impact into Workday refinement across all countries has increased the accuracy of our reporting by 9.2% for this category. As we move forward, further enhancements to ensure the most detailed reporting are to include gender identity, ensuring we accurately represent all people across Media.Monks.

Our overall gender data by level has remained relatively consistent with a few notable exceptions. In 2022 we increased the representation of women in our internship programmes by 15.94%. Further we demonstrated increases of representation in both our Other Positions and Management representation for Women. It is important to note that Other Positions encompasses the largest number of our employees across the company. However, we recognise that this shifts when looking towards Management and Executive levels<sup>1</sup>. To address this we have continued to focus on facilitating better balance between genders in Executive and Management roles through existing leadership programmes, and continued monitoring.



47.6% Women 49.0% Men 3.4% Undeclared  
Global gender diversity 2022

This tracking is associated with our commitment to progress internally through our S<sup>4</sup>Women’s Leadership Program, as well as our newly launched Diverse Slate Approach to recruitment. Our objective is to continue to strive for better balance to support not only equitable representation, but broader parity.



Genderbalance of workforce by role 2022

“In an ideal world, women won’t need to do more, run more, work or study more than anyone else – and we will no longer need to have conversations about women’s empowerment. To get there, though, we must balance the equation fast. Media.Monks has many initiatives to discuss and provide support to the women in our company. Yet as important as panels, talks and trainings are, building confidence is day-by-day work and it’s equally important that leadership is aware and united on building confidence and providing space for women to evolve.”



**Luciana Hagiara**

Executive Creative Director LATAM

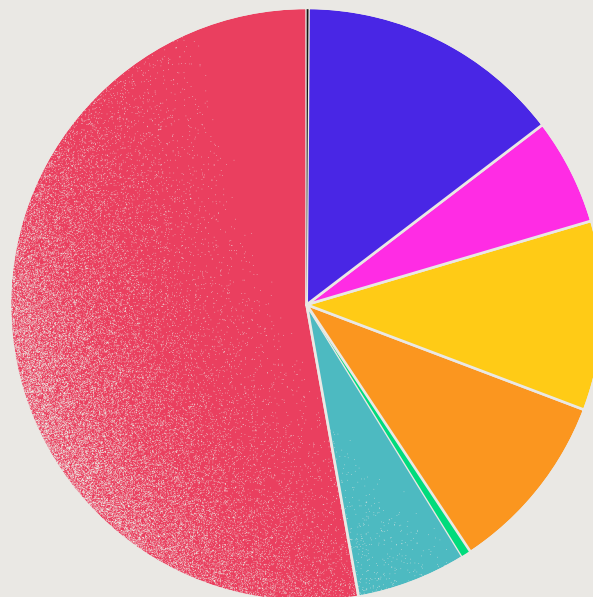
<sup>1</sup> Last year we reported a Leadership category that is now renamed Executive, and a Professional category which is now renamed to Other Positions due to internal reporting.

## Overall US ethnicity

Since many countries restrict companies from reporting ethnicity, we've separated the information on our US team from our global data, reporting numbers in the US as allowed by law. The diversity of our US workforce is demonstrated below.

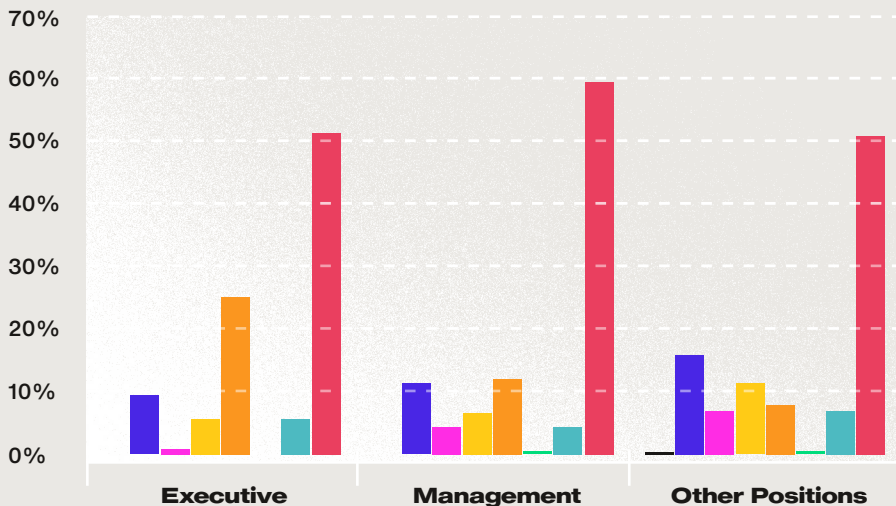
Since 2020, we've made a concerted effort to increase Black representation across our organisation. In 2022, BIPOC (Black, Indigenous and people of Colour) representation increased at Media.Monks, moving us closer to our goal of having an employee population that authentically reflects the communities where we live and work.

We have demonstrated an increase of nearly 2% in Black representation, as well as a 5% increase in overall BIPOC representation. We attribute this increase to the launch of both DIA and our Diverse Slate Approach to hiring (DSA). As part of DIA, we expanded our Community Groups (formerly ERGs) – including the launch of our Latinx group and expansion of our Melanin group. Beyond that we launched our Obsidian Black Leadership Series amongst similar initiatives aimed at elevating diverse voices.



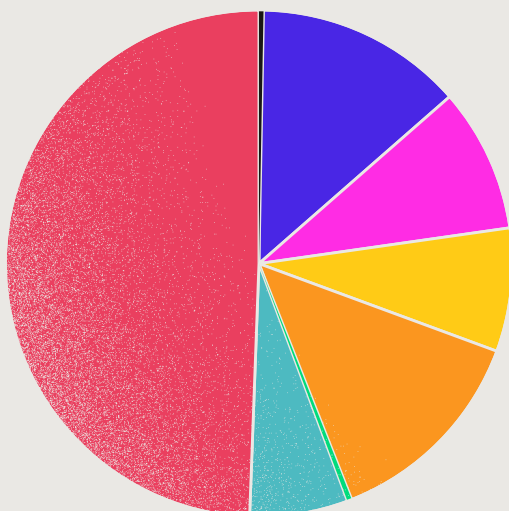
US Overall ethnicity data 2022

- 0.1%** American Indian or Alaska Native
- 14.5%** Asian
- 5.8%** Black or African American
- 10.3%** Hispanic of Latine
- 9.9%** I do not wish to answer
- 0.5%** Native Hawaiian or Other Pacific Islander
- 6.0%** Two or more races
- 52.7%** White



US Ethnic diversity by role 2022

- 0.1%** American Indian or Alaska Native
- 14.5%** Asian
- 5.8%** Black or African American
- 10.3%** Hispanic of Latine
- 9.9%** I do not wish to answer
- 0.5%** Native Hawaiian or Other Pacific Islander
- 6.0%** Two or more races
- 52.7%** White



US Turnover by ethnicity 2022

- 0.29%** American Indian or Alaska Native
- 13.40%** Asian
- 9.28%** Black or African American
- 7.95%** Hispanic of Latine
- 13.55%** I do not wish to answer
- 0.29%** Native Hawaiian or Other Pacific Islander
- 6.33%** Two or more races
- 48.9%** White

The highest rates of ethnic diversity occurred in Other Positions and Management, with an opportunity for improvement in all areas. US Internships demonstrated 33% identifying as Asian and the remainder as White, illustrating a clear priority to expand representation in 2023. Our overall turnover has remained relatively consistent year over year, with our highest volume of turnover occurring among White employees and those who choose not to disclose.

## Fostering culture and belonging

Creating a culture of belonging starts at the top, and all across the organisation we need to be aligned and working together. We intentionally work towards balanced representation, taking into consideration the diversity of the places around the world where we operate.

In 2022 we relaunched our recruiting department as **Talent Discovery** – emphasis on “discovery” rather than the traditional view of “recruitment” or “acquisition” – which reflects our more inclusive mindset for seeking talent. The foundational concept behind our approach to talent discovery – how we discover, develop and help grow lives – is inspired by the Japanese concept of *ikigai*, referring to that which gives someone a sense of purpose or reason for being. As such, we support and encourage our people to live and work your purpose.

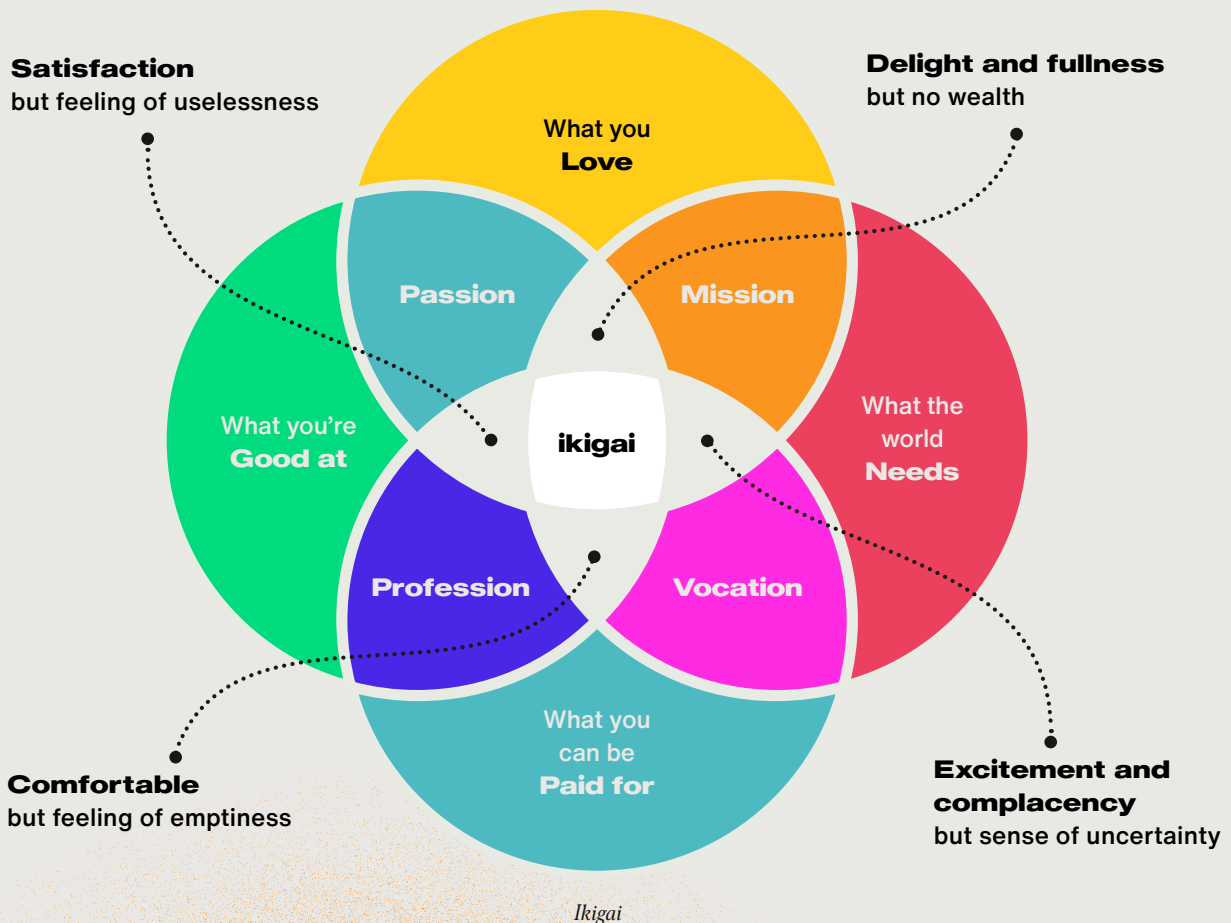
Today our Diverse Slate Approach to hiring requires a 50% diverse candidate slate for any role in order to proceed to the interview process. Further, all of our hiring managers are trained on overcoming unconscious bias.

