Net Zero Report
Carbon Reduction Plan
FY May 2024 – April 2025

Executive summary

This report sets out Rouse's carbon footprint for FY25 and summarises our progress towards our long-term Net Zero ambitions. Reporting has been completed at Group level with data provided by offices across our global operations. Continued improvements in data coverage and quality have strengthened our understanding of emissions sources, supported by increased engagement across regions and greater granularity compared with previous years.

FY25 is our third consecutive year of reporting and continues to show a year-on-year (YoY) increase in carbon dioxide equivalent emissions (herein referred to as CO_2e emissions or emissions). These changes are driven by a combination of factors including the expansion of office coverage, improved reporting practices and growth of the business, including through mergers and acquisitions. Calculated emissions from FY23 to FY24 increased by 116% and by 19% between FY24 and FY25. As a result, the original FY23 base year is no longer an accurate reflection of the organisation's structure or emission profile. We have therefore decided to update and move our base year to FY24 for the purposes of this report, which provides a more representative emissions profile. As it stands, the FY24 base year inventory does not include emissions associated with the acquired businesses Aera and Konsert. Inclusion of these entities in the base year will be reviewed in the coming year.

Total gross emissions for FY25 (market-based) were 7,693 tCO_2e with the majority of emissions sitting within our value chain. Scope 3 accounted for 94% of total emissions. Scope 2 (indirect emissions from the consumption of electricity) contributed 4% and Scope 1 contributed 2%.

The largest contributor to emissions in FY25 was Scope 3 Category 1 – *Purchased goods and services*, which accounted for 47% of total emissions. As part of ongoing improvements to data quality, classifications using spend-based models of goods and services have been refined to reflect more accurate categorisation of carbon-material expenditure. As a result, emissions associated with this category have been restated for FY24 to align with the FY25 methodology. The result is a 6% reduction in carbon material spend YoY and a 7% reduction in associated emissions from last year.

Business travel (Scope 3 Category 6) accounted for 30%, reflecting higher activity levels and improved reporting coverage. This category increased by 117% from last year and is the primary driver in the resulting 19% increase in absolute emissions. This is evidenced by a substantial rise in reported air travel from 3.8 million kilometres in FY24 to 9.6 million kilometres in FY25.

We have offset our Scope 1 and Scope 2 emissions, as well as our Scope 3 Category 6 business travel emissions, totalling 2,776 tCO_2e, through a United Nations Framework Convention on Climate Change-registered initiative: the *Ganchang Wind Power Project in Dongfang City, China*. We regard carbon offsets as a voluntary contribution that supports wider emissions-avoidance and reduction efforts and not as a substitute for our continued commitment to decarbonising our own operations.

While reported emissions have risen YoY compared to our first inventory in FY23, this is largely a consequence of improved accuracy and broader data coverage rather than a purely material increase in absolute carbon emissions. Meaningful YoY comparisons remain a challenge at this point however, we are committed to reporting our emissions transparently and as accurately as possible.

Rouse remains committed to achieving Net Zero by 2050, aligned with recognised definitions that require at least a 90% reduction in emissions from the base year. As our data maturity and operational footprint have developed since FY23, we are reviewing our approach to defining an appropriate baseline and Net Zero targets. This will ensure our long-term reduction pathway is credible, representative and aligned with the most robust information available. We will review applicable near- and long-term targets in the coming year.

Looking ahead, decarbonisation efforts will focus on key hotspots identified in this year's assessment. These include selecting offices with renewable electricity capacity where relevant, continuing to improve and capture accurate supplier related emissions, reviewing travel options and scheduling, and continuing to improve sustainable practices within our areas of direct control.

Executive Endorsement

Luke Minford
Chief Executive Officer

I am pleased to introduce Rouse's Net Zero Report, which reflects the progress we are making in understanding and managing our environmental impact. Over the past year, we have strengthened the quality and completeness of our carbon data, broadened reporting coverage across our global operations and deepened engagement with colleagues and partners who contribute to this important work.

FY25 marks our third consecutive year of reporting and the insights gained through improved methodologies and expanded organisational coverage have provided a clearer and more accurate picture of our emissions profile. These developments have also highlighted the need to review and update our base year to ensure it reflects the current scale and structure of our business, particularly in light of new businesses joining the Rouse Group.

