

Simpli.fi 2024

Greenhouse Gas Emissions Inventory Report

Prepared by:



Standards & Protocols:



GREENHOUSE
GAS PROTOCOL

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2024 Baseline Greenhouse Gas Emissions Inventory Report

PURPOSE & OBJECTIVE

This voluntary Greenhouse Gas (GHG) Emissions Inventory Report describes the emissions and how the inventory of greenhouse gasses (GHGs) was developed for Simpli.fi in accordance with the GreenHouse Gas Protocol and ISO 14064-1.

INTENDED USE & USERS OF GHG INVENTORY

The Simpli.fi GHG Inventory Report is used to provide a thorough and accurate accounting of all GHG emissions so that Simpli.fi can communicate its baseline emissions to relevant stakeholders. Users may include clients, partners, employees, and other stakeholders who also value serious climate action that follows international standards and best practices.

FREQUENCY OF REPORT

Simpli.fi will update its GHG inventory report on an as-needed basis.

DATA & INFORMATION

Included in this report are all applicable emissions from Scope 1, 2, and 3, as well as calculation methodologies, activity data, and emission factor sources.

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COMPANY DESCRIPTION

REPORTING ORGANIZATION DESCRIPTION

Simpli.fi is a leader in programmatic advertising and agency management software. It helps more than 2,000 agencies & brands maximize their relevance with measurable results. Simpli.fi is headquartered in Fort Worth, TX.

GHG INVENTORY ROLES AND RESPONSIBILITIES

A Simpli.fi project management team collaborated with climate consultancy, Alpine Project on data collection and creation of the Simpli.fi GHG Inventory Report



ORGANIZATIONAL BOUNDARIES

Simpli.fi defined the boundary of the GHG inventory by identifying locations where it is responsible for GHG emissions. Simpli.fi has chosen to set its organizational boundary according to the operational control approach. It is believed that this approach best matches Simpli.fi operations, as it only exerts operational control by its ability to influence decisions over its applicable operations.

2024 Baseline Greenhouse Gas Emissions Inventory Report

REPORTING PERIOD

This GHG Emissions Inventory Report is based on **Simpli.fi's financial year 2024**.

EXCLUSIONS

All known and applicable emissions were included in this report.

BASE YEAR

Fiscal year 2022 is Simpli.fi's base year and first year for reporting its GHG emissions inventory.

BASE YEAR
RECALCULATION

Base year emissions will be adjusted only under the following conditions:

- Significant change (greater than 5% difference in total base year emissions) in emission factors, constants, or methodologies.
- Errors are discovered in previously submitted data that significantly change (greater than 5% difference in total base year emissions) the base year emissions.
- Structural changes, such as mergers acquisitions, and/or outsourcing or-insourcing of GHG emitting activities. Changes in the status of leased assets, such as office space, are considered structural changes as well.

REPORTING BOUNDARIES
MATERIALITY STANDARD

This report will account and report all the relevant and significant greenhouse gasses covered by the Kyoto Protocol and in accordance with ISO 14064-1:2018. The materiality threshold is 5% of the total GHG emissions.

Table 1: Included Kyoto Gases

KYOTO GAS	SYMBOL	INCLUSION
Carbon Dioxide	CO ₂	Yes
Methane	CH ₄	Yes
Nitrous Oxide	N ₂ O	Yes
Sulphur Hexafluoride	SF ₆	NA
Perfluorocarbons	PFCs	NA
Hydrofluorocarbons	HFCs	NA

Table 2: ISO Categories Included

ISO CATEGORY	INCLUSIONS
Category 1: Direct GHG emissions and removals	Yes
Category 2: Indirect GHG emissions from imported energy	Yes
Category 3: Indirect GHG emissions from transportation	Yes
Category 6: Indirect GHG emissions from other sources	Yes