“Taking care of our people, both internally and externally, is our first priority. Everything we do is with that in mind to secure the success of matching our business needs with the best and most diverse talent in the market.”



**Lucila Tarrico**

Talent Discovery Director, Buenos Aires



## Our Community Groups

Our Community Groups (formerly ERGs), are voluntary, employee-led groups that aim to foster a diverse and inclusive workplace. In 2022 we introduced these groups in all four regions of our global operations. Today we are proud to have seven community groups – four of which were added in 2022.



### Melanin.Monks

Increasing awareness of cultural differences amongst Black Employees and the S<sup>4</sup>Capital community-at-large.



### Pride.Monks

Fostering the values of empathy, safety, community and pride.



### WoMMen In Tech

Helping develop women and allies of women, both professionally and personally.



### Enable.Monks

Building a network of support and advocacy while broadening the understanding of neurodiversity and disability.



### Caregivers.Monks

Supporting and advocating for all caregivers in order to foster professional and personal growth.



### Cultura.Monks

Building and supporting an S<sup>4</sup>Capital/Media.Monks network of familia.



### Green.Monks

Raising awareness and encouraging action on environmental issues and sustainable practices.

## Elevating diverse voices

Part of the promise of our DE&I work is to increase representation at the senior leadership level for traditionally underrepresented populations. We know this is good for our people and good for our business, and we also know we have some work to do.

To underscore our commitment, we signed the Statement of Support for the Women’s Empowerment Principles (WEP) by the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women). With this we join the WEP continuous journey adopting and applying the seven principles within our own organisation.

We’ve instituted programmes for the training and development of diverse and underrepresented communities within Media.Monks and see value in highlighting current leaders who identify with traditionally underrepresented groups to inspire others to envision career paths for themselves.



## Obsidian Black Leadership Series

Our Black leadership series is dedicated to raising awareness and amplifying the voices and visibility of our Black leaders while empowering and inspiring our Black talent throughout Media.Monks.



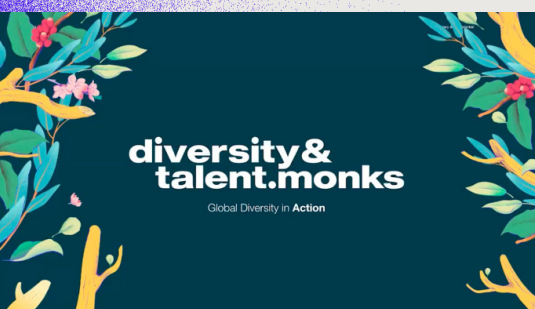
## Women Connect

A series of monthly conversations with Media.Monks women – and their allies – from around the world. This community has curated and hosted valuable conversations that highlight our talented women leaders and inspire those who are up and coming.



## Behind the Title

Series host Kayla Gravel, Senior Manager of Talent Development, chats with our people from around the globe about their unique, inspiring and largely nontraditional career journeys.



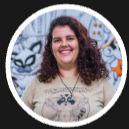
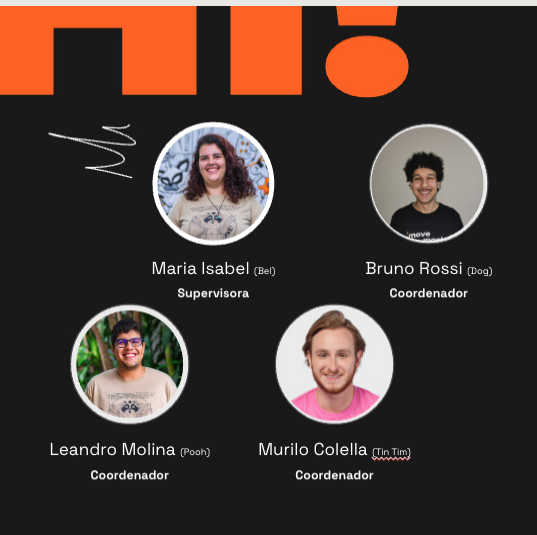
## Ongoing Diversity Learning

Across our internal platforms, and through live speakers series, we hosted a number of custom learning opportunities to support our global communities, reaching 2,858 of our people globally.

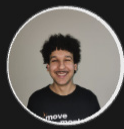


## S<sup>4</sup>Women's Leadership Program

A collaboration with the University of California Berkeley Haas School of Business, the programme is aligned with Women's Empowerment Principles (WEPs) established by the UN Global Compact and UN Women, designed to drive gender equality by helping women within our organisation reach the next level of leadership. The on-site weeklong experience empowers participants to develop authentic leadership skills, a global mindset and skills needed to coach and mentor other women.



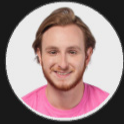
Maria Isabel (Bel)  
Supervisora



Bruno Rossi (Bra)  
Coordenador



Leandro Molina (Poch)  
Coordenador



Murilo Colella (In Tim)  
Coordenador

## Raise.Monks

Our digital performance team in Brazil considers the training of new digital marketing professionals essential to our business and the digital media industry which has grown quickly and lacks qualified professionals. Enter Raise.Monks, a programme the team created to train people with little or no background in digital marketing (and no native English), to work as skilled, paid media analysts on international accounts, performing services and partnerships in English. All in just four short months.



## Monk Action Committees

These ESG and DE&I-focused global teams of our colleagues are dedicated to matters vital to our people and our world. The programme empowers our people to be involved with the issues that matter to them, bringing culturally diverse and cause-driven professionals together to connect on a deeper level, without barriers, through shared personal interest and passion to drive positive change in the world.



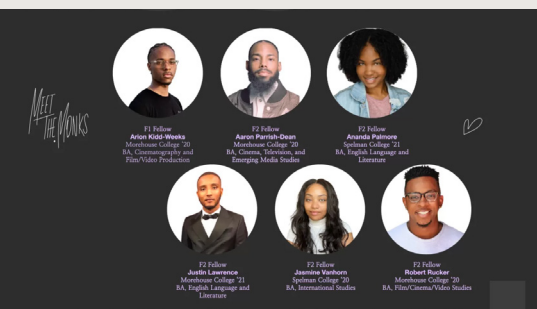
## Closing the gap in our industry

It takes a concerted effort to close the representation gap in our industry. We elevate our impact in the industry through allyship with like-minded organisations. We offer special talent discovery and training programmes for underrepresented groups, helping them develop their careers. Each programme and initiative is a reflection of our collective commitment towards building an equitable future. Below are some of our ongoing programmes created to change who does the work, in our goal towards making our industry more equitable for all.



### Creative Equals Role Models

Creative Frontend Developer Coco Granger and Noor Ul Sehr Zia, Senior Python Developer, were featured in the 2022 Creative Equals Role Model Campaign, an effort to recognise women in tech, leadership and entrepreneurship. Shoutout to our wonderful women who are data analysts, UX/UI designers, digital marketing managers, and business analysts, to name just a few.



### S<sup>4</sup>Capital Fellowship Program

In 2022 we welcomed our second cohort to the S<sup>4</sup>Capital Fellowship Program. Based in North America, this fully paid immersion programme was created for exceptional HBCU (historically Black colleges and universities) graduates and is a cornerstone of our global DE&I commitment.



### Rocket.Monks

Media.Monks Brazil designed an internship programme to provide people from underrepresented groups the opportunity to work for a global company. We didn't analyse resumes or ask prerequisites (language, experience, age, etc). We accepted 10 interns from different backgrounds with the aim of embracing differences and giving vulnerable groups the opportunity to change their lives.



### Fresh.Monks

According to a recent report by RMIT University, 87% of the Australian workforce need both functional and role-based skills to keep pace with digital transformation and build economic recovery. Fresh.Monks, an intensive six-month training programme launched by our team in AUNZ, does just that with our first class of graduates completing their onboarding in 2022.



## Brixton Finishing School

BFS works to build an equitable highway into the creative, media, and tech industries for people from underrepresented communities. In 2022 we participated in the BFS summer school session, wherein our team shared insights on strategy and creativity. EMEA Talent Lead Ben Major proudly sits on the BFS advisory board.



## Miami Ad School Program

Global Senior Creative Rodrigo Linhares Da Silva kickstarted his career in media as a student at Miami Ad School. To give back to the school, Rodrigo began the Miami Ad School Program, helping young talents (three students every quarter) gain practical knowledge through master classes – primarily film to complement their studies – at Media.Monks. Students work on real business assignments and Media.Monks mentors provide feedback to help fine-tune their school work.



