



Azeus UK 2023-2024 Carbon Report and Plan

23rd August 2024

About us

Azeus Systems Holdings Ltd is an investment holding company, together with its wholly owned subsidiaries (“Azeus”), listed on the Main Board of the Singapore Stock Exchange Limited (“SGX”) in 2004. Established in 1991, Azeus is a leading provider of IT products and services, with offices in Hong Kong, Singapore, the United Kingdom, the Philippines and China. Azeus’ emphasis on consistently high-quality solutions has enabled the Group to build a solid track record across various industries with 30 years of experience in successfully delivering Information Technology (“IT”) solutions.

About this Report

This report is solely intended to cover the Greenhouse Gas (GHG) emissions generated by the operations of the United Kingdom office, registered under Azeus UK Limited. A separate Sustainability Report covering the global operations which includes the UK is available here:

<https://www.azeus.com/sustainability-report/>

At Azeus UK, we made the decision to voluntarily produce our standalone GHG emissions report to provide our team and our stakeholders with visibility over our impact. This will allow us to set realistic goals of achieving net zero and allow us to communicate our progress, milestones and obstacles on a yearly basis.

Although we are currently under no obligation to report under the Streamlined Energy & Carbon Reporting (SECR) regulation, we will aim to continue the alignment in our subsequent reports to this framework. For this second report covering 2023–2024, we have been able to include our intensity metric, previous year's figures for energy use and GHG, and disclose the methodology used.

Last year we published our first report of this kind which covered the period 1st April 2022 to 31st March 2023. The data from this period serves as our baseline.

The present document is our '2023-2024 Carbon Report & Carbon Reduction Plan', which covers the period 1st April 2023 to 31st March 2024. The present report was finalised on 23rd August 2024 and contains our live carbon reduction plan.

Our 2023-2034 GHG Emissions

Our GHG emissions outlined in the table below represents our activity for the period 1st April 2023 to 31st March 2024.

	2022–2023 Emissions (Baseline) (kgCO ₂ e)	2023–2024 Emissions (kgCO ₂ e)	2022–2023 Intensity Ratio (kgCO ₂ e/FTE)	2023–2024 Intensity Ratio (kgCO ₂ e/FTE)
Total Scope 1	–	40.7	–	2.4
Natural gas consumption	–	40.7		
Total Scope 2	126.2	367.6	6.7	21.6
Purchased electricity for office	126.2	367.6		
Total Scope 3	10,566.9	9,813.6	556.2	577.8
(1) Purchased goods & services	–	–	–	–
(2) Capital goods	–	–	–	–
(3) Fuel-and energy-related activities	2.2	31.8	0.1	1.9
(4) Upstream transportation & distribution	–	–	–	–
(5) Waste generated in operations	0.4	4.6	0.02	0.3
(6) Business travel	1,017.5	2,786.6	53.6	164.0
(7) Employee commuting & teleworking	9,546.8*	6,990.6	502.5	411.2
(8) Upstream leased assets	–	–	–	–
(9) Downstream transportation & distribution	–	–	–	–
(10) Processing of sold products	–	–	–	–

(11) Use of sold products	–	–	–	–
(12) End-of-life treatment of sold products	–	–	–	–
(13) Downstream leased assets	–	–	–	–
(14) Franchises	–	–	–	–
(15) Investments	–	–	–	–

Table 1 – Azeus UK’s GHG emissions for 2023–2024.

Our calculation has been carried out in accordance with the GHG Protocol and the emission factors we have used were sourced from the UK Government’s [‘Conversion Factors for Company Reporting of Greenhouse Gas Emissions 2023’](#). For our intensity ratio shown in the table 1, we have used the count of full-time employees (FTE) as our metric. For the 2022-2023 reporting period, we had 19 FTE and for 2023 to 2024, this was 17.

To measure our performance over time we have included the figures from our previous report which covered the period April 2022 to March 2023. * We would like to note that we have revised our figures for the category employee commuting and teleworking for this period. Here we have applied the emission factor: Homeworking (office equipment + heating) as opposed to the original emission factor that solely considered office equipment.

Scope 1

Our reported total for scope 1 is based solely on total emissions occurring from the natural gas consumption in our offices (40.7 kg CO₂e). Our building landlord was able to provide us with an average estimate on our consumption based on the number of desks (8) and average use across their portfolio.

We have not included the emissions from Refrigerant leakage from the air-conditioning systems present in both of our offices which are used for heating and cooling. Due to the nature of both of our offices being within a shared co-working premises, we have been unable to gather this data and will continue to work with the building operations team to deduce a figure in the near future.

Scope 2

The following activities were accounted for in our scope 2 calculation:

- Indirect emissions from the electricity we use in our offices (367.6 kg CO₂e).

