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WeTransfer Climate Policy

Climate Policy

For over a decade, WeTransfer has aspired to use business as a force for good. And, over the last few years we've cemented our approach of putting sustainability at the heart of our business model. Using the B Corp framework as a guide, WeTransfer is working to balance growth with purpose across five areas where we know we can make a difference: environment, workers, community, customers and governance. In each of these areas we've looked at what we're doing now, and where we could improve

This document is an overview report of WeTransfer's ambitions and strategies towards a responsible and climate positive technology business.

There'll be big changes to make and hard work to put in, but when it comes to the future of our planet, every single company can and should contribute. And if we can set an example to other tech companies along the way – even better.

With this reduction strategy, together with the carbon footprint, the claim WeTransfer makes is:

"WeTransfer is a climate neutral company, with climate neutral services"

Based on this we've created a plan for the future, backed up by some highly ambitious climate goals.

WeTransfer's climate-goal is to reduce our carbon footprint by 30% by 2025, which is 5 years ahead of the Climate Neutral Certification requirement from Climate Neutral Group.

The Corporate Social Responsibility team is responsible for developing and leading the strategy to deliver social and environmental impact. The Head of CSR, Lina Ruiz, directly reports to the Chief Creative and Sustainability Officer, who reports directly to the CEO. A Sr. Social Responsibility Manager, Becca Samson, was hired in December 2021, to implement the reduction measures.

We have an ongoing commitment to:

- Engage with our users, partners and communities to have a clear understanding of the impact we have, as a tech company but also as an advocate for the environment
- Report results and impact of our programs to employees, executive management, B Corp network and other stakeholders
- Empower our employees to get involved and do what they can through an internal sustainability group that has implemented new schemes and ideas around the office
- Highlight diverse voices and stories about climate change on WePresent
- Provide healthy workspaces for our employees through sustainable renovations, construction, operations, renewable energy and BREEAM certifications

• Educated and engaged employees on sustainability at home, work, and throughout their lives through a combination of employee events (hackathons), speaker series, and 2.5 time well spent leave/volunteer per year

Update on what happened in 2022 [See appendix 4 for what we did in 2021 and 2020]

Since 2019, we've been working hard to measure how much carbon we're emitting, and identify which parts of our business have the biggest impact. The results are in, and the answer is clear – data centers that are the lifeblood of our platform, are also one of the biggest indirect contributors to our environmental footprint. Which is why we've made it one of our priority areas to measure, achieving a 40% decrease over a three-year time period. Today, 51% of our emissions originate from our data centers.

With this progress, we're on track to hit our target. Our overall emissions in 2022 decreased from 3,142 tonnes to 1,224 tonnes – a decrease of 61%.

In our second year as a certified Climate Neutral organization, we continue to focus on decreasing emissions across the business. Where we can't reduce we fund solutions via carefully vetted offset programs. We have high standards, and our offset programs do too. We work with Verified Carbon Standard (VSC) or Gold Standard (GS) programs to build a diversified portfolio that help improve the lives of local populations and regions they live in.

Overview of what we accomplished in 2022

Platform and Technology

- Externally, gained a better understanding of our server emissions through active collaboration with our cloud provider Amazon Web Services (AWS). We've used that knowledge to optimize the architecture and make our data storage more efficient. This resulted in a 78% decrease in emissions from our servers
- Internally, implemented a circularity program for our company laptops, and plan to use the funds to make engage our employees on further emissions reduction opportunities at work and at home

People and Places

- Introduced Responsible Business Travel Policy to reduce travel related emissions from employee travel. We set a threshold on CO2 per headcount to ensure that emissions do not increase at the same rate as the business. We achieved our target, emitting 428 tons with a threshold of 1.2 tons CO2 per head. In addition, 2.5 times more employees traveled by rail than air between London and Amsterdam (historically our most flown route)
- Calculated the WFH emissions from full-time employees based on the average number of check-ins in each office, as well as the number of employees who have renewable energy. We purchased offsets for these emissions from one of our current offset projects
- Carried out a BREEAM assessment for our London office and received a rating of 'Very Good'. All our office locations are powered by renewable energy or use Renewable Energy Certificates
- Published Responsible Event Policy to guide and support employees, agencies and partners in producing events with minimal carbon footprint



• Hosted interactive sessions to educate the entire company on core strategic topics including: The environmental impact of Web 3 and a guide on the Dos and Don'ts of Greenwashing