## Propuesta

According to UNICEF data, 77% of Argentine teenagers believe their opinions are not influential. In September 2022, we partnered with TedxRiodelaPlata on the TedxED programme, providing free admission for 5,000 underprivileged teens to attend the event from Clubes TedEd.



## Code Like a Girl

Code Like a Girl is a Text enterprise that aims to empower and enable women and girls to be equal creators in tech. We collaborated with the organisation to redesign and redevelop its website in 2022. To guide the thinking and implementation of the project with an authentic female perspective, Media.Monks chose a core team of women to lead the project.



## Studiezalen

In 2022, Media.Monks partnered with Studiezalen, an NGO that supports residents of vulnerable neighbourhoods in finding opportunity, space and guidance for their talents to flourish. We took part in the organisation's six-week Talent4Talent programme, and hosted a master class on effective communication commitment at our Amsterdam campus. Our ambition is to reduce inequality in our society, one programme at a time.



## TechGrounds Hires

TechGrounds is an NGO dedicated to increasing the representation of women and talent from diverse cultural backgrounds in the IT job market. Our continued partnership with TechGrounds resulted in three new hires.



## Building awareness

A study on workplace empathy conducted by SaaS-based benefits technology and services provider Businessolver revealed that after surging in 2020, empathy in the workplace was on the decline in 2022<sup>1</sup>. At Media.Monks, we believe that – as a global community – for us to work together better, we need to understand each other better.

One way we seek to create understanding of each other, our communities and our cultures is to build awareness through foundational training in DE&I principles for our people and our staff. We conduct ongoing staff training on unconscious bias, allyship and anti-racism and numerous other topics related to inclusion and belonging, both internally and through outsourced organisations. In 2022, we enlisted a PhD-trained psychologist to provide a three-part informative and educational workshop series to our US teams to:

- Better the team's understanding of how bias impacts workplace outcomes
- Strengthen leadership's understanding of structural barriers that prevent equity
- Inform the team about how to navigate microaggressions that lead to racial harm
- Provide the team with tools needed to support the wellbeing and development of racialised employees

On an ongoing basis, we also promote numerous activities and initiatives for our managers and colleagues to discuss topics and ask questions, such as interactive DE&I office hours, where the team shares updates on the latest happenings related to DE&I initiatives and programming.

**“There are a variety of possible skills that can be trained, and they do not need to be (nor should they be) just hard skills. Technical skills are necessary, of course, but so are soft skills – behavioural skills. The combination of soft and hard skills is ideal and both must be incorporated into training programmes. Training requires investment in time and money, as well as a culture focused on teaching and learning, which means that patience and room for mistakes need to be part of everyday life.”**



**André Palis**

Co-founder Media.Monks

<sup>1</sup> “2022 State of Workplace Empathy Executive Summary,” Businessolver, <https://www.businessolver.com/workplace-empathy/> (accessed February 2023).

## A focus on wellbeing

It's important to us that we take care of our most valuable asset — our people. To that end, we continue to be intentional about providing comprehensive healthcare and wellbeing benefits that address the holistic health of our people in every country.

We've instituted a global mental health and wellbeing programme that features regular lectures and masterclasses on wellbeing that can be easily accessed on our internal network the Shift including workshops on meditation, mindfulness and yoga, as well as discussions around mental health in the workplace. As well, our Mental Health Resource Guide, a compilation of the activities our people took part in during World Mental Health Week, offers a variety of resources and helpful links to support our people in nurturing mental health.

We also promote mental health and wellbeing messaging and reminders in our offices. As a pilot in our London office neurodiversity was considered during the interior design process and there are visual reminders throughout to be aware and mindful of neurodiversity.

Through our corporate LinkedIn Learning offering, people can access a variety of resources related to mental health and wellbeing. Topics include resilience, cultivating balances, managing depression and anxiety at work, and more. Understanding how challenging it is to focus on work during these turbulent times, we have also made it a practice to offer safe space interactive sessions for our people, moderated by mental health professionals, to provide tools to help manage crises.



## Wellbeing.Monks

Our London-based Wellbeing.Monks promote a holistic approach to creating a welcoming and supportive environment for all of our people. With a reach that covers everything from local iterations of DE&I initiatives to practical tools for mental health and wellbeing to social endeavours that foster togetherness, the team inspires our people all over the world to pay closer attention to caring for their mental health and wellbeing.



## Acting to reconnect

Even though some of our locations' offices are up and running as the pandemic has cooled, many of our people are operating remotely and don't often have opportunities to connect in person. Below are some of the tactics we've implemented to spark the connection we may have lost during covid.

We know communication is key for building collaboration and stability into our company culture, and in 2022 we launched several global and regional people communications channels to foster connection.

## Monk.News

Globally, Monk.News(letter) is our monthly internal digest that aims to inform, connect and engage our people across borders and teams while the #Monk.News Slack channel provides regular weekly updates as well as time-sensitive announcements. And S<sup>4</sup>Capital Executive Chairman Sir Martin Sorrell communicates with our entire workforce in a regular weekly missive from his personal email, highlighting important news along with his take on our industry and the world around us.

## Regional Comms: H-Mag

Regional communication is organised and facilitated by Managing Directors and local teams. Our Hilversum. Monks are leading the charge with H-Mag, their quarterly "magazine" that highlights anything and everything related to the Hilversum talent hub — our people, their passions and interests, work projects, events, office and policy updates, and much more — in a creative, inspiring and fun format to connect their teams from across all departments.

"Culture" can mean a lot of different things to different people but we believe that culture is defined and cultivated by our people. That's why we launched Culture Coalitions and like initiatives globally as a framework for bringing together and supporting a voluntary community of peers passionate about building culture in their local regions. In our inaugural year, we grew from three to nine coalitions across the US, with similar ones coming to life across APAC, EMEA and LATAM. These groups are supported by local HR, and run by employee volunteers for different locations.

While in-person connections are important in building a sense of belonging and inclusion, it's also important that we create opportunities to connect as one global community by observing four tentpole global celebrations together across all locations. Our staff continues to show up year after year to participate in planning and volunteering their time to share their stories and expertise in honour of four worldwide tentpole events that provide meaningful moments for our people to connect on common causes and shared experiences.



## World Mental Health Day

From in-office programming to virtual resources, we work to make sure we not only acknowledge but normalise the conversation around mental health, so our people feel comfortable seeking help when they need it.



## World Pride

Demonstrating support for our peers and the LGBTQIA+ community at large, Media.Monks hosted global celebrations, speaker series and engagement activities while our people donated over 10,000 minutes of their time learning or making an impact during Pride Month.



## Earth Day

Providing awareness on how our work can be done more sustainably – from sustainable design to sustainable production and everything in between.



## International Women's Day

Nearly 1,000 of our people globally engaged in a variety of events, panel discussions and workshops hosted by Media.Monks on International Women's Day 2022.

# What's next

In early 2023, the People Experience team — our PX.Monks — re-onboarded people across our entire organisation, unifying the brand and the people experience by launching a new philosophy around motivation, feedback, training and career development that will uncover opportunities for all our people to realise their growth potential. The new Performance Management programme centres around each employee's self-motivated and continuous focus on personal development and growth potential. The lynchpin of the programme is the concept of regular and frequent informal and formal feedback moments, driven by each individual in support of their own personal and professional growth.

Our Global DE&I team will be curating training modules that amplify key DE&I topics to empower better working relationships across borders, cultures and identities. The team will lead our people in exploring the meaning and impact of language associated with DE&I, the importance of curiosity, and the necessity of inclusive leadership defining our global strategy and adapting it to local sensitivities. In 2023 we will offer our first in-house DE&I training model for a global landscape, creating a strong baseline of support for employee cross-cultural collaboration.

**“One thing that is certain is that diversity in the workplace will become increasingly necessary as technology narrows the gap between geographies. It will become a significant driver in company culture and will fuel business growth and success. Fostering a place for great social relations among our people – who may differ across religions, age, race, academic, ethnicity, gender, sexual identities, physical and mental abilities, and more – and removing all barriers of participation and contribution positively influences teamwork and promotes healthy competition.”**



**Hannah Dobies**

DE&I and Culture Manager, APAC

In 2023, our Talent Discovery team will be introducing Promotion to Vacancy, a programme that aims to find opportunities to fill open leadership roles internally. One goal with this programme is for hiring managers to be intentional about identifying current, eligible talent from underrepresented groups to continue diversifying our leadership team.

We will also be fully measuring performance of relevant DIA initiatives through employee surveys and feedback.



# About This Report

This is the fourth year we have annually reported on our ESG performance since 2019. With the annual disclosure of our financial and non-financial ESG-related metrics, we aim to publicly share our ESG activities while improving our transparency and inspiring other organisations to do the same. This ESG report is an extended version of the ESG section included in the S<sup>4</sup>Capital Annual Report (from page 37-65). This version features detailed explanation of the ESG data and case studies.

## The scope

This document is part of our annual cycle of reporting on our ESG performance and covers the period 1 January 2022 – 31 December 2022. Therefore, only acquisitions made before 1 January 2022 were included in the scope of this report, which include the following companies:

**BizTech**

**Brightblue**

**Cashmere**

**Circus Network Holding**

**Datalicious**

**Decoded Advertising**

**Destined**

**Digodat**

**Firewood**

**IMAgency**

**Jam3**

**Lens10**

**Maverick Digital**

**MediaMonks**

**Metric Theory**

**MightyHive**

**Miyagi**

**Orca Pacific**

**ProgMedia**

**Raccoon Group**

**S<sup>4</sup>Capital**

**Staud Studios**

**Superhero Cheesecake**

**Tomorrow**

**Zemoga**

## The methodologies

ESG data is collected using a combination of accurate data and extrapolation methods. We collected ESG data once a year from all subsidiaries that are under the 2022 reporting Scope. This includes 77 offices in 30 countries, outlined in our map on page 7. ESG-related data was collected internally from all offices to ensure data accuracy as much as possible, then consolidated centrally to eliminate overlapping data. This data set was later verified and analysed by an independent consulting company Rainbow Collection.

Our carbon intensity was calculated using Full Time equivalent Employees (FTEs). We define FTEs as all active workers excluding contractors, contingent workers and interns. As we are an internationally operating company, all financial data was converted to GBP using the same year-to-date exchange rates that were recruited for our annual report.