Scope 3

The following activities were accounted for in our scope 3 calculations:

- **(3) Fuel-and energy-related activities:** transmission and distribution losses for the electricity we use in our offices.
- **(5) Waste generated in operations:** emissions from the disposal of waste generated in our offices.
- **(5) Waste generated in operations:** emissions relating to the supply and treatment of water used in our offices.
- **(6) Business travel:** transport to and from the conferences and trade events (trains and flights).

- **(6) Hotel stays:** emissions from overnight hotel stays in the UK and abroad.
- **(7) Employee commuting and teleworking:** emissions related to the office equipment for those employees who work from home and for those who work from home a few days a week when they are not in the office.
- **(7) Employee commuting and teleworking:** staff commuter routes in assets not owned or controlled by the company (e.g., public transport or personal vehicles).

The following scope 3 activities lie within our reporting boundary, but we have not been able to account them in the 2023–2024 reporting cycle due to a lack of data:

- **(1) Purchased goods:** emissions related to the production of the conference collaterals we purchase for conferences/trade shows.
- **(3) Fuel-and energy-related activities:** emissions from assets that are not owned or controlled by us such as the electricity consumed in the AWS (Amazon Web Services) data centres. We use these data centres managed by Amazon UK to host our customers data as part of our SaaS offering. We hope to have this data in our 2024–2025 report as we continue to work with AWS.
- **(3) Fuel-and energy-related activities:** transmission and distribution losses for the electricity used in the AWS data centres.
- **(4) Upstream transportation & distribution:** emissions from the production and upstream transportation and distribution of the collaterals we use at the conferences and trade events we exhibit at.
- **(4) Upstream transportation & distribution:** Emissions from the production and upstream transportation and distribution of the stands and banners for conferences and trade events we exhibit at.

The following activities were excluded in our scope 3 calculations as they are not applicable to our business operations:

- **(2) Capital goods**
- **(4) Upstream transportation and distribution**
- **(8) Upstream leased assets**
- **(9) Downstream transportation and distribution**
- **(10) Processing of sold products**
- **(11) Use of sold products**
- **(12) End-of-life treatment of sold products**
- **(13) Downstream leased assets**
- **(14) Franchises**
- **(15) Investments**

GHG Emissions Reduction Plan

We started our journey towards net zero in 2022, with the ambition of becoming a Carbon Neutral Business by 2030.

We have developed our own ESG reporting software (Convene ESG) which we have used to ease the capture of our GHG emissions over the previous 12 months (April 2023 to March 2024). We have started to compare our performance to the baseline data, namely those contained in our previous report, and this will continue in our subsequent reports.

To reach our target by 2030, we have identified the four main sources of GHG generation:

1. Data Centres
2. Conferences, Trade events and Business Travel
3. Office Space
4. Commuting

Data Centres

We will procure services only from Carbon Neutral Data Centres by 2030. Currently we use AWS data centres as AWS has its own Carbon Neutral Data Centre policy which it aims to power all its data centres using renewable energy by 2030 and expects to achieve the target before this date.

Conferences, Trade Events and Business Travel

For conferences and trade shows we already source only ethically produced merchandise made from recycled materials for the give aways on our stands.

We aim to achieve Carbon Zero for transport to and from trade shows and conference events by 2030.

For Business Travel we have already instigated a public transport and train first policy. We only permit expenses for car use when there is no public transport option and do not allow domestic flights. For international business travel we only allow flights if there is not an option to carry out the meeting remotely and if the journey is longer than 12 hours by train. Our Target is to be Carbon Neutral on all business travel by 2030.

We have partially met this goal in the current reporting period, however we our target for 2025 is to source all backdrops and banners from recycled materials.

Office Space

In April 2023 we consolidated our London offices into one location in London Bridge, South London. This has enabled easier commute to work through public transport and cycling. Additionally, our new building management was able to provide us with more data that captures a greater scope for this location, hence the availability and increase in scope 1, 2 and water supply emissions compared to the previous year (table 1). Our overarching aim is to be located in a fully Net Zero workspace by 2030 and we are keeping the office space market under annual review with a view to achieving this target before 2030 if possible.

For 2024–2025 we will be:

- investigating the use of natural gas (40.7 kgCO₂e) to understand its role in the building operations and if it can be reduced.
- Requesting the emissions related to the refrigerant leakage from the air-conditioning system and an explanation if not.

Commuting

We do not provide any parking facilities or subsidies for workers who commute by car. Concerning the reporting year of this report, 0 members of staff commute by car.

We have several staff who carry out their work from home without travelling into the office and we are looking at options for Carbon Offset for these workers so we can achieve the 2030 target.

For more information on our GHG emissions report, please email convene_esg@azeusuk.com