Iris and Climate Action

The damage we’re causing, and what we plan to do about it (June 2021)
Contents

01. Climate Change 101
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03. Racing to Net Zero...
01. Climate change 101
“Climate change is one of the most pervasive and threatening issues of our time, with far-reaching impacts in the twenty-first century”

Reference: United Nations
It’s the crisis that will define our lives and our careers...

"We are the first generation to feel the impact of climate change and the last generation that can do something about it."

-Barack Obama
There is **no clear pathway** to success

Emissions of CO2 have doubled since 1990. And the world’s temperature has increased by 1º since pre-industrial levels.

We’re now in a race to prevent it increasing more than 1.5º and cause (more) catastrophic global impact. The global goal is to be net zero for carbon emissions by 2050, and carbon negative beyond.

Since the Paris Agreement (2015), carbon emissions have increased, so the 2050 could be brought forward to 2030.

Glasgow’s COP26 in November 2021 will be the next major milestone for driving this change.
And the UK industry is waking up to the challenge and opportunity

Many in our industry would argue that we have a special responsibility and a special opportunity to make a difference because of what we do: influence corporate policy and affect people’s behaviour through persuasive communication."

- James Best, Chair, Ad Net Zero

From the operational emissions of IPA agencies alone.³

Average of 3.4 tonnes CO₂e each year per person working in an IPA agency⁶

The total average annual IPA agency operational CO₂e emissions is over 84,000 tonnes

“Many in our industry would argue that we have a special responsibility and a special opportunity to make a difference because of what we do: influence corporate policy and affect people’s behaviour through persuasive communication.”

- James Best, Chair, Ad Net Zero
And within client businesses, they are **looking for leaders** to guide them.

**Complex challenge, multiple stakeholders**
Everyone knows it needs to be done, but thinks its someone else’s responsibility.

- **Operational efficiency**
  
  COO & CTO
  
  A commitment to more sustainable business 
  **necessitates a drive to increase efficiencies** – by reducing waste, energy or travel.

- **Customer demand**
  
  CMO & CTO
  
  Consumer behaviour is changing. Sustainability is increasingly a **table stake** for businesses seeking to acquire and retain customers.

- **Talent acquisition**
  
  HR
  
  Increasingly, people are actively seeking out employers whose values align with their own, or who help them to find or reinforce a sense of purpose.

- **Shareholder expectation**
  
  CFO
  
  A clear, strong commitment to environmental, social and corporate governance is increasingly a **precondition for new investment**; whilst more existing investors are turning activist in search for better returns.

- **Regulatory risk**
  
  Legal
  
  Businesses must be able to both **respond to changes in the regulatory environment**, as well as keep NGOs on side (especially where they control access to resources).
We set our climate ambition back in September 2019

‘Leaders of the early majority’

Leadership is doing things before anybody else does them.

Leadership is making decisions when you don’t know 100% what the outcome will be.

Leadership is short term sacrifice for long term gain.
And since then, we’ve been on a journey

**Climate Summit**
Establishing an emotional connection with the issue and recognising the scale of the challenge.

**Create and Strike**
Organising mass participation for the climate strikes and encouraging 170 organizations to join us.

**The Great Reset**
Leading the Great Reset, creating the brand and film to celebrate the behavioural changes made during the pandemic (reducing emissions by 7%), and encouraging creators to further the message.

**Ad Net Zero**
Part of establishing the industry body to lead everyone towards net zero over the next decade.

**Ecoffectiveness**
Development of new approach to measurement to bake carbon emissions into marketing effectiveness.
We’ve set two ambitious goals in our quest for progress:

1. Net zero by 2025
2. Climate action plan for every major client
02. What’s our footprint?
Towards the end of 2020 we kicked off an initiative to **measure our carbon footprint** and **build a roadmap** to get to Net Zero emissions.

**Purpose of project**
1. Measure our current carbon footprint across all 14 offices
2. Identify the changes we need to make to get to Net Zero by 2025

**Why bother?**
1. It is important to calculate a baseline to facilitate target setting and future comparisons.
2. Producing a carbon footprint highlights those areas of operation which produce the most emissions, or ‘carbon hotspots.’
3. These areas of high impact can be focused on in the next year.
What we looked at

Iris’ carbon footprint includes emissions from all measurable fuels, water, energy, paper purchases, IT equipment, transport and waste produced from operations in 11 global country offices.