As the Group operates internationally, all financial data has been converted to GBP using consistent closing and average exchange rates as the S<sup>4</sup>Capital plc 2022 Annual Report and Accounts.

## The global alignment of our ESG reporting

We are committed to transparency, accountability, and ethical business practices toward our stakeholders. Therefore, this ESG report was developed following international standards and benchmarks.

These principles and frameworks have proven to provide us with a structured approach to better understand and communicate our ESG performance, better identify which ESG activities were effective and the areas where we can improve. It also helped us to build trust and credibility with our stakeholders.

### We disclosed using guidelines and frameworks from Reference

<b>Task Force on Climate-related Financial Disclosures (TCFD)</b>	Became a mandatory disclosure scheme in the UK since 6 April 2022 for over 1,300 of the largest UK-registered companies and financial institutions. This is the first year we disclosed our ESG performance and in full compliance with TCFD recommendations.	Page 72
<b>Climate-related financial information</b>	Followed guidelines from the Environmental, Social and Governance sourcebook published by the Financial Conduct Authority UK and fully comply with recommendations from the TCFD.	Page 21
<b>Non-Financial Reporting</b>	We followed Non-Financial Reporting guidelines from the Financial Reporting Council in accordance with the Companies Act 2006 UK.	Page 86
<b>Sustainability Accounting Standards Board (SASB)</b>	We aligned our report with the SASB standard for the Advertising & Marketing sector for the second time.	Page 87
<b>Global Reporting Initiative (GRI)</b>	We followed the guidelines of the revised GRI Standards 2021 but not yet fully complied. GRI Content Index 2021 is still disclosed in this report.	Page 88-90

### We followed Global Principles

<b>UN Sustainable Development Goals (SDGs)</b>	We identified 9 most relevant SDGs, set our targets aligned with these 9 selected goals and incorporated them into our Impact Model and our case studies.	Page 11
<b>UN Global Compact (UNGC)</b>	Media.Monks has been a member of the UNGC since 2012 and reports our progress annually since 2019. Our Chair of the ESG Executive Committee, Victor Knaap, also joined the Dutch board of the UN Global Compact in 2019. We provide an index which summarises our approach and progress on the UNGC's ten principles in this report.	Page 91 <a href="#">Our ESG report on the UNGC website</a>

### We rated our ESG scores with

<b>Carbon Disclosure Project (CDP)</b>	We participated in the annual CDP disclosure process for the first time and reported on the topic of Climate Change and Supplier Engagement.	<a href="#">Our disclosure on CDP website</a>
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## The limitations

Collecting reliable ESG-related data across three strategic pillars was, and still is a complex and challenging exercise. The process for gathering this data greatly relies on external parties (eg. landlords for utility data) or manual work (eg. gathering refrigerant data). Media.Monks currently uses no platform or system to record and track all ESG-related data. This has led to data gaps and consistency issues that we acknowledge in this report.

This report also partially relied on extrapolated data, where accurate data can not be collected due to circumstances (e.g. electricity usage in 2022 can only be shared by the suppliers later in 2023 in some countries, or co-working spaces couldn't provide utility data for individual clients). This can limit their accuracy and reliability. Our method of extrapolation involved using all accurate data to make estimated predictions or assumptions to fill our data gaps. This method comes with certain limitations such as biased or incomplete information. For example, we chose to extrapolate grey electricity data for some co-working spaces that couldn't provide accurate electricity usage. We are aware that some of these spaces used renewable energy in their energy mix. However, we still have to extrapolate assuming 100% of their energy usage is from non-renewable sources.

## The future of our reporting

We will continue to focus on improving our ESG data accuracy and quality moving forward. The aim is to maximise accurate data and minimise the share of extrapolated data to the minimum. We are planning to unify our data tracking processes and profile our ESG-related metrics into data analytics and visualisation tools. As we are growing our investment in Innovation, we are ready to embrace the positive opportunities generative AI and machine learning are bringing to the table to gain a more accurate understanding of our operations and make more informed decisions that drive positive impact.

**For questions, recommendations or ideas about sustainability at Media.Monks and this report, please contact us:**  
[sustainability@mediamonks.com](mailto:sustainability@mediamonks.com)



# TCFD Report

The S<sup>4</sup>Capital Board has overall responsibility to assess the basis on which the Company generates and preserves value over the long term, including the sustainability of the Company's business model and how its governance contributes to the delivery of its strategy.

In line with the 'Task Force on Climate-related Financial Disclosures' (TCFD) recommendations and Listing Rule LR 14.3.27R, S<sup>4</sup>Capital has provided information to stakeholders on its climate-related risks and opportunities and relevant governance structures, in turn helping them to make informed decisions. We set out below our climate-related financial disclosures consistent with all the TCFD recommendations and recommended disclosures. By this we mean the four TCFD recommendations and the 11 recommended disclosures and report on all greenhouse gas Scopes, 1, 2 and 3. For Scope 3 we have examined all the 15 categories to determine the material categories that we include in our reporting. This has been consistent with our 2021 annual ESG Report. Each year we will reassess all categories and decide which ones are material for our organisation to report on. When a category becomes a material category for reporting, this category will be part of our next year's annual reporting. For 2022 we are reporting on six out of 15 Scope 3 categories: Purchased goods and services, Capital goods, Fuel-and energy-related activities (not included in Scope 1, 2), Waste generated in operations, Business travel and Employee commuting.

We set out below our climate-related financial disclosures consistent with all of the TCFD recommendations as detailed in 'Recommendations of the Task Force on Climate-related Financial Disclosures', 2017, with consideration of the additional guidance in 'Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures', 2021.

While we consider ourselves compliant with Strategy (a) and (b), further work is underway to enhance the quantification of risks and opportunities and to determine financial impacts. Details on the 11 recommended disclosures can be found at the following pages.

Recommendations	Recommended disclosures	Reference
<p><b>1) Governance</b> Disclose the organisation's governance around climate-related risks and opportunities</p>	<p><b>a)</b> Describe the Board's oversight of climate-related risks and opportunities</p>	Page 75
	<p><b>b)</b> Describe management's role in assessing and managing climate-related risks and opportunities</p>	Page 76
<p><b>2) Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material</p>	<p><b>a)</b> Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term</p>	Page 76
	<p><b>b)</b> Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning</p>	Page 77
	<p><b>b)</b> Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</p>	Page 76
<p><b>3) Risk management</b> Disclose how the organisation identifies, assesses, and manages climate-related risks</p>	<p><b>a)</b> Describe the organisation's processes for identifying and assessing climate-related risks</p>	Page 77
	<p><b>b)</b> Describe the organisation's processes for managing climate-related risks</p>	Page 77
	<p><b>c)</b> Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management</p>	Page 77
<p><b>4) Metrics and targets</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</p>	<p><b>a)</b> Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process</p>	Page 83
	<p><b>b)</b> Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks</p>	Page 21
	<p><b>c)</b> Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets</p>	Page 83

# Governance

## Board level

The S<sup>4</sup>Capital Board has overall responsibility to assess the basis on which the Company generates and preserves value over the long term, including the sustainability of the Company’s business model and how its governance contributes to the delivery of its strategy. The Board is supported and informed on climate-related issues by various channels, including the Audit and Risk Committee and Nomination and Remuneration Committee. With assistance and information from the ESG Executive Committee, the Board sets the Group’s targets in relation to climate change and will monitor implementation of climate change mitigation projects and activities.

As the designated Executive Director for ESG-related matters, Victor Knaap provides an operational and strategic channel to the Board on climate change matters, and takes overall responsibility for climate and other sustainability issues. Additionally, the Board’s discussions on climate-related issues are led by Non-Executive Director, Miles Young, who presents to the Board at least twice a year on climate-related developments. He is supported in at least one of these meetings by Regina Romeijn, the Global Head of ESG.

ESG risks, including climate change, are periodically discussed by the Board alongside the review of overall principal risks. On a monthly basis, updates on ESG matters are provided to the senior leadership via scheduled performance meetings; additionally a full overview of ESG performance is conducted biannually with the Board. Progress against climate-related targets and metrics, such as the Board-approved 2040 net zero target, is monitored and overseen by the Board based on information provided by the ESG Steering Committee.

The Audit and Risk Committee has responsibility for maintaining and reviewing the Group’s register of risks covering all areas of the business, including sustainability-related risks and particularly those relating to climate risk. The Committee meets at least three times each year to review all risks, referring key matters to the Board.

## ESG Executive Committee

The ESG Executive Committee comprises three Executive Directors and the General Counsel and Head of Compliance. The Committee is chaired by Victor Knaap, a co-founder of Media.Monks, who is the Executive Director with primary responsibility for ESG matters within the Group.

The Committee has responsibility for ensuring that the Group’s ESG priorities are aligned with, and integrated into, the Group’s overall business strategy. This will include ensuring that progress towards the Group’s ESG ambitions are appropriately resourced and included within the Group’s financial planning processes which include the annual budget, which is re-forecast on a quarterly basis, and the three-year financial plan. Miles Young will attend the ESG Executive Committee periodically.

## Management level

In 2022, the Group established the management-level ESG Steering Committee to manage climate-related risks and opportunities, ensure appropriate reporting to the Board, and oversee gathering of data from across the Group to measure progress against targets. Chaired by Regina Romeijn, Global Head of ESG, the Committee is a cross-functional team with representation from finance, legal, HR, operations, business and real estate.



The ESG Steering Committee meets quarterly, or more frequently if required, to ratify the data and information, for instance emissions and energy consumption, that flows up to the ESG Executive Committee, which takes overall responsibility for setting the Group’s sustainability strategy. The strategy will be conveyed to the ESG Steering Committee and approved by the Board on an annual basis.

Progress and measurement against climate-related targets is incentivised at the executive level through metrics applied under the Directors’ Remuneration Policy. In 2021, the Nomination and Remuneration Committee set an annual maximum climate-related bonus opportunity available to Executive Directors at 5% of the total bonus package.