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GHG EMISSION
QUANTIFICATION

Table 3: Direct GHG emissions quantification by Included Kyoto Gases

EMISSION SOURCE	FY 2024 CO ₂ e (Tons)
Total Direct GHG emissions (Scope 1)	0
Carbon dioxide (CO ₂)	0
Methane (CH ₄)	0
Nitrous oxide (N ₂ O)	0

Table 5: Total GHG Emissions Inventory and Offsets

EMISSION INVENTORY	CO ₂ e (Tons)
Total GHG Emissions	8,937.8
Total Verified Emission Reductions/Offsets	0
Net Emissions	8,937.8

Table 4: Indirect GHG emissions quantification by category

ISO CATEGORY	Fiscal Year 2024 CO ₂ e (Tons)
Indirect GHG emissions from imported energy (Scope 2)	322.6
Total other indirect emissions (Scope 3)	8,615.2
Category 3: Indirect GHG emissions from transportation	1,132.1
Business travel total	450.1
Employee commuting	682.0
Category 4: Indirect GHG emissions from products used by an organization	7,304.2
Purchased Goods and Services	7,304.2
Category 6: Indirect GHG emissions from other sources	82.9
Fuel and Energy Activities	82.9

QUANTIFICATION APPROACHES

CATEGORY 1: DIRECT GHG EMISSIONS AND REMOVALS

DESCRIPTION & JUSTIFICATION:

Simpli.fi had no category 1 emissions in 2024. No offices in 2024 used Natural gas or fuel oil as a heating source.

CATEGORY 2: INDIRECT GHG EMISSIONS FROM IMPORTED ENERGY

DESCRIPTION & JUSTIFICATION:

The Simpli.fi office spaces consumed 16,592 kWh of electricity in the reporting year, as seen below in Table 6. An emission factor from the EPA’s eGRID dataset was applied.

Table 6: Electricity Emissions Data

EMISSIONS SOURCE	TOTAL EMISSIONS TONS CO2E	ACTIVITY DATA SOURCE	EMISSION FACTOR SOURCE
Purchased Electricity (NJ, Barn A-C DFW, Bidtellect)	322.6	Utility Statements	<u>eGRID Emission Rates</u>

QUANTIFICATION APPROACHES

CATEGORY 3:
INDIRECT GHG EMISSIONS
FROM TRANSPORTATION

Business Travel

Table 7: Business Travel Emissions, Activity Data, and Emission Factors

EMISSIONS SOURCE	TOTAL EMISSIONS TONS CO2E	ACTIVITY DATA SOURCE	EMISSION FACTOR SOURCE
AIR TRAVEL	399.7	Spend Data	<u>Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1</u>
AMTRAK/TRAIN	1.0	Spend Data	<u>Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1</u>
SUBWAY AND TAXIS	4.8	Spend Data	<u>Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1</u>
HOTEL	44.5	Spend Data	<u>Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1</u>

DESCRIPTION:

AIR TRAVEL

Spend based data was used to calculate emissions from flights. This was the largest component of Business Travel emissions for Simpli.fi in 2024.

TAXIS, AMTRAK, SUBWAY

Emissions were calculated using the EPA Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1, “Commuter Rail Systems” and “Taxi Service” emission values.

HOTEL STAY

Emissions were calculated using the EPA Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1, “Hotels and Motels” emission values.

QUANTIFICATION APPROACHES

Employee Commuting

DESCRIPTION & JUSTIFICATION:

Simpli.fi sent a survey to all its employees to capture data on commuting and remote work. Each employee was asked to estimate the number of days they commute to their respective office space, the distance of their commute, and the mode of transportation used. All employees used a car to commute. The total miles were calculated based on this data and a per mile EPA emissions factor was applied. Total staff in office in FY24 was 258. HQ Staff commuted on an average of three times per week in FY24.