The following activities have been included:

- Electricity (kWh)
- Gas (kWh)
- Water (m³)
- Waste (tonnes)
- Paper (tonnes)
- IT equipment (tonnes)
- Commuting (km)
- Business travel (km)
- Hotel Stays (no. of nights)*

*Hotel stays was not asked for in the original data collection template but was provided additional by the Singapore country office.
Our current Carbon Footprint in 2019 is **2,242.57 tco2e**

This is the equivalent to 5,564,690 miles driven by an average passenger vehicle.
We identified some **consistent themes** across offices.

Across the business, travel is the biggest carbon hotspot.

- Atlanta
- Boston
- Chicago
- London
- Munich
- New York
- San Francisco
- Singapore
- Toronto

- Delhi
- Sao Paulo

**Employee Commuting**
- 22.60%

**Business Travel**
- 55.70%

**IT/Computer Equipment**
- 8.50%

**Electricity**
- 11.80%
We need to **act quickly** to address these drivers

The top 6 identified carbon hotspots account for 94.59% of Iris’ total 2019 carbon footprint (2,121 tCO$_2$e) with travel as the main contributor.

- Update Iris travel policy
- Look at the purchase of goods and roll out of sustainable procurement policy
- Audit of energy suppliers across the network
- Review long term impact of WFH on commuting behaviours
- Office deep dive workshop and roadmap to reduce emissions
- Update Iris travel policy
From the measurement study, there are 5 priority actions

1. **Carbon hotspots**
   Review each area of emissions across individual offices, especially hotspot items to identify priority areas of improvement.

2. **Scenario mapping**
   Workshop to prioritise areas of impact based on science-based targets benchmarks and level of effort for implementation.

3. **Detailed office plan**
   Work with office leads & sustainability champions to define a bespoke climate action plan with clear targets.

4. **Knowledge sharing**
   Create a platform to share best practice behaviours and policies (procurement, energy suppliers etc.)

5. **2020 behaviours**
   Run Carbon Emissions analysis for 2020 to give an accurate POV of future footprint.
Racing to Net Zero...
We’ve set two ambitious and transparent goals on the progress plan.

1. Net zero by 2025
2. Climate action plan* for every major client by 2021

*NB. What determines a ‘plan’ will mean different things to different clients
We have a 5-part plan...

1. Travel
2. Production
3. Creative
4. Ecoeffectiveness
5. Participation
1. Travel

This is our biggest challenge to reaching Net Zero by 2025.

We all know how much we travel, both in our daily commute, and in the course of business. And it really adds up.

We believe in digital-first connectivity and avoiding carbon-intensive travel wherever possible. We’ll embrace new technology and techniques to significantly reduce travel emissions.
We’ve been operating ‘digital first’ for a year now...
In addition to changing our behaviours, better measurement will be key.

We need to provide information and options to help people make smart decisions.

London to Amsterdam is our most frequently travelled route. Here you can see the benefits (lower cost, lower carbon) of choosing to travel by train.

Avg. CO2 per flight = 33kg
Avg. cost per flight = £104

Avg. CO2 per train = 4kg
Avg. cost per train = £94
There are **multiple benefits** to this way of working

**Connected**

More accessible and responsive across offices
Support multiple clients, across multiple continents (in one day). Build talent teams without boundaries.

**Efficient**

Greater efficiency and productivity
Increased energy and influence; reduced transit time in airports and planes.

**Cheaper**

Cost saving to clients
Less charged back to cover agency travel costs, more budget to invest elsewhere.

**Sustainable**

Reduced carbon footprint
Obviously.
2. Production
We’ve already made great strides towards greener productions, but there’s more we can do...

We’re committed to sustainable productions. Going forwards, we will make green recommendations to reduce our footprint in the production process.
1. Using the Progress Panel to sense check our work

Work will be reviewed to ensure that we are looking at **appropriate sustainable behaviours** to embed into the everyday.

We will also highlight and encourage **alternative solutions to the actual production** in order to reduce our carbon footprint.
2. Having a progressive Production Policy to discuss with clients and partners

We have started to include a **DEI&S Production policy** within all of our PPM documents, which allows us to have upfront conversations with both clients and suppliers about how best to approach a job.

Any brief to external partners have **clear guidelines** for when it comes to ensuring our productions are as green as possible.

For example:
- Green runners
- Waste mandates (paper, water, catering, flooring)
- Sustainable wardrobe, props etc.
- Global vs. local
3. Using the CO2 Calculator to aid better choices

AdGreen will be releasing a CO2 calculator in September 2021.