We remain committed to acting transparently and responsibly as we continue to embed sustainability across our operations. I would like to thank our teams globally for their ongoing contributions. We will continue to refine our approach, engage with our colleagues and act where we can make the greatest difference.

About Us

The Rouse Group is recognised as a market leading IP services business. We are a highly collaborative network with more than 1,000 people working out of 45 offices in 19 jurisdictions. We are on the ground in the markets that matter, covering Europe, Middle East and Africa and Asia Pacific. It is our collaborative nature and desire to innovate to deliver the best outcomes, which our clients value the most. Our integrated services, combine skills and geographical coverage to address all IP needs at speed. We continually invest in technology, people, and services to meet the evolving requirements of clients. Offering simplicity and trust, we are easy to work with. We deliver practical solutions to complex issues. This makes us long-term trusted advisors to the world's leading companies.

Commitment to Net Zero

We are committed to taking action to reduce our annual emissions and achieving Net Zero emissions by 2050, in line with international targets.

We have identified the following indicative targets. These will be reviewed next year to ensure they are relevant and achievable.

- 60% reduction in our Scope 1 and 2 emissions by 2034[1]
- 93% overall reduction in all Green House Gas (GHG) emissions across Scopes 1, 2, and 3 by 2050 - off setting any residual emissions via high-quality nature based or direct air capture projects and becoming Net Zero

To achieve these goals, we have taken the following actions:

1. We have appointed an external specialist carbon consultancy to collate and verify data, calculate GHG emissions and help advise on carbon reduction options
2. Calculated our carbon footprint in line with the GHG protocol for FY25 including the following Scopes and categories:

Scope 1

i. Stationary combustion

ii. Transport (owned and leased vehicles)

iii. Refrigerant gases

Scope 2

i. Electricity – both from premises and electric vehicles

Scope 3

i. Category 1: Purchased goods and services

ii. Category 2: Capital goods

iii. Category 3: Fuel and energy related activities (not included in Scope 1&2)

iv. Category 5: Waste

v. Category 6: Business travel

vi. Category 7: Employee commuting (including home working)

3. Created a carbon reduction plan for each Scope and category
4. Set the Net Zero date and committed to updating our carbon footprint at least annually, with this being the second calculation since our base year and the third in total

[1] 2034 has been selected to align with SBTi's near-term target year requirements which must fall within a 10-year period.

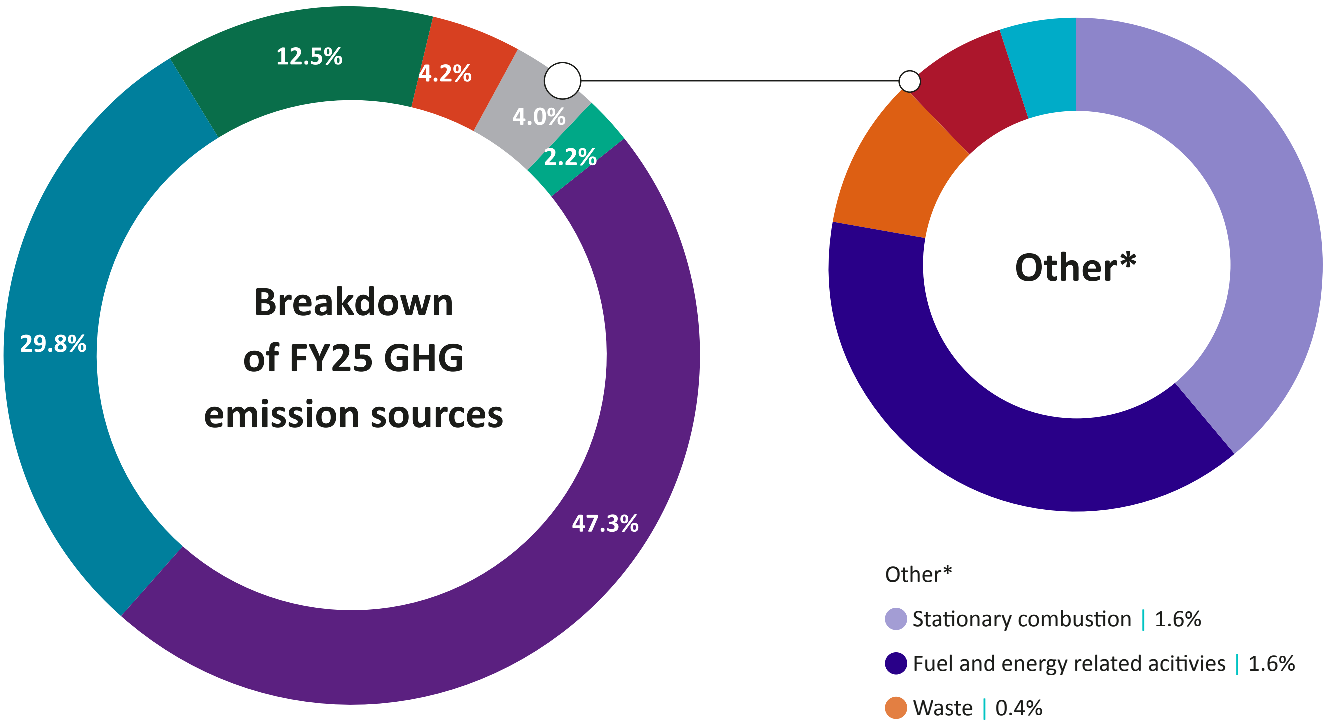
Figure 1. Sources of Greenhouse gas emissions by Scope and category. Source: GHG Protocol