Table 8: Commuter Emissions Data

TRANSIT MODE	TOTAL EMISSIONS CO2E (TONS)	EMISSION FACTOR SOURCE
Car	210.2	Source: Emission Factors for Greenhouse Gas Inventories: Passenger Car

CATEGORY 4:
INDIRECT GHG EMISSIONS
FROM PRODUCTS USED BY
AN ORGANIZATION

Purchased Goods & Services

DESCRIPTION & JUSTIFICATION:

Simpli.fi purchased various goods and services in the reporting year. A spend based method was used for this category.

As seen below, purchased goods and services were divided into categories, based on their alignment with emission factors in EPA Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1. The largest contributors to this category are shown below.

Table 9: Purchased Goods and Services Emissions Data

EMISSIONS SOURCE	TOTAL EMISSIONS TONS CO2E	ACTIVITY DATA SOURCE	EMISSION FACTOR SOURCE
Hosting Services	3,098.7	Expense records & emissions data from cloud service platforms	GHG Emission Factors for US Commodities and Industries v1.1.1
External Advertising and public relations/data	484.7	Expense Records	GHG Emission Factors for US Commodities and Industries v1.1.1
Consulting/Contractors	759.8	Expense Records	GHG Emission Factors for US Commodities and Industries v1.1.1
Software/ Data	1,116.7	Expense Records	GHG Emission Factors for US Commodities and Industries v1.1.1
External Legal services	60.6	Expense Records	GHG Emission Factors for US Commodities and Industries v1.1.1
Recruiting/Training	24.1	Expense Records	GHG Emission Factors for US Commodities and Industries v1.1.1
Insurance	16.0	Expense Records	GHG Emission Factors for US Commodities and Industries v1.1.1
Misc Office expenses/Others	1,743.6	Expense Records	GHG Emission Factors for US Commodities and Industries v1.1.1
	7,304.2		-

QUANTIFICATION APPROACHES

CATEGORY 5: INDIRECT GHG EMISSIONS ASSOCIATED WITH THE USE OF PRODUCTS FROM THE ORGANIZATION

The company does not produce any physical products. The emissions from its services are captured in all other categories.

CATEGORY 6: INDIRECT GHG EMISSIONS FROM OTHER SOURCES

Fuel and Energy Activity

All sources of upstream direct fuel consumption and purchased electricity owned or controlled by the company are accounted for in this section. Department for Environment, Food & Rural Affairs (DEFRA) emission factors are used for natural gas consumption, while US International Energy Agency (IEA) emission factors for Upstream Electricity and Transmission & Distribution losses are applied.

Table 10: Fuel and Energy Activity Emissions

Upstream Gas	0
Upstream Electric	59.9
T&D Electric	22.9
Total (Tons)	82.9

Waste Handling

Simpli.fi does not have access to waste management data for its office space. Therefore, waste related emissions are estimated. An estimate of 0.65 tons of solid waste generated per employee, based on research found in "Waste Disposal and Diversion Findings for Selected Industry Groups" for Other Services. According to the EPA Emission Factors for Greenhouse Gas Inventories, a short ton of Mixed Solid Waste sent to a landfill has an emission factor of 0.52 CO₂e.

QUANTIFICATION APPROACHES

Comparison with FY 2022

Simpli.fi had a net reduction of 20% from its baseline emissions of 11,113 MTCO₂e in FY22. This was a result of multiple factors including but not limited to:

- Consolidation of office space
- Migration to cloud-based hosting services
- Improved business travel efficiency

Table 11: FY22 vs FY24 emissions

	2024	2022	% CHANGE
Simpli.fi GHG Footprint	MTCO₂e	MTCO₂e	
Scope 1	0.0	8.1	
Scope 2 (Location based)	322.6	429.7	
Scope 1 + 2 (Location Based)	322.6	437.8	-26%
Scope 3, Category 1: Purchased Goods and Services	7,304	9,136	
Scope 3, Category 3: Upstream Fuel Impacts	82.9	115.0	
Scope 3, Category 5: Waste	96.1	135.6	
Scope 3, Category 6: Business Travel	450.1	723.8	
Scope 3, Category 7: Employee Commuting	682.0	565.6	
Total Scope 3	8,615.2	10,676.0	-19%
Scope 1+ Scope 2+ Scope 3	8,937.8	11,113.8	-20%