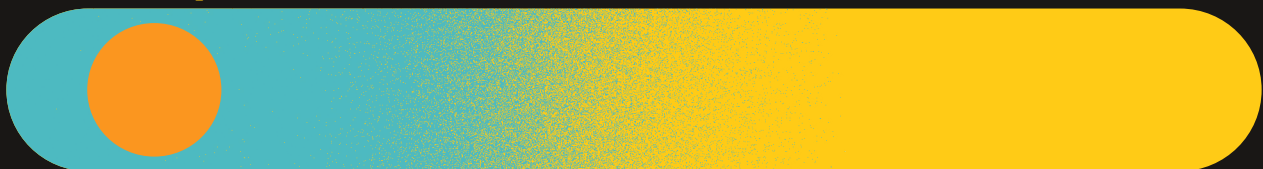
### Risk management

Climate-related risks and opportunities relevant to S4Capital were identified with the help of external consultants, CEN-ESG, and refined through consultation with internal stakeholders and senior management. S4Capital’s climate-related risk management is integrated into the Group’s overall risk management framework, and assessed in the same manner as other Group risks.

Risks and opportunities were considered in all physical and transition risk categories, current and emerging, whether they occur within the Group’s own operations or upstream and downstream of the Group, and whether they occur within the short, medium or longterm time horizons. Climate-related risks have been classified as per S4Capital’s existing risk management model, which will allow for the integration with the existing risk matrix, as recommended under TCFD guidelines.

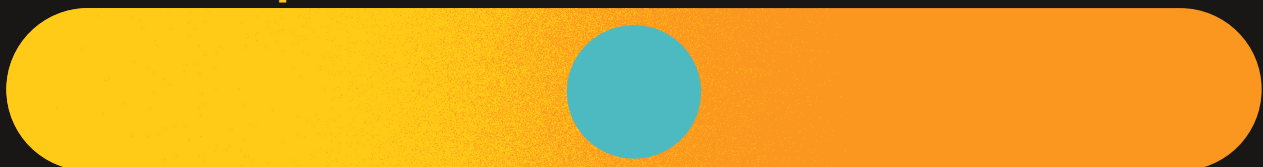
Substantive impacts are those that would have a significant adverse impact on the Group’s business, materially affecting its business model, future performance, solvency, liquidity or reputation. Any mitigation factors for climate-related risks are also included in the Group Risk Register, if relevant and material enough. Risks are subject to continual refinement and quantification over time, which assists with incorporation of climate-related risks into the overall strategy, budgeting and financial statements.

#### low impact



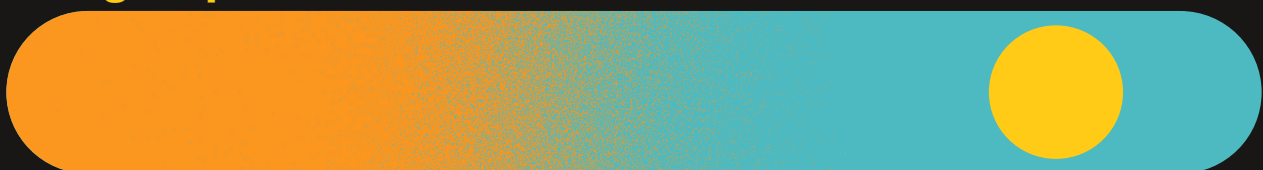
Immaterial impact on the business: no regulatory impact, immaterial financial loss, immaterial impact on the operations of the business or key clients.

#### medium impact



Moderate regulatory impact, impact on relationships with clients which does not affect the strategy or financial health of the business, moderate impact on operations (minor disruption of services, no major loss of personnel).

#### high impact



High potential for disclosure to the market, high likelihood for significant fall in share price, loss of key client (or a group of clients), significant impairment of business operations (closure or suspension of business operations, high staff turnover, or loss of key personnel).

## Strategy

S<sup>4</sup>Capital recognises that climate change presents both risks and opportunities to our business. Overall, we consider our climate exposure to be low, and in isolation the impact of most climate-related risks is limited. Having considered the below risks and opportunities, we conclude that the Group's strategy is resilient to climate change, with financial impacts classified as low, with moderate at worst. Mitigating actions are in place or planned to further reduce and minimise the impact of these risks. Any impact will be accommodated into

business-as-usual activity, so no fundamental change to the business strategy or budgets resulting from climate change is likely to be required in the foreseeable future. In addition, there are no effects of climate-related matters reflected in judgments and estimates applied in the financial statements. S<sup>4</sup>Capital has committed to a net zero carbon future and is in the process of establishing a transition plan to achieve that.

We have used scenario analysis to improve our understanding of the behaviour of certain risks under different climate outcomes, which helps to assess the resilience of the business to climate change. Accordingly we have selected three scenarios, looking forward to 2050:

### *Net Zero 2050 (NZE)\**

A normative scenario which sets out a narrow but achievable pathway for the global energy sector to achieve net zero CO<sub>2</sub> emissions by 2050, whereby globally temperatures rise by 1.5°C by 2100 from pre-industrial levels, with 50% probability. It does not rely on emissions reductions from outside the energy sector to achieve its goals.

### *Stated Policies (STEPS)<sup>1</sup>*

The roll forward of already announced policy measures. This scenario outlines a combination of physical and transitions risk impacts as temperatures rise by 2.6°C by 2100 from pre-industrial levels, with a 50% probability. This scenario is included as it represents a mid-way pathway with a trajectory implied by today's policy settings.

### *RCP 8.5<sup>2</sup>*

Where global temperatures rise between 4.1-4.8°C by 2100. This scenario is included for its extreme physical climate risks as the global response to mitigating climate change is limited.

The assumptions and limitations of scenario analysis are as follows:

- 1** Scenario analysis requires analysis of specific factors and models them with fixed assumptions.
- 2** It is assumed S<sup>4</sup>Capital has the same carbon footprint and the same business activities in the future as are in place today.
- 3** Impacts are to be considered in the context of current financial performance and prices.
- 4** Impacts are assumed to occur without the Group responding with any future mitigation actions, which would reduce the impact of risks.
- 5** The analysis considered each risk and scenario in isolation, when in practice climate-related risks may occur in parallel as part of a wider set of potential global impacts.
- 6** Carbon pricing was informed by the Global Energy Outlook 2022 report from the International Energy Agency (IEA).

For the relevant risks set out on page 77, we have determined quantifiable impacts where the underlying data is available and where the current understanding of the risk is robust. Scenarios have been supplemented with additional sources that are specific to each risk to inform any assumptions included in projections. Having assessed the behaviour of these risks under different scenarios, we are satisfied that our risk mitigation strategies and action plans provide sufficient financial resilience to climate change.

<sup>1</sup> IEA (2021). *World Energy Outlook 2021*, IEA, Paris <https://www.iea.org/reports/world-energy-outlook-2021/scenario-trajectories-and-temperature-outcomes>.

<sup>2</sup> IPCC, 2014: *Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*.

# Risks

Four key climate-related risks have been identified. These risks have been assessed in isolation and categorised as low impact. The Group acknowledges that the cumulative impact could be greater if more than one of these risks were to manifest at the same time. These are discussed in greater detail below.

Risk	1. Carbon pricing in own operations	2. Reputational risks	3. Extreme weather events	4. Regulatory and industry standards
Type	Transition (emerging regulation)	Transition (reputation)	Physical (acute and chronic)	Transition (current regulation)
Area	Own operations	Downstream	Own operations	Own operations
Primary potential financial impact	Increased indirect (operating) costs	Decreased revenues due to reduced demand for products and services	Type	Type
Time horizon	Short term	Short term	Medium term	Short term
Likelihood	More likely than not	Likely	Unlikely	Likely
Impact	Low	Low	Medium-low	Low
Location or service most impacted	Global	Global	Shanghai Maharashtra Selangor	Global

## 1. Carbon pricing in own operations

The cost of carbon and the number of countries adopting carbon price mechanisms is expected to rise as businesses are made more accountable for their energy use and carbon emissions. The International Energy Agency (IEA) forecasts that carbon prices (US\$/tCO<sub>2</sub>e) and their implementation globally are projected to rise, with particularly significant increases under the Net Zero 2050 (NZE) scenario whereby global temperature rise is limited to 1.5°C through proactive government interventions and international collaboration. Increased carbon prices would lead to an increase in the costs to the Group either in the cost of power, carbon offsets or carbon taxes based on our Scope 1 and 2 emissions. Additionally, unforecasted and abrupt increases to carbon prices during a disorderly transition to net zero may cause a particularly significant financial shock to companies that are decarbonising slowly.

Scenario - STEPS	Carbon price estimates (US\$/t) <sup>1</sup>		
	2030	2040	2050
EU (as worst case)	90	98	113
Global average	45	58	72
Scenario-NZE			
Advanced economies	140	205	250
Global average	85	150	210

Carbon prices (US\$/tCO<sub>2</sub>e) under NZE and STEPS are projected to increase.

<sup>1</sup> Used as Global est. Source: IEA (2022), World Energy Outlook 2022, <https://iea.blob.core.windows.net/assets/c282400e00b0-4edf-9a8e-6f2ca6336ec8/WorldEnergyOutlook2022.pdf>

In the table below we calculate the impact of carbon prices on FY 2022 Scope 1 and 2 emissions under NZE and STEPS, using a global average of carbon price estimates. We assume tax on 100% of Scope 1 and full pass through from electricity providers. This projection takes into account that under the optimistic NZE scenario, residual Scope 2 emissions are reduced to zero from 2040 and only Scope 1 emissions remain consistent. However, as noted in the assumptions and limitations section, these projections assume that S<sup>4</sup>Capital’s business activities and carbon footprint will stay the same, whereas the achievement of the Group’s net zero target should entail that both Scope 1 and 2 emissions are effectively reduced to 0 by 2040. Therefore this table gives an approximate indication of taxes incurred if the Group’s Scope 1 emissions are not reduced and net zero targets are not achieved.

	FY 2022 (tCO <sub>2</sub> e)			STEPS Scenario (US\$)			NZE Scenario (US\$)		
	Scope 1	Scope 2	Total	2030	2040	2050	2030	2040	2050
<b>Global</b>	4,581	1,024	5,605	240,633	295,061	359,953	452,321	687,150	962,010

S<sup>4</sup>Capital can potentially mitigate the impact of carbon pricing through self-generation of electricity on its estate, whilst simultaneously reducing operational cost and cost exposure to energy price fluctuations. We will consider broadening the renewable energy share in our own energy mix by moving our offices to buildings run by renewable energy when possible, which has increased our total renewable energy usage to almost 60% in 2022. Where possible we seek to reduce our Scope 1 and 2 emissions to minimise the potential additional operating costs resulting from the projected carbon price scenarios. For instance, in 2021 we signed The Climate Pledge, with a mission of reaching net zero carbon emissions by 2040 and therefore have zero emissions to tax.