Industry and Client Engagement

- Developed our ESG Criteria and a RFP process to help us make better choices, and step by step use our purchasing power to promote the values that we care about as a company
- As a digital media owner, mapped our digital supply chain to calculate the amount of
 emissions per impression of a WeTransfer ad (or wallpaper as we like to call it) and
 began conversations on how to include emissions per impressions in campaign
 reporting

Partnerships That Deliver Impact

- Published our progress in annual sustainability reports and blog, and committed to double all public donations, up to €40k to <u>support Indigenous communities</u> in protecting biodiversity
- Together with our partner <u>SeaTrees</u>, we planted 150,000 mangrove trees in Mida Creek, Kenya and 25,000 square feet of watershed in Maui, Hawaii
- Launched four social partnership and environmental responsibility campaigns, including giving a voice to nature with <u>Creatures United</u>, highlighting climate leaders in Uganda with <u>One Tribe</u> (fellow B Corp) during COP 27, driving downloads of <u>Ben Von Wong's guide</u> for creatives to drive more impact in their work, and prompting users to share feedback on new <u>B Lab certification standards</u>

Here's what we have planned to continue reducing our emissions in 2023:

Platform and Technology

• Engage with Platform team to further measure and understand emissions from AWS servers, as well as helping them continue to communicate about our progress and optimize our server infrastructure for sustainability

People and Places

- Move to a new office in Amsterdam, close the Los Angeles office and continue to explore ways of making all our offices more sustainable
- Educate and give resources to our employees so they can make better choices when it comes to our environmental impact

Industry, Client and User Engagement

- Establish WeTransfer as a responsible advertising partner and work with partners and clients to cut carbon from our advertising digital supply chain
- Provide our clients with emissions reports on their campaigns to help them to measure the emissions of their campaigns, report more accurately on their carbon footprint, and identify reduction opportunities in their digital media placements and campaigns
- Survey our users to better understand the environmental topics that they care about and make sure we engage with them in a way that works for them



Partnerships That Deliver Impact

- Recertify as a B Corp with a higher score and maintain our Climate Neutral Status with a focus on decreasing emissions across our business
- Publish third Responsible Business Report with actionable guides and resources to support businesses in implementing their own responsible practices and policies
- Together with our partner <u>SeaTrees</u>, we will plant 170,000 mangrove trees in Mida Creek, Kenya, 2,500 square feet of watershed in Maui, Hawaii, and 1,000 <u>coral fragments</u> in Bali, Indonesia. This will bring our total to 420,000 mangrove trees planted that sequester 140,000 tons of CO2. It's <u>estimated</u> that each mangrove tree planted sequesters approximately 680 lbs [308kg] of CO2 over its lifetime. Therefore every three trees sequester approximately 1 ton of CO2

WeTransfer invites each employee to own their role in meeting our climate targets and operating responsibly. We are working on processes to ensure that our users, vendors, partners and clients also join us on operating responsibly.

This policy has been approved by Alexandar Vassilev, CEO, WeTransfer.

APPENDIX

Appendix 1

The scope around this claim would be every emission source substantially adding to scope 1, 2, and 3.

Substantially would be defined as more than 1%, as stated in the standard, however WeTransfer chooses to also include emission sources which directly affect their employees. This results in the following emission sources included in the carbon footprint:

Scope 1 emissions come directly from the sources or activities we own and control, like the exhaust from our cars. For us, these emissions largely come from the gas we use in our offices (not including remote working)

Scope 2 emissions come (indirectly) from the electricity we purchase and consume. So that's the heat and electricity we use to run our offices in LA, New York City, London and Amsterdam (not including remote working)

Scope 3 emissions come from all other activities in our business and production chain. For businesses these sources are often extensive and include everything from employee or company travel to the food we serve and the products we clean with. It also includes the emissions other people generate when using our tools. For us, these emissions largely come from our data centers, which require a lot of electricity. This means a company's scope 3 emissions are often much bigger than its scope 1 and 2 emissions put together.

- **Business flights** paid by WeTransfer for its employees
- **Commuting** done by WeTransfer's employees in all locations, not including remote working
- Waste collected from WeTransfer's Headquarters
- **Servers** use in GB, used through AWS
- **Hardware** purchased by WeTransfer for employees including laptops (Apple), screens, mouses, headphones and TVs.