Emissions footprint for May 2024 - April 2025

This report builds on our preceding carbon inventories – FY23 and FY24. We have chosen FY24 as the base year to act as a comparison year to track emissions over time. FY24 has been chosen due to the relative completeness and availability of data for all emissions sources associated with Rouse.

FY25 is our third year of reporting and reflects both continued growth across the business and improvements in data coverage and quality. As such, comparisons with previous years should be considered alongside the context of expanded operations, acquisitions, and enhanced reporting granularity. Following FY25 reporting, we will review our base year and approach to the inclusion of acquisitions as we continue to grow our operational footprint.

We have offset our Scope 1 and Scope 2 emissions, as well as our Scope 3 Category 6 business travel emissions, totalling 2,776 tCO_2e, through a United Nations Framework Convention on Climate Change–registered initiative: the Ganchang Wind Power Project in Dongfang City, China. We regard carbon offsets as a voluntary contribution that supports wider emissions-avoidance and reduction efforts, and not as a substitute for our continued commitment to decarbonising our own operations.



Other*

- Stationary combustion | 1.6%
- Fuel and energy related acitivies | 1.6%
- Waste | 0.4%
- Refrigerants | 0.3%
- Transport | 0.2%
- Electricity (electric vehicles) | 0.0%

- Purchased goods & services | 47.3%
- Business travel | 29.8%
- Employee commuting | 12.5%
- Electricity (market-based) | 4.2%
- Other* | 4.0%
- Capital goods | 2.2%

Figure 2. Pie charts displaying Rouse's FY25 tCO_2e emissions, split by category. In the main pie chart, all categories with emissions totalling less than 2% of Rouse's total FY25 emissions have been aggregated into an 'Other' category, which has been broken into categories in the other pie chart to provide a more granular breakdown of emissions by category

Below is an itemised breakdown of carbon emissions (tCO_2e) by Scope and Category for FY25 alongside comparisons to FY23 and FY24:

Table 1. Rouse's CO_2e Inventory

Scope/Category	Item	Total tCO_2e FY23	Total tCO_2e FY24	Total tCO_2e FY25	% of FY25 total tCO_2e	% Change in tCO_2e from FY24 base year
SCOPE 1						
Stationary combustion (Gas)	Gas consumed	17	64	124	2%	93%
Transportation	Owned and leased ICE vehicles	12	13	12	0%	(5%)
Refrigerants	HVAC's	45	24	23	0%	(2%)
SCOPE 2						
Electricity (Location-based)	Purchased electricity, for own use (grid average)	321	357	353	N/A	(1%)
Electricity (Market-based)	Purchased electricity, for own use (specific contract)	261	323	323	4%	0%
Electricity (electric vehicles)	Owned and leased EVs	-	-	>1	0%	N/A
SCOPE 3						
Cat 1: Purchased goods and services	Goods and services	1,016	3,909[2]	3,638	47%	(7%)
Cat 2: Capital goods	CapEx expenditure	85	62	169	2%	173%
Cat 3: Fuel & energy-related activities	WTT & T&D losses from electricity, stationary combustion of fuels and transport	95	100[3]	122	2%	22%
Cat 5: Waste generated in operations	Waste disposal from operations	351	36	30	0%	(16%)
Cat 6: Business travel	Land and air travel and hotel stays for business purposes WTW	265	1,057	2,294	30%	117%
Cat 7: Employee commuting and homeworking	Employees commuting to and back from work WTW. Employees working from home	841[4]	861[5]	958	12%	11%
Total Gross Emissions (Location-based)		**3,047[6]**	**6,483[7]**	**7,723**		**19%**
Less emissions avoided by procurement of renewable electricity		(60)	(35)	(35)		
Additional emissions generated from the procurement of non-renewable electricity (residual grid mix)		-	-	5		
Total Gross Emissions (Market-based)		**2,987[8]**	**6,448[9]**	**7,693**		**19%**
Less carbon offsets		350	1,480	2,776		
Total Net Emissions		**2,637[10]**	**4,968[11]**	**4,917**		**(1%)**

[2] Restated category to align with FY25 methodology of assessment of carbon material spend on goods and services following the provision of more detailed information from our finance teams.
[3] Error identified in FY24 calculations and restated here.
[4] Restated category following discovery of error within original calculation and methodology approach using FY23 survey data.
[5] Restated category following FY23 restatement and adjusted to total FTE employees.
[6] Restated total location-based emissions based on the adjustment of Scope 3 Category 7.
[7] Restated total market-based emissions based on the adjustment of Scope 3 Category 1, Category 3 and Category 7.
[8] Restated total market-based emissions based on the adjustment of Scope 3 Category 7.
[9] Restated total market-based emissions based on the adjustment of Scope 3 Category 1, Category 3 and Category 7.
[10] Restated total net emissions based on the adjustment of Scope 3 Category 7.
[11] Restated total market-based emissions based on the adjustment of Scope 3 Category 1, Category 3 and Category 7

Our primary focus is on reducing our own emissions, however, a substantial share of our carbon footprint falls under Scope 3 emissions, which are challenging to address in the short term as they originate within our supply chain, an area where we do not have direct control.

In addition to reporting our absolute emissions, we also track GHG intensity over several key metrics. We are focusing on the intensity metrics which capture greenhouse gas emissions per employee, annual turnover, and office floor area hence providing a more informative insight into our decarbonisation journey alongside our company growth.

Table 2. Rouse total market-based emissions vs intensity metrics - FY23, FY24 and FY25

Intensity Ratios	FY23	FY24	FY25	% Change FY25 vs. FY24
tCO_2e per employee	4.03	8.50	9.11	7%
tCO_2e per square metre	0.26	0.67	0.73	9%
tCO_2e per million £ turnover (USD)	35.92	96.24	83.35	(14%)

Table 3. Rouse Scope 1 and 2 emissions vs intensity metrics – FY23, FY24 and FY25

Intensity Ratios	FY23	FY24	FY25	% Change FY25 vs. FY24
tCO_2e per employee	0.45	0.56	0.57	3%
tCO_2e per square metre	0.03	0.04	0.05	4%
tCO_2e per million £ turnover (USD)	4.03	6.35	5.22	(18%)

Environmental management measures / emission reduction plan

Our carbon emissions reduction plan, outlined below, details the proposed actions we aim to implement over the next 12 months and beyond to support our carbon reduction objectives.

The plan is relative to actions within our control and influence and is applicable across the 26 offices in 17 countries that were in operation during FY25.

SCOPE 1: Stationary combustion (Gas)

- Each office will review the requirement for automated control systems (thermostats etc.) to the office heating system, and where necessary engage with their landlord to ensure efficiency measures are in place.
- As and when lease contracts are due for renewal, the energy performance of the building will be considered in the decision-making process.