The Group takes sustainability into consideration in selecting and integrating new offices, and in 2021 circulated a questionnaire regarding measures taken, such as procurement of green energy or LED lighting installations. Where possible we seek to move to green certified buildings, and compensate for the remaining emissions. Additionally, we seek to reduce the percentage of ICE vehicles in our fleet by continuing to reduce our fleet as much as possible to none, and transition existing vehicles to hybrid or electric. At the time of writing 20 of our 28 leased fleet are ICE vehicles.

## 2. Reputational risks

We operate in highly competitive markets, where consumer behaviour, needs and demands are evolving in reaction to climate change. Corporate and consumer activism increasingly presents a risk to companies with weak sustainability credentials and/or performance. Indeed, some clients incorporate sustainability requirements into their tenders, and require supplier carbon assessments. Almost all clients take into account sustainability credentials, pledges, agreements, ESG related KPIs and commitments as part of the RFI/RFP process. Some existing clients ask S<sup>4</sup>Capital to report on EcoVadis, CDP, Supplier.io, B Corp status, SBTi; there is a minor risk that not reporting or poor performance against ESG frameworks may make the Group a less attractive business partner or supplier.

S<sup>4</sup>Capital is targeting net zero emissions by 2040; the failure to meet this or other emissions targets would potentially affect the credibility of our ESG strategy and cause some reputational damage to the Group. Even if the Group sufficiently reduces our emissions in our direct operations, there is a risk of our data server supplier not adequately decarbonising in time. However, this is not deemed a significant risk given the time-frame for decarbonisation. Real or perceived irresponsible practices on the part of S<sup>4</sup>Capital, or 'greenwashing', may also limit new business and hamper revenue generation, and failure to react appropriately and rapidly to changes in client behaviour may result in the erosion of our client base. Competitors are increasingly making progress on sustainability, and market their credentials. Reputational damage may lead to financial losses, decreased access to capital, or loss of market share to competitors.

Quantification of this risk impact is difficult, but we nevertheless expect our exposure to be low in light of our commitment to transparency and our ambition to be at the forefront of the sector with respect to our sustainability initiatives and reporting. S<sup>4</sup>Capital screens new clients that may be especially exposed to transitional climate risks or public controversy, and to ensure that any consequent risks that arise are proactively managed. For instance we have now transitioned out of all Oil and Gas clients. Additionally, the Group's Sustainable Procurement Policy that we have now drafted sets out our requirements for suppliers, and we engage with our main clients and suppliers to determine their performance against various environmental metrics, their quantitative climate targets, and submissions to CDP. This screening is in the process of refinement and is likely to become stricter in the future, but already excludes clients in specific unethical, controversial or environmentally damaging industries.

Given the diversity of our client base and the various industries we serve and the consideration we take in selecting our client base, it is generally possible to contain the impact. We believe that the potential for negative reputational concerns is well mitigated. We have made strides to demonstrate our consideration of ESG issues, such as by becoming the first advertising and marketing firm to commit to Amazon's The Climate Pledge, and by making a commitment to increase progress towards gaining B Corp certification by 2023. Additionally, the Group has an internal reputational risk crisis expert to manage the potential negative reputational effects that may arise from our work.



### 3. Extreme weather events

While extreme weather events have not previously affected the Group, with offices in 30 countries in 2022 and an agenda for expansion, we may face increased physical risks from climate change such as issues including rising sea levels and flooding. These risks may be especially acute under a RCP 8.5 scenario, in which global temperatures rise between 4.1-4.8°C by 2100.

Flood risk may affect operational/office capability, but our asset risk is limited due to our locations being leased premises for the most part. Notably, according to tools such as WWF Water Risk Filter and WRI Aqueduct, some of our sites are in areas at high or very high risk of coastal or fluvial flooding, namely those in Shanghai, Maharashtra and Selangor. Flooding or other weather events in these areas may have a number of negative effects; for instance, the temporary closure of offices or damage to regional infrastructure may temporarily cause reduced productivity and revenue, and/or require the relocation of personnel to other offices.

Further, property damage may lead to increases in insurance premiums, or indirect costs where lessors pass on the costs of their increased insurance premiums to lessees.

The Group's diversified portfolio of offices across the world reduces its overall vulnerability to localised flooding events, and most of our sites are leased, resulting in limited asset risk to S<sup>4</sup>Capital. The risk of operational disruption from coastal or fluvial flooding and other acute physical risks is largely mitigated by the ability to adopt remote working, initiated by the covid-19 pandemic, which would reduce service disruption and allow the Group to recoup any losses incurred to local business operations. Ordinarily, the Group facilitates flexible working arrangements, with the expectation that 40% of the working week will be from employees' homes. Further, consideration of chronic physical risks will inform future real estate strategy decisions, taking into consideration energy-efficiency measures and proximity to areas at risk of sea level rise and other chronic risks.

### 4. Regulatory and industry standards

Sustainability reporting requirements are consolidating at a fast pace and may become especially rigorous under scenarios involving proactive government intervention to meet emissions reductions targets, such as the NZE scenario. As a relatively new Company undergoing rapid expansion, the tightening of climate-related regulation may constitute a risk to the Group if it does not maintain the appropriate internal controls to facilitate timely and accurate reporting. Failure to meet ESG reporting obligations may dissuade potential investors or incur penalties from regulators.

The Group's control systems, processes and governance arrangements are continually developing to ensure accurate collection of relevant ESG metrics and regulatory compliance. We have processes to monitor regulatory requirements in place, and continue to follow developments in ESG frameworks, such as the ISSB body to create a global baseline for sustainability-related disclosure standards. In 2021, we signed the Commitment Letter of the World Economic Forum, reflecting our commitment to the global alignment effort on ESG Reporting and to the Stakeholder Capitalism Metrics Initiative (SCMI).

# Opportunities

Opportunity	1. Use of lower-emission sources of energy	2. Development and/or expansion of low emission goods and services	3. Access to new markets
	Energy source	Products and services	Products and services
Type			
Primary potential financial impact	Reduced indirect (operating) costs	Increased revenues resulting from increased demand for products and services	Increased revenues resulting from increased demand for products and services
Time horizon	Short term	Short term	Short term
Likelihood	Likely	Likely	More likely than not
Magnitude	Low	Low	Low

## 1. Use of lower-emission sources of energy

Through carbon reduction initiatives S<sup>4</sup>Capital has the opportunity to decrease its energy use. The Group sees power purchasing agreements for renewable electricity as a further opportunity to reduce our emissions intensity. This will decrease the organisation’s exposure to energy costs and limit the potential impact of any carbon pricing mechanisms on the Group.

Additionally, by investing in resource efficiency and energy use the Group may benefit from lower and more stable operating costs. The Group is also increasing the share of electric cars in our leased fleet, and where possible seeks to use more sustainable travel options. As offices are largely leased, the strategy to realise this opportunity will partly involve engagement with landlords

to introduce energy saving measures. Best practices in energy management with current offices will also factor in reducing energy consumption. Alternatively, the Group may have the opportunity to move to more efficient buildings or green certified offices at the time of lease renewal, and compensate for the remaining emissions. At present, around 80% of our offices make use of LED lighting, and we continue to seek other opportunities for energy efficiency in areas including business travel, vehicle fleet, and refrigerants.

Additionally we are piloting a tool to make stored presentations in our cloud smaller to reduce the energy used for storage of our company files that include imagery, video, GIFs, and more.

## 2. Development and/or expansion of low emission goods and services

Enhancing S<sup>4</sup>Capital's environmental credibility through improved practices and transparency of reporting may lead to new revenue opportunities from environmentally-conscious commercial partners (Purpose-driven clients). Banks analyse publicly available data through non-financial ESG reporting frameworks, such as MSCI.

A number of actions are being implemented that may differentiate S<sup>4</sup>Capital from its sector peers. For instance, we are taking steps towards B Corp certification across the whole business in 2023, which would present an opportunity to become a sustainability leader among advertising agencies. Further, we seek to reduce emissions from our digital products and shoots wherever possible, thereby reducing the ecological footprint of our output.

S<sup>4</sup>Capital actively advertises its climate and ESG credentials in pitches to clients, and are able to offer clients real-time tracking of ESG metrics associated with a campaign, such as total carbon emissions generated and offsetting possibility.

## 3. Access to new markets

New lines of business related to sustainability, such as expanding sustainability consultancy/advisory work, represents an opportunity to capitalise on growing climate-awareness among clients and grow revenues from products/services that support their sustainability ambitions. We see additional revenue of almost £20 million from a base of £23 million, for our 2022 'Delivered for Good' projects.

## Metrics and targets

The Group has established clear targets related to climate change, in line with the UK Government's commitment to net zero by 2050. These include the Group's target to reduce absolute Scope 1-3 emissions to net zero by 2040. Scope 3 emissions, including activities of third parties and objects not owned by S<sup>4</sup>Capital including business flights and daily commutes of our people, represent the largest contribution to our CO<sub>2</sub> emissions. We report on our material Scope 1, 2 and 3 emissions, emissions intensity and energy consumption. For Scope 3 we have analysed all 15 categories and identified six out of 15 material categories that we report on: purchased goods and services; capital goods; fuel- and energy-related activities (not included in Scope 1, 2); waste generated in operations; business travel; and employee commuting.

In 2021 and 2022 we began to integrate sustainable production solutions more systematically into the work we produce for clients, so that – as a responsible value chain partner – we are doing what we can to help our clients achieve their sustainability goals. As a member of AdGreen, we seek to eliminate the negative environmental impacts of product through sustainable film shoots, and have the ability to conduct carbon neutral shoots for clients.

Whilst recognising the recommendation to integrate an internal carbon price, this is currently deemed unnecessary and immaterial to the business because S<sup>4</sup>Capital is not a carbon intensive business. We may consider its use in the future, for instance in assessing large capex and investment activities.