**We are creating an interim calculator** based on emissions intel that will give us an overview of the top line CO2 emissions for each of our shoots, based on:
- Travel
- Accommodation
- Catering

### Some Typical Production Activities

<table>
<thead>
<tr>
<th>Activity Type</th>
<th>Activity</th>
<th>kg of CO2e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Space</td>
<td>One day in the studio (1000kWh)</td>
<td>340</td>
</tr>
<tr>
<td>Space</td>
<td>One night in a hotel for one person</td>
<td>10</td>
</tr>
<tr>
<td>Space</td>
<td>One day in a postproduction suite</td>
<td>10</td>
</tr>
<tr>
<td>Space</td>
<td>One day in the production office (10ppl)</td>
<td>5.5</td>
</tr>
<tr>
<td>Transport</td>
<td>One long-haul one-way flight in economy</td>
<td>1420</td>
</tr>
<tr>
<td>Transport</td>
<td>One European one-way flight in economy</td>
<td>214</td>
</tr>
<tr>
<td>Transport</td>
<td>One UK one-way flight in economy</td>
<td>184</td>
</tr>
<tr>
<td>Transport</td>
<td>One European one-way train ride</td>
<td>74</td>
</tr>
<tr>
<td>Transport</td>
<td>One UK one-way train ride</td>
<td>32</td>
</tr>
<tr>
<td>Transport</td>
<td>One taxi ride in an electric cab</td>
<td>1.4</td>
</tr>
<tr>
<td>Fuel</td>
<td>One day on location (150l diesel in a Gerry)</td>
<td>473</td>
</tr>
<tr>
<td>Materials</td>
<td>One set build (build + timber)</td>
<td>679</td>
</tr>
<tr>
<td>Materials</td>
<td>One day of veggie catering for 1 person</td>
<td>6.6</td>
</tr>
<tr>
<td>Disposal</td>
<td>20 x 20l bag of mixed waste going to energy/recovery/recovery/incineration</td>
<td>1</td>
</tr>
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</table>

Source: Albert calculator Feb 2020, How Bad Are Bananas 2000 edition
The next few slides show a hypothetical example of a shoot, and how different decisions can help reduce the carbon impact.
Hypothetical example:

5 day shoot in South Africa, JNB
• 2 Creatives
• 1 Producer
• 2 Client Service
• 2 Clients
• 2 travel days
• Petrol taxis to and from airport.
• Business class return flights
• Diesel / Petrol vans around location
• Hotel for 7 nights
• Meat catering for 7 days

56,968.87kg CO2

<table>
<thead>
<tr>
<th>Travel</th>
<th>Description</th>
<th>Miles</th>
<th>No. People</th>
<th>1=kg CO2e</th>
<th>Total</th>
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<tbody>
<tr>
<td>Flight Economy</td>
<td>LHR-JNB 5620 miles one way</td>
<td>11240</td>
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</tr>
<tr>
<td>Flight Business</td>
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<td>11240</td>
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<td>0.68</td>
<td>53502.4</td>
</tr>
<tr>
<td>National Rail</td>
<td></td>
<td>20</td>
<td></td>
<td>0.08</td>
<td>0</td>
</tr>
<tr>
<td>Car Petrol (based on avg of 38.8 miles per gallon)</td>
<td>Greater LDN - LHR</td>
<td>20</td>
<td>7</td>
<td>0.28</td>
<td>39.2</td>
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<tr>
<td>Car Diesel (based on avg of 38.8 miles per gallon)</td>
<td>All travel to LHR and around JNB</td>
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<td>7</td>
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<tr>
<td>Car/Van Electric</td>
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<tr>
<td>Accommodation</td>
<td>Nights</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>London-Accommodation (Hotel/AirBnB etc)</td>
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<td></td>
<td></td>
<td>20.4</td>
<td>0</td>
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<tr>
<td>Non London-Accommodation (Hotel/AirBnB etc)</td>
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<td>609</td>
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<tr>
<td>Catering</td>
<td>Days</td>
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<td></td>
</tr>
<tr>
<td>Full day, meat diet</td>
<td></td>
<td></td>
<td></td>
<td>13.23</td>
<td>648.27</td>
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<tr>
<td>Full day, veggie, locally sourced, seasonal diet</td>
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<td>6.6</td>
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<td>Total Shoot CO2 Emissions</td>
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<td></td>
<td></td>
<td></td>
<td>56968.87</td>
</tr>
</tbody>
</table>

One Production Carbon Calculator
For every shoot, we need to assess our carbon footprint and ensure that we are taking the correct measures for us to get to net zero by 2025.
Please calculate your carbon output by using the calculator. If your carbon output is too high for your production tier, you will need to look at options to reduce.
Hypothetical example:

5 day shoot in South Africa, JNB
- 1 Creative
- 1 Producer
- 1 Client Service
- 1 Client
- 2 travel days
- Travel to and from airport by train
- All taxis and cars electric
- Economy return flights
- Hotel for 7 nights
- Veggie catering for 7 days