• Drinking water used in all locations

Appendix 2

The footprint consists mostly of primary input-data, supplied by WeTransfer through their suppliers. Everything that could not be provided was estimated, either by extrapolation from current data or by calculation, in the footprint file (Excel) the estimation method is given. An overview is given in the table below:

	Amsterdam	London	Los Angeles	New York City
Scope 1				
Gas	Primary	Estimated	Primary	Estimated
Scope 2				
Electricity	Primary			
Scope 3				
Business flights	Primary			
Commuting	Estimated			
Waste	Estimated	N/A	N/A	N/A
Servers	AWS Carbon Dashboard			
Hardware	Primary			
Water	Primary	Estimated	Primary	Estimated

The emission factors for these emission sources are shown in the "Conversion Factors" tab in the footprint file. The sources are different for the different locations:

• Dutch emission factors were gathered from www.co2emissiefactoren.nl.

- UK emission factors were retrieved from the Greenhouse gas reporting: conversion factors 2022 data base of the Department of Environment, Food & Rural Affairs (DEFRA). (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022)
- US emission factors were gathered for electricity from the eGRID database: https://www.epa.gov/system/files/documents/2023-01/eGRID2021_data.xlsx
- The other emission sources from the 2022 GHG emission factors hub from the US Environmental Protection Agency (EPA): https://www.epa.gov/system/files/documents/2022-04/ghg_emission_factors_hub.pdf
- Anything unavailable from the above-mentioned sources, was gathered through the Ecoinvent 3.9.1 database. All data derived from this database is labeled in a similar way as the following format: 'market for polyethylene, low density, granulate GLO polyethylene, low density, granulate'

Appendix 3

There are three different types of reductions are stated; Absolute, Headcount based and revenue based.

Scope 1 and 2 emissions will be reduced with absolute numbers.

- Scope 1: Gas
- Scope 2: Electricity

Scope 3 emissions will be reduced based on revenue and headcount numbers. For every emission source directly relatable to headcount, a reduction goal per headcount is made. For servers, which are only directly relatable to revenue, this is used as a volume indicator. For the reduction plan, This way, the reduction plan can account for growth of the operation.

- Headcount: Business flights, commuting, waste, hardware, water
- Revenue: Servers

Appendix 4

Here's what we accomplished in 2021:

- Published our progress in annual sustainability reports and <u>blog</u>, and committed to double all public donations, up to €30k <u>for environmental charities</u> with London's Serpentine Gallery as part of their <u>Back To Earth series</u>
- Achieved <u>Climate Neutral Certification</u> and initiated offset projects through Verified Carbon Standard (VSC) or Gold Standard (GS) programs that help improve the lives of local populations and regions they live in, including:
 - o Together with our partner <u>SeaTrees</u>, we planted 100,000 mangrove trees in Mida Creek, Kenya and 67,000 square feet of kelp in Palos Verdes, California.
 - o Supporting nearly 2,000 families with environmental initiatives
- Conducted a materiality assessment with leaders, employees, creatives, advertisers, users and WeTransfer communities to identify our list of material issues (including sustainability and climate) to shape our Responsible Business strategy, selecting Climate and Energy as our hero topic



- Advocated for increased transparency and emissions reporting from our cloud provider to understand our footprint as a cloud-based service and reduce our footprint from server storage
- Amsterdam HQ became the first of our global offices to receive a certified BREEAM assessment with a "Good" rating, placing it in the middle of the BREEAM ratings scale. We are currently working with the landlord on implementing improvements.
- Measured and reduced waste across office locations and operations including food, energy, gas and hardware
 - Established a partnership with McPartners, our premium reseller, to help us repair, refurbish and resell those laptops. We used the income to plant trees in our own growing forest of 250 trees via <u>Treedom</u>. So far we planted 730 trees in 6 different countries with our partners.
- Drove towards increased transparency of emissions and sustainability metrics of the ad industry with the support of industry experts to identify further areas of reduction throughout our operations, digital supply chain and advertising campaigns
- Published Code of Conduct for employees, all the advertisers, media partners, creatives and communities we work with know what to expect from us, and how we'd like to do business with them.

Here's what got started in 2020:

- Measured our Scope 1, Scope 2 and Scope 3 carbon emissions annually [Appendix 1]
- Reported emissions in our first <u>Corporate Responsibility Report</u>, and other reporting outlets; and implemented strategies to reduce them
- Calculated our carbon footprint, using the Greenhouse Gas Protocol, and identified very clearly what we need to tackle. [Appendix 2]
- Used renewable energy sources to power the WeTransfer HQ in Amsterdam
- Adopted a distributed way of working to require less commuting and business travel, with a homebase in Amsterdam where majority of our employees are based and small offices (shared offices or coworking spaces) in London and Los Angeles
- Established a <u>sustainable purchase policy</u> to achieve intelligent and sustainable purchases, and the policy will continue to expand over time