	Unit	Metric	Target / KPI	Links to risks and opportunities
<b>Absolute Scope 1, 2 and 3 emissions</b>	tCO <sub>2</sub> e	Absolute Scope 1, 2 and 3 emissions (location based)	Net zero, 2040 50% reduction in business travel emissions by 2040	Risk 1
<b>Tracking of external ESG ratings (e.g. CDP, EcoVadis, MSCI)</b>	-	-	YoY improvements	Risks 2, 4 Opportunity 2
<b>Total energy consumption</b>	kWh	Total energy consumption	All lights upgrade to LED in 2040	Risk 2
<b>Transition to renewable electricity</b>	% and kWh	% and kWh of electricity consumption sourced from green tariffs and/or energy attribute certificates	All offices change to green energy in 2040	Risk 2 Opportunity 1
<b>Percentage and number of ICE vehicles in leased vehicle fleet</b>	% and number	% and number of vehicles by fuel type (BEV, PHEV/HEV, ICE)	100% renewable energy powered cars by 2030	Risk 2
<b>Energy costs as percentage of total costs</b>	%	-	100% contracts renewable energy by 2030	Risk 2 Opportunity 1
<b>Net revenue from 'For Good' projects, and as % of total revenue</b>	£ and %	Net revenue from For Good projects and as % of total revenue (all projects, paid, discounted, pro bono)	10% of total revenue from For Good projects in 2040	Opportunity 3
<b>Net revenue from Purpose-driven client projects, and % of total revenue</b>	£ and %	Net revenue from Purpose-driven client projects and as % of total revenue	10% of revenue from Purpose-driven client projects in 2040	Opportunity 2

# Engagement with stakeholders

Building strong, constructive relationships and engaging regularly are key to ensuring we understand what matters to our stakeholders. Our broad range of stakeholders, representing different and often competing interests, bring informative and diverse perspectives to our decision making. Incorporating those perspectives into our decision-making is a vital part of the execution of our long-term strategy. Our clients, our people and our shareowners are our key stakeholder groups, along with our communities and environment, and our suppliers.

## Our stakeholder

## How we engaged on ESG in 2022

## Outcome

### Clients

Through our partnerships with our clients we can amplify our environmental and social impact, leveraging our creativity, content, data and technology to help build the narrative towards a more sustainable and inclusive future.

- Strictly adhered to our privacy and data ethics policies in our work for clients
- Worked to embed inclusive marketing principles into client work where and when appropriate
- Started GHG emissions calculations through AdGreen, building benchmarks to reduce carbon emissions in our work for clients
- Promoted For Good work delivered for Purpose-driven clients
- Annual ESG report
- Created a landing page to facilitate access to our ESG report and key information
- Participated in ESG-related engagements (peer to peer, roundtable, masterclass, etc.) as well as industry forums and events
- Conducted Top 25 Client Materiality Survey  
Created ESG-related procurement disclosures

- Increased client interest in our ESG commitments
- Collaborations to facilitate greener productions
- In our materiality survey, clients rated ethics and responsible marketing as the top two sustainability topics/issues they consider most important. This input will help us further refine our ESG strategy to focus on what matters most to our client stakeholders
- Selected suppliers were asked to sign Vendor Security Assessments

### People

Our people are the lifeblood of our business. Their energy and efforts play a vital role in the delivery of our strategy and the future growth of our business. As such, we recognise the importance of attracting, developing and retaining the best talent, and the need to provide a safe and inclusive environment where individuals can thrive.

- Codified a Global Framework for People, Recruitment and DE&I efforts across Media.Monks
- Conducted regular All-Hands meetings and team briefings
- Hosted global internal communication programmes to keep people and leaders informed
- Developed new programmes, and refined existing programmes including the expansion of Community Groups (formerly ERGs)
- Hosted employee touchpoints with S<sup>4</sup>Capital Board Members including Colin Day, Rupert Faure Walker and Margaret Ma Connolly
- Conducted formal and informal employee surveys and used this feedback to improve our performance and culture

- Launched several global focus areas of emphasis redesigned for the People organisation, aimed at creating a clearer, more employee-centric approach: Diversity in Action, People Experience, Ikigai and the Diverse Slate Approach to talent discovery
- Increased employee and leadership engagement with DE&I and people-centric content through newly launched communication avenues
- Broadened and deepened the S<sup>4</sup>Fellowship and S<sup>4</sup>Women's Leadership Program
- Launched Monk Action Committees and Obsidian Black Leadership Series
- Amplified emphasis and structure to support representation resulted in 5% growth of BIPOC representation in the US, and increases in global representation for women across all levels
- Miles Young appointed as Non-executive Director of ESG Engagement

## Our stakeholder

## How we engaged on ESG in 2022

## Outcome

### Shareowners

We recognise the importance of providing all of our shareowners with regular updates on our operations, financial performance and ESG efforts. Engagement with shareowners gives us a broad insight into their priorities, which influences our own decision making and our strategic direction. The continued support of our shareowners, especially during the course of 2022, is something that we value greatly.

- ESG section in the S<sup>4</sup>Capital plc Annual Report
- Annual ESG report
- ESG performance is shared with shareowners in meetings and results presentations
- Media.Monks ESG website
- ESG governance
- Compliance with non-financial frameworks

- Set up ESG governance framework, ExCo and Steering Committee
- Performed TCFD risk analysis and report
- Participated in the annual CDP disclosure process for the first time
- Submitted our SBTi commitment letter
- Continued to register for EcoVadis globally
- Increased our For Good work for clients

### Communities and the Environment

The Board is cognisant and supportive of the continuing focus on ESG and sustainability, particularly with regard to the environment and climate change, and is committed to striving to operate in a sustainable and responsible way while delivering value for shareowners.

- We are involved in many projects at the local level: from student outreach and teaching coding to young people, to participating in food, toy and donation drives during the holidays
- We contribute to society by actively sharing our talents and digital expertise by offering our services to social initiatives and charity projects
- We made £51,503 in cash donations, including donation to the relief efforts following the Pakistan Floods
- We also encourage and support our people engaging in volunteer work in their local communities

- We spent over 4000 hours on community work
- During 2022, we faded out our work with fossil fuel brands
- We identified targets for potential emissions reduction of up to 42% over the course of 10 years via the Science Based Targets initiative (SBTi)
- Our S<sup>4</sup> Forest is now in its second year and we have planted 503,033 trees so far

### Suppliers

We rely on suppliers to help deliver our services to clients and maintain our productivity, while helping to make our supply chain as sustainable as possible. Strong relationships with suppliers can bring innovative approaches and solutions that create shared value.

- We worked to establish fair and transparent relationships with our suppliers and partners through regular dialogue on performance and CSR matters.

- Conducted a 1st-tier internal assessment on suppliers to better understand our suppliers' commitment to ESG by checking whether or not they have a public ESG policy and report
- Solidified collaborative, long-term relationships
- Registered with EcoVadis to have our ESG performance rated; working to better communicate our ESG performance to all stakeholders

► To read more about our stakeholders' engagement, and how we and the S<sup>4</sup>Capital Board engage with these stakeholders, see pages 66-70 of the S<sup>4</sup>Capital Annual Report 2022.

# Non-financial information statement

The table below is intended to set out where stakeholders can find information on key areas in accordance with the Non-Financial Reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006.

Reporting requirements	Policies	Reference
<b>Environmental matters</b>	Signed SBTi commitment letter; Yearly GHG emissions disclosure; TCFD statement	From page 18
<b>Employees</b>	Global Code of Conduct; Anti Financial Crime Policy; Speak Up Policy; Equal Opportunity Employment Statement; Health & Safety Standards; Employee Empowerment; Acceptable Use Policy; Bring Your Own Device Policy; Clear Desk Policy; Information Sensitivity Policy; General Information Security Policy; Remote Working Policy	From page 54. And Speak Up Policy can be found on <a href="#">S*Capital website</a> & <a href="#">Media.Monks website</a>
<b>Human Rights</b>	Modern Slavery and Human Trafficking Statement; Global Code of Conduct; Anti Financial Crime Policy	<a href="#">S*Capital website</a> & <a href="#">Media.Monks website</a>
<b>Social Matters</b>	Global Code of Conduct; Anti Financial Crime Policy; Share / Securities Dealing Code	<a href="#">S*Capital website</a> & <a href="#">Media.Monks website</a>
<b>Anti-corruption and anti-bribery</b>	Media.Monks has zero tolerance for any form of bribery or influence peddling. We comply with the anti-bribery and corruption laws of the countries where we operate, as well as those that apply across borders.	This statement is included in our <a href="#">Global Code of Conduct</a>
<b>Description of principal risks and impact of business activities</b>	We have established governance processes and policies to help us manage sustainability risks and opportunities consistently across the organisation.	This is included on our TCFD Report, from page 72
<b>Description of the business model</b>	This is reflected in our Impact Model.	Page 12
<b>Non-financial KPIs</b>	Performance KPIs are selected to align to our ESG strategy and include a range of financial and non-financial metrics across three ESG pillars: Zero Impact Workspaces, Sustainable Work, Diversity, Equity and Inclusion.	Page 21 Page 36 Pages 55-57

## Human rights

Respect for human rights is a fundamental principle for S\*Capital. We take seriously our responsibility to conduct business in an ethical way. Media.Monks has been a member of the United Nations Global Compact (UNGC) since 2012. The UNGC is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles, including in the areas of human rights and employment.

## Anti-Slavery and Human Trafficking

S\*Capital and Media.Monks do not tolerate modern slavery. We are committed to assess and address any modern slavery risks that may arise in the course of our business. As part of this commitment, we are implementing a Supplier Code of Conduct and seeking to regularly educate our people on the risks and how to mitigate them. This helps us identify and manage slavery and human trafficking risk in accordance with the principles and goals promoted by the Modern Slavery Act 2015 and related guidance.

## Anti-Bribery

Media.Monks has zero tolerance for any form of bribery or influence peddling. We aim to comply with the anti-bribery and corruption laws of the countries where we operate, as well as those that apply across borders. We do not offer, pay, or accept bribes or kickbacks for any purpose, either directly or through a third party. We do not make facilitation payments or permit others to make them on our behalf.

## Whistleblowing Policy

Key values of Media.Monks are integrity and responsibility – which link to our Core Principle of Authenticity, Integrity and the highest Ethical Standards in our business dealings. These apply in all our dealings within Media.Monks, and when we work with clients, suppliers and in our communities. Employees' concerns are important to the company and we encourage all of our people to take advantage of the Speak Up Policy.