SCOPE 1: Transport (owned and leased vehicles)

- Move petrol-owned and leased vehicles to electric vehicles (EV) as soon as is practical.
- Where moving to EV's is not practical, switch to hybrid vehicles.
- Ensure EV's are charged using green electricity sources where possible including installing charging points at our sites which are supplied with green electricity contracts.
- Provide driver training on how to drive safely and efficiently.

SCOPE 1: Refrigerants

- Request building management avoid emissions through improved leak tightness; consider fitting leak-detection systems and following a regular maintenance schedule of HVAC systems.

SCOPE 2: Electricity

Across our operations, we have a mix of renewable and non-renewable energy tariffs. We will prioritise moving all premises to certified 'Green' electricity over the next few years in addition to reducing our electricity consumption.

- As and when lease contracts are due for renewal, the energy performance of the building will be considered in the decision-making process.
- Request office landlords / building management to shift electricity supplies to tariffs backed by renewable energy generation.
- Ensure we use energy efficient systems wherever possible e.g., replacing lights with LED and using passive infra-red sensors (PIRs) where possible.

SCOPE 3 Category 1 & 2: Purchased goods and services & Capital Goods

We realise that much of the GHG reductions in this category will happen because of our suppliers reducing their carbon emissions and as such we will begin to:

- Engage with our top tier 1 suppliers to first understand their carbon footprint (scopes 1, 2 and relevant 3) by sending out carbon surveys.
- Request life cycle assessments for frequently purchased products such as IT equipment.

SCOPE 3 Category 5: Waste

- We will track the disposal methods of our various waste streams and encourage building management to support our data collection efforts through the provision of weighed waste from their waste suppliers.

SCOPE 3 Category 6: Business travel

Business travel is a relatively high impact area for us but is crucial in how we deliver our services. We will engage our employees to understand the environmental impact of their activity, and this is a key area of influence. We will endeavour to do this through the following methods:

- Where travel is required, we will prioritise carbon-reducing travel modes, choosing rail over air and / or cars, where practical.
- We have a travel policy to formalise the above actions and set thresholds for travel approval both in terms of requirements and hierarchy.

SCOPE 3 Category 7: Employee commuting & homeworking

This includes emissions from the transportation of employees between their homes and Rouse's offices. Emissions from employee commuting may arise from car, bus, train, or taxi travel. While we recognise that we cannot directly influence what modes of travel our employees must use, we can encourage them to join us on our sustainable journey. We will endeavour to achieve this by:

- Refreshing our employee travel commuting data by rolling out a second travel survey to each one of our employees to understand how they currently get to and from work.
- Putting in place initiatives to include:
  - Cycle-to-work schemes
  - Encouraging carpool arrangements
  - Providing information on public transport alternatives
  - Encourage landlords to instal EV charge points at our office location
- Where possible we will also raise the impact our employees can have on our footprint by switching to green energy contracts for their homes.

Appendix:

1. Net Zero Calculation Boundaries

When calculating carbon emissions, the GHG Protocol Corporate Accounting and Reporting Standard states that a company must set its organisational boundaries.[12] This can be done either by an "Equity Share" or "Control" approach. The Equity Share approach reflects a company's economic interests and percentage ownership of companies or subsidiaries to assign GHG emissions. The Control approach can follow two routes and defines the boundary by looking at either how much Financial or Operational Control a company has.

To fully cover all our operations and subsidiaries, we have selected the Operational Control method when setting our organisational boundary which will cover 100% of the GHG emissions over which it has operational control.

The Operational boundary will include all three Scopes as outlined by the GHG Protocol. Our emissions are reported in tCO2e and have been calculated utilising the following formula:

Source emissions data x conversion factor* = Total source emissions

Source unit x (tCO_2e/unit) = tCO_2e

* Conversion factors are primarily derived from the latest:
- UK Government GHG conversion factors for Company Reporting
- DEFRA (Department for Environmental, Food and Rural Affairs)
- EPA's Environmentally extended input-output (EEIO) tables

[12] https://ghgprotocol.org/corporate-standard

2. Methodology

Inclusions in FY25 inventory:

Scope 1

Sources included in the inventory are onsite (or "stationary") natural gas combustion, refrigerants and mobile fuel combustion from leased and owned vehicles.