21,670.40kg CO2

<table>
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Total Shoot CO2 Emissions 21670.40

One Production Carbon Calculator
For every shoot, we need to assess our carbon footprint and ensure that we are taking the correct measures for us to get to net zero by 2025.
Please calculate your carbon output by using the calculator. If your carbon output is too high for your production tier, you will need to look at options to reduce.
Hypothetical example:

5 day shoot in London
- 1 Creative
- 1 Producer
- Client Service and Client on remote viewing
- London based shoot location
- All travel via electric cars or rail
- Veggie catering for 5 days

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<td>National Rail</td>
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<td></td>
<td>5</td>
<td>2</td>
<td>6.6</td>
<td>66</td>
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Total Shoot CO2 Emissions: 74.00 kg CO2

One Production Carbon Calculator
For every shoot, we need to assess our carbon footprint and ensure that we are taking the correct measures for us to get to net zero by 2025.
Please calculate your carbon output by using the calculator. If your carbon output is too high for your production tier, you will need to look at options to reduce.
3. Creative
In this section we look at how we can be more mindful in our work going forwards, without reducing the creative impact of our work.

Be seen to be green. In the work we produce, we’ll ensure we’re promoting sustainable behaviours wherever possible, using our influence to drive change through communications.
We have the opportunity to use our influence in the work we produce to normalise and promote green behaviours. This was at the heart of the Great Reset.
Show a vegan food truck instead of a fast-food café...

Different modes of transport, from bikes to electric cars...

Stylish LED bulbs which use a fraction of energy...
Consider all options, without compromising on creativity

We open on a beach

In the UK?

Or a studio?
4. Ecoffectiveness
Ecoffectiveness is about measuring the CO2 impact of the work we create.

Truly effective marketing is also sustainable. It’s no longer enough just to measure the commercial impact of our work, we must also understand its carbon impact.

We will help our clients become industry leaders in the application of Ecoffectiveness.
Marketing’s new effectiveness challenge

As an industry, empowered by the IPA, we have invested in years of data and analysis to become experts in how advertising makes sales go up. We now need to do the same to develop the science of how advertising can make emissions go down.

The defining challenge for 21st century advertising that will dominate the rest of our careers is this question:

‘How to maintain or increase profitability while decreasing carbon emissions to zero?’
Ways you can help your clients on the journey

- Open measurement conversations between client marketing and sustainability teams.
- Include emissions measurement in objectives and case studies
- Introduce Future Strategy team for a 2 hour ‘Sustainability diagnostic’ session
5. Participation
This section is about what you can do!

Progress through participation.

We will do everything we can to make this people-powered, from encouraging everyone to make positive behavioural shifts to sharing our thinking to help others on the race to Net Zero.
80% of Iris’ carbon footprint is created by us, as individuals.
We’ve partnered with Giki, a digital platform to help all of us change our behaviours and reduce our individual carbon footprints.

Giki uses data to suggest how we can make changes that are right for our lifestyles.
An overview to how it works...

Personal dashboard with current score

Personalised suggestions for what you can do

Changes to make in your home

Home Carbon Footprint

Home steps

Big impact
- Turn the thermostat down
- Insulate
- Renewable electricity
- Recycle everything you can
- Ditch the tumble dryer
- Heat pumps

Quick Wins
- Only boil the water you need
- Keep doors closed
- Turn off whenever you can
- Use the microwave more
- 30C washing

What will make the biggest impact

Compete against other teams
And finally…
We need to take our clients on the journey… so we’ve created the Client Climate Charter

Five key principles

1. We believe in digital-first connectivity and avoiding carbon-intensive travel when possible. We’ll embrace new technology and techniques to significantly reduce travel emissions.

2. We’re committed to sustainable productions. Going forward, we will make green recommendations to reduce our footprint in the production process.

3. Be seen to be green in the work we produce, we will ensure we’re promoting sustainable behaviour wherever possible, using our influence to drive change through communications.

4. Truly effective marketing is also sustainable. We’ll go beyond just being green, using our influence to measure the impact of our work to understand real impact.

5. Progress through participation. We will do everything we can to make this public commitment from encouraging participation to taking part in the journey of change towards a better future.
We’ll incentivise them with the ‘Carbon Kickback’ – any time we save by digital-first working, we’ll reinvest back into their business.
Any questions, speak to the Climate Council

Amy Bryson  Ben Essen  Sean Jolliffe  Matt Rebeiro  Amy Eagles  Grant Hunter  Paul Egan