# Advertising & Marketing Sustainability Accounting Standard Board (SASB) Table

Disclose topic	Accounting metric	Metric code	Disclosure reference
<b>Data privacy</b>	Discussion of policies and practices relating to behavioural advertising and consumer privacy	SV-AD-220a.1	Embedding sustainability in our DNA, page 14 Non-financial information statement, page 86 <a href="#">Privacy policy on Media.Monks website</a>
	Percentage of online advertising impressions that are targeted to custom audiences	SV-AD-220a.2	All of our online advertising impressions are targeted to specific audiences, however these audiences are anonymised, therefore not traceable from a privacy perspective.
	Total amount of monetary losses as a result of legal proceedings associated with consumer privacy	SV-AD-220a.3	No monetary losses occurred as a result of legal proceedings associated with consumer privacy.
<b>Advertising integrity</b>	Total amount of monetary losses as a result of legal proceedings associated with false, deceptive, or unfair advertising	SV-AD-270a.1	No monetary losses occurred as a result of legal proceedings associated with either false, deceptive or unfair advertising.
	Percentage of campaigns reviewed for adherence with the Advertising Self-Regulatory Council (ASRC) procedures, percentage of those in compliance	SV-AD-270a.2	Media.Monks is not enrolled in any self-regulatory organisations like the Direct Marketing Association, and currently there is no process for consumer data mapping or processing nor a risk analysis process in each stage of the lifecycle data or at a general level.
	Percentage of campaigns that promote alcohol or tobacco products	SV-AD-270a.3	There is a Media.Monks-wide policy that we do not work for tobacco or e-cigarette clients. Percentage of campaigns delivered for alcohol clients is on Sustainable Work, Our performance in 2022, page 36
<b>Workforce Diversity &amp; Inclusion</b>	Percentage of gender and racial/ethnic group representation for (1) management, (2) professionals, and (3) all other employees	SV-AD-330a.1	Diversity, Equity & Inclusion, Our performance in 2022, page 55-57



# GRI Content Index

GRI Standard	Disclosure	Location
General Disclosures	<b>1. The organisation and its reporting practices</b>	
	2-1 Organisational details	Media.Monks NOW - Page 5 About this report - Page 69
	2-2 Entities included in the organisation's sustainability reporting	The scope of this report - Page 6 About this report - Page 69
	2-3 Reporting period, frequency and contact point	About this report - Page 69
	2-4 Restatements of information	About this report - Page 69
	2-5 External assurance	Our ESG report has not been externally assured
	<b>2. Activities and workers</b>	
	2-6 Activities, value chain and other business relationships	Media.Monks NOW - Page 5 Sustainable Work - Page 35
	2-7 Employees	Diversity, Equity and Inclusion, Our performance in 2022 - Page 55
	2-8 Workers who are not employees	n/a
	<b>3. Governance</b>	
	2-9 Governance structure and composition	TCFD Report, Governance - Page 74 Annual report, Governance Report - Page 74-120
	2-10 Nomination and selection of the highest governance body	TCFD Report, Governance - Page 74 Annual report, Governance Report, Remuneration - Page 96 - 106
	2-11 Chair of the highest governance body	TCFD Report, Governance, ESG Executive Committee - Page 74
	2-12 Role of the highest governance body in overseeing the management of impacts	TCFD Report, Governance, Management level - Page 74
	2-13 Delegation of responsibility for managing impacts	TCFD Report, Governance - Page 74 Annual report, Governance Report, Division of responsibilities - Page 84-93
	2-14 Role of the highest governance body in sustainability reporting	TCFD Report, Governance - Page 74
	2-15 Conflicts of interest	Annual Report, Governance Report, Managing conflicts of interest - Page 84
	2-16 Communication of critical concerns	Non-financial information statement - Page 86

2-17 Collective knowledge of the highest governance body	TCFD Report, Governance - Page 74
2-18 Evaluation of the performance of the highest governance body	TCFD Report, Governance - Page 74 Annual report, Governance Report, Remuneration - Page 96 - 106
2-19 Remuneration policies	Annual Report, Governance Report, Remuneration Policy- Page 99 - 101
2-20 Process to determine remuneration	Annual Report, Governance Report, Remuneration - Page 96 - 106
2-21 Annual total compensation ratio	We do not publicly disclose this information.

**4. Strategy, policies and practices**

2-22 Statement on sustainable development strategy	Preface - Page 2
2-23 Policy commitments	Embedding sustainability in our DNA - Page 10 TCFD Report, Strategy - Page 76 Non-financial information statement - Page 86 10 Principles of United Nations Global Compact - Page 91
2-24 Embedding policy commitments	Embedding sustainability in our DNA - Page 10 TCFD Report, Strategy - Page 76
2-25 Processes to remediate negative impacts	Embedding sustainability in our DNA - Page 10 TCFD Report, Strategy - Page 76
2-26 Mechanisms for seeking advice and raising concerns	Non-financial information statement - Page 86
2-27 Compliance with laws and regulations	TCFD Report, Risks - Page 76
2-28 Membership associations	About this report - Page 69

**5. Stakeholder engagement**

2-29 Approach to stakeholder engagement	Engagement with stakeholders - Page 84 Material impact - Page 15 About this report - Page 69
2-30 Collective bargaining agreements	Diversity, Equity and Inclusion, Our performance in 2022 - Page 55-57

**Material Topics 2022**

3-1 Process to determine material topics	Engagement with stakeholders - Page 84 Material impact - Page 15
3-2 List of material topics	Material impact - Page 15
3-3 Management of material topics	Zero Impact Workspaces - page 18 Sustainable Work - Page 35 Diversity, Equity and Inclusion - Page 54

**GRI 302: Energy**

<b>1. Climate change and environment</b>	
302-1 Energy consumption within the organisation	Our impact model - Page 12

<b>GRI 302: Energy</b>	302-2 Energy consumption outside of the organisation	Overview of our greenhouse gas emissions per Scope, 2022 vs 2021 - Page 21
	302-3 Energy intensity	Overview of our greenhouse gas emissions per Scope, 2022 vs 2021 - Page 21
	302-4 Reduction of energy consumption	We increased our energy consumption as a group due to the new acquisitions and expansion of our team. Overview of our greenhouse gas emissions per Scope, 2022 vs 2021 - Page 21
	302-5 Reductions in energy requirements of products and services	We increased our requirements of products and services as a group due to the new acquisitions and expansion of our team. Overview of our greenhouse gas emissions per Scope, 2022 vs 2021 - Page 21
<b>GRI 305: Emissions</b>	305-1 Direct (Scope 1) GHG emissions	Scope 1 Direct Emissions - Page 23
	305-2 Energy indirect (Scope 2) GHG emissions	Scope 2 Indirect Emissions - Page 24
	305-3 Other indirect (Scope 3) GHG emissions	Scope 3 Other Indirect Emissions - Page 26
<b>GRI 401: Employment</b>	<b>2. Employment, Diversity, Equity and Inclusion</b>	
	401-1 New employee hires and employee turnover	New employee hires: We do not currently report on new employee hires Employee turnover: Our performance in 2022 - Page 55
<b>GRI 405: Diversity and Equal Opportunity</b>	405-1 Diversity of governance bodies and employees	Gender diversity globally - Page 56 Overall US Ethnicity - Page 57
	405-1 Diversity of governance bodies and employees	Diversity, Equity and Inclusion, Our performance in 2022 - Page 55
	Offered opportunities and programmes to stimulate diversity, equity and inclusion	Diversity, Equity and Inclusion, Our performance in 2022 - Page 55
<b>GRI 404: Training and Education</b>	<b>3. Talent Development and Training</b>	
	404-1 Average hours of training per year per employee	We do not currently report data in this area
<b>GRI 404: Training and Education</b>	<b>4. Sustainable Innovation and Technology</b>	
	404-1 Average hours of training per year per employee	We do not currently report data in this area
	Percentage of net revenue invested in innovation	Innovations: Investing in the Future of Work - Page 50
	Monetary donations to community and charity services	Community outreach and impact - Page 46
	Total registered and revenue generated by project for NGOs and purpose-driven enterprises	Empowering Purpose-driven clients - Page 42

# The Ten Principles of the United Nations Global Compact

- Principle 1**      **Support and respect protection of internationally proclaimed human rights**
- Media.Monks takes a clear position and global responsibility against violations of basic human rights, such as the right to privacy and integrity.
- Principle 2**      **Make sure business is not complicit in human rights abuses**
- We promote fair labour conditions in all our offices and take care that human rights are not violated in our way of working.
- Principle 3**      **Make sure business is not complicit in human rights abuses**
- Media.Monks respects the freedom of association and employees' rights to organise or join employee organisations.
- Principle 4**      **Make sure business is not complicit in human rights abuses**
- We do not tolerate any forms of forced and compulsory labour. Labour at Media.Monks is freely given and employees are free to leave in accordance with established regulation.
- Principle 5**      **Support and respect protection of internationally proclaimed human rights**
- Active responsible supply chain management helps us track possible human rights violations such as child, forced or compulsory labour.
- Principle 6**      **Make sure business is not complicit in human rights abuses**
- We do not tolerate bullying or other physical or verbal acts of an abusive character. Decisions that concern employment, promotions, development, and compensation are based on the employees' job knowledge and competence.
- Principle 7**      **Make sure business is not complicit in human rights abuses**
- Media.Monks works actively with minimising its environmental impact. Focus areas within our environmental policy are energy and mobility.
- Principle 8**      **Make sure business is not complicit in human rights abuses**
- We are in the process of becoming B Corp certified with the aim to promote greater environmental responsibility at Media.Monks
- Principle 9**      **Make sure business is not complicit in human rights abuses**
- Knowledge is an important factor to our environment and energy management. We work together with our strategic partners on innovative energy measurements. For example, with our data centre supplier.
- Principle 10**      **Make sure business is not complicit in human rights abuses**
- Media.Monks has zero tolerance with regard to all forms of bribes and corruption. We neither offer nor accept gifts and hospitality that are improper. This is integrated in our contracts with our employees. Also, they have signed a confidentiality agreement to prevent data breaches.