- Stationary combustion: monthly primary natural gas combustion quantity data provided (kWh) or estimates based on office floor area.
- Transport: mileage data provided, split by vehicle type.
- Fugitive (refrigerants): estimated refrigerant loss based on office floor area.

Scope 2

Purchased electricity was the only identified scope 2 emissions source. However, per the GHG Protocol Scope 2 Guidance, scope 2 emissions have been calculated and reported using two separate methodologies:

- Location-based method reflecting the average emissions intensity of grids on which energy consumption occurs.
- A market-based method reflecting emissions from the electricity that we have purposefully chosen via our energy procurement activities. This accounts for energy purchased from green energy suppliers as well as the residual mix of energy purchased via non-renewable tariffs based on the reported residual mix of relevant national grids.

Either primary electricity data or estimates based on office floor area has been used to complete calculations for sites.

Scope 3

Category 1: Purchased goods and services – Includes all upstream (i.e., cradle-to-gate) emissions from the production of goods which we have purchased or acquired during the reporting year. Spend data taken from financial records have been used to calculate associated greenhouse gas emissions using the EEIO emission factors provided by the EPA.

Category 2: Capital goods – Upstream emissions from both tangible and intangible CapEx additions purchased within the Group Fixed Asset Register have been included within the FY25 inventory. Spend data taken from financial records have been used to calculate associated greenhouse gas emissions using the EEIO emission factors provided by the EPA.

Category 3: Fuel and energy-related activities - This relates to transmission and distribution losses, and the well-to-tank emissions for all fuels consumed due to our operations.

- Well-to-tank emissions account for all the emissions related to the extraction, production, and shipping of fuels excluding only the direct combustion of the fuel (e.g., fuel consumed by owned or leased vehicles, employees' vehicles used for commuting, vehicles used for business travel, etc).
- Transmission losses account for all the energy that is lost between the electricity production in the powerplant and when it is used (e.g., resistance in power lines).

Category 5: Waste - Includes emissions from third-party disposal and treatment of waste generated by our operations during the reporting year. Waste emissions have been calculated based on estimated volumes of waste generated by bin volumes and collection frequencies or through employee numbers.

Category 6: Business travel - Includes emissions from the transportation of employees for business related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars.

- Expense data related to any transport and travel arrangements including hotels have been included.

Category 7: Employee commuting - Includes emissions from the transportation of employees between their homes and our offices. Emissions from employee commuting may arise from car, bus, train, or taxi travel.

- Emissions have been estimated based on a FY23 employee travel survey which collected data from employees on commuting patterns (e.g., distance travelled, and mode used for commuting) and apply the appropriate emission factors for the modes used using the distance-based method – extrapolated to account for FY25 FTE numbers.

Category exclusions, accounted for elsewhere in FY25 inventory:

Category 4: Upstream transportation and distribution - Paid transport for goods in included within our Category 1: Purchased goods and services emissions. We will aim to separate this impact into this category for future reporting, however it is expected to be minimal in terms of our overall carbon inventory.

Non-material category exclusions for FY25 emissions:

Scope 3 Category 8: Upstream leased assets is excluded as we do not lease assets that are not already included in other categories (e.g. office and vehicle-related emissions are provided in Scope 1 and 2).

Scope 3 Category 9: Downstream transportation and distribution is excluded from FY25 inventory as this is not relevant to our operations.

Scope 3 Category 10: Processing of sold products is excluded from FY25 inventory as we do not manufacture products.

Scope 3 Category 11: Use of sold products is excluded from the FY25 inventory as we do not sell physical products.

Scope 3 Category 12: End-of-life treatment of sold products is excluded from FY25 inventory as we do not sell physical products.

Scope 3 Category 13: Downstream leased assets is excluded from FY25 inventory, as we do not own any leased assets that we lease to other businesses.

Scope 3 Category 14: Franchises is excluded from FY25 inventory, as we do not operate franchises.

Scope 3 Category 15: Investments is excluded from FY25 inventory, as we do not have any investments whereby, we provide capital or offer financing as a service.

ROUSE

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