SUMMARY OF QUANTIFICATION APPROACHES

Table 12: Activity data, emissions factors and methodology per emission type

EMISSION TYPE	ACTIVITY DATA	EMISSION FACTOR	METHODOLOGY	DETAILS
Category 1: Direct GHG emissions and removals (Scope 1)	Utility Bills	Emission Factors for Greenhouse Gas Inventories: Link	Primary fuel consumption data.	Utility statements were provided to calculate emissions.
Category 2: Indirect GHG emissions from imported energy	Utility Logs	eGRID Emission Rates: Link	Primary utility data.	Utility statements were provided to calculate emissions.
Scope 3: Other Indirect Emissions				
Category 3: Indirect GHG emissions from transportation (Business Travel: Air, car, accommodations)	Spend Data	EPA Emission Factors for Greenhouse Gas Inventories: Link EPA Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1: Link	Spend-based method in accordance with GHG Protocol	Emissions factors per dollar spent were obtained from the EPA Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1.
Category 3: Indirect GHG emissions from transportation (Employee Commuting)	Number of employees, days commuting, mode of transit, distance traveled	EPA Emission Factors for Greenhouse Gas Inventories: Link	Distance-based method in accordance with GHG Protocol	Emissions were calculated based on the total distance traveled by commuting employees by mode of transportation. The total distance per mode was multiplied by its respective EPA emission factor.
Category 4: Indirect GHG emissions from products used by an organization	Spend Data for purchased goods and services	Supplier Emissions Data EPA Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1: Link	Supplier Emissions Data Spend-based method in accordance with GHG Protocol	All purchased goods and service emissions were calculated based on spend data.
Category 5: Indirect GHG emissions associated with the use of products from the organization	None	None	None	The company accounts for its "Use of Sold Product" through all other categories.
Category 6: Indirect GHG emissions from other sources (Fuel and Energy Activity)	Scope 1 and 2 Data	Upstream Gas: 0.3434 kg/cubic meter: Link Upstream Electric: 0.0000668 Tons CO2/kWh: Link T&D: 0.0000255 Tons CO2/kWh: Link	Consumption	All sources of direct fuel consumption and purchased electricity owned or controlled by Simplifi.fi are accounted for in this section. DEFRA emission factors are used for natural gas consumption, while US IEA emission factors for Upstream Electricity and T&D losses are applied.

UNCERTAINTY IN GHG EMISSIONS INVENTORY

Uncertainty in the emissions inventory is a combination of the uncertainties in the emission factors and in the corresponding activity data. Simpli.fi mainly works remotely and its emissions inventory is entirely in Scope 3, where best practices in accounting are continuing to be developed. **Simpli.fi will continue to review the most recent and widely accepted methodologies to reduce uncertainty.**

EMISSION FACTORS

Some emission factors were obtained based on spend data. There is likely a large range of emissions that can occur based on spend. Going forward, Simpli.fi will attempt to implement systems to obtain a higher quality of data such as embodied emissions on purchased goods and waste tracking.

Table 13: Uncertainty and Reducing Uncertainty

EMISSION TYPE	UNCERTAINTY	REDUCING UNCERTAINTY
Purchased Goods and Services	Emissions may be over or underestimated as they are largely based on spend data. The total amount spent on a product or service can vary significantly between two similar goods or services. Further, spend based emission factors represent averages among categories of products and services that may also not be the best representation of a product or service.	To reduce these sources of uncertainty, Simpli.fi will seek out suppliers who have emissions data available. This not only eliminates potential spend based accounting issues, but eliminates the need for potentially inaccurate spend based emissions factors.

