Metrikus
Impact Report
2022-2023

Uncovering the metrics that matter on our journey to net zero
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A note from our CEO

Gary Cottle

Practice what you preach is one of those phrases so commonly used that the sharpness of its meaning has been dulled: hearing it used might prompt a hum and a nod at best. But there has never been a more urgent time to bring out the whetstone and hone the phrase to help it cut through all the noise surrounding ESG – the greenwashing, the regulations, who should do what and when.

So many people are talking about ESG and sustainability, arguing about what regulations should be implemented and by whom, but the pragmatic reality of it all is quite simple. We need everyone to be conducting their business in a way that minimizes damage to the environment, without waiting for legislation to tell us to do so. Less talking, more walking: or in other words, practice what you preach.

Decreasing your company's impact begins with measuring it. Since 2019, we have been helping other companies do this, but we realized our own environmental reporting was falling short. In 2021, we measured our impact for the first time, and 2022 has been transformative. With 12 months of data we've been able to develop strategies to try to reduce our company emissions, tackling the areas which have the most impact.

Our cross-department Sustainability Committee has been rethinking all parts of our business, from the way we commute to the way we choose suppliers. Over the last 12 months, sustainable thinking has emerged at the forefront of our operations and it's increasingly cementing itself there. The full details of our sustainability strategies are outlined in this document. They are a work in progress, and far from perfect: changing and adapting as our company grows and our data improves. But they are a step in the right direction.

This report is about transparency and sharing progress and learnings. I hope reading it will be useful to you. If you have any questions, feedback, or thoughts, please feel free to get in touch with me or the Metrikus team: our contact details are at the end.

Gary Cottle

The road behind

Our sustainability journey so far

The road behind

A whole year since we published our first impact report! How did we get started on our journey, and what have we been up to since then?

2021

2021 was the year we began our environmental reporting journey.

We joined Tech Zero and were in the first 50 companies to sign up to a net zero goal. This allowed us to access some great resources to begin measuring and reporting our impact.

Our Sustainability Committee was formed to begin embedding sustainable initiatives throughout our organization. This included setting targets and developing strategies to achieve them.

2022

We calculated all our historical emissions using Future Learn's carbon calculator, and used our 2021 emission data as our base year.

The findings were published in our first ever Impact Report. The goal was to be as transparent as possible on our journey, focusing on what we have achieved so far and what the next steps will be.

The Sustainability Committee used the emissions data to develop reduction strategies, prioritizing the areas which will have the most impact.

We worked with Patch to offset all our historical emissions – all of the carbon we have ever produced since Metrikus was founded in 2019. You can read more about our offsets later in this report.

2023

We implemented several reduction strategies throughout various company policies, including updating our travel and supplier agreements.

We launched our Dark January campaign to increase awareness of office lighting being left on unnecessarily. The City of London seemed to like this idea, and in February it proposed to turn off the lights in the city's biggest skyscrapers.

We joined the SME Climate Hub and the United Nations' Race to Zero Campaign to share resources and tools, and used the Business Carbon Calculator by Normative to calculate our 2022 emissions. The methodology follows the Greenhouse Gas Protocol and can be read here.

And lastly, we've continued to develop and implement our sustainability solution to help others reduce the environmental impact of their buildings!

2022: our year in numbers

The metrics that matter

Our 2022 impact was...

172.31 tCO$_2$e

What does this mean?

172.31 tonnes of CO$_2$ equivalence (the standard unit for measuring greenhouse gas emissions) were emitted into the atmosphere as a result of Metrikus existing and operating over the course of 2022.

That's **4.1t per employee** and **0.047t per ft^2** of office space.

Is this good? Is it bad? Let's dive into some stats to see where we stand

Electricity

Business travel

Purchased goods and services

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Fig. 01
Sources of our 2022 emissions

Emissions (tCO2e)

(Bar chart: Scope (1) ≈ 0, Scope (2) ≈ 2, Scope (3) ≈ 170, x-axis labeled "Values" from 0 to 200)

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Fig. 02
Our emissions by scope

What are the scopes?

All sources of emissions come from one of three categories, also known as scopes. Categorizing emissions into scopes helps businesses understand where their impact is coming from, and where they should focus their reduction efforts.

Scope 1
Direct greenhouse gas emissions that are controlled or owned by an organization: such as the combustion of fossil fuels in boilers or vehicles. We don't have gas in our offices or own any vehicles, which is why our scope 1 emissions are 0.

Scope 2
Indirect greenhouse gas emissions from the consumption of purchased electricity, heat, or steam. Does not include electricity from renewable sources.

Scope 3
Indirect greenhouse gas emissions from activities outside of an organization's own operations, such as emissions from suppliers, transport, and travel – this even includes emissions from consumers using your company's products. Scope 3 emissions are notoriously difficult to accurately measure.

Benchmarking our emissions

It's important to contextualize and benchmark our emissions in order to get a better understanding of our impact and track progress.

Industry average
The average emissions for UK companies of similar revenue to ours in the IT, software, and computer industry are 627t (tonnes) per year. Of these 627t, 131t are from purchased goods and services.

Overall we are below the industry average, but have comparatively high emissions from purchased goods and services.

Intensity ratios
Intensity ratios are a comparison of revenue and emissions, and are a great way to standardize the emissions of a growing company.

Each year our total emissions have increased, and this is expected: we have had more employees and more clients, so naturally our emissions have grown alongside our business activities. It's important that we keep monitoring our intensity ratio as a consistent measure of environmental performance while our company expands.

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Fig. 03
Industry average emissions

Fig. 04
Our yearly intensity ratios

Year	Intensity ratio	% change
2020	0.00015	0
2021	0.00089	+493%
2022	0.00022	-75%

Our 2022 intensity ratio was 0.00022*

It's down 75% from 2021, but up 47% from 2020.

* This is a comparison of our revenue and emissions.

Goals

Our primary goal is to eliminate scope 1 and 2 emissions by 2025. As an SME (fewer than 500 employees), that would qualify us as net zero according to Science Based Targets initiative (SBTi) standards.

We want to go further than this and keep reducing our scope 3 emissions by engaging with our suppliers and optimizing our cloud-related emissions: work which is already in progress.

Implementations

What changes have we made at Metrikus?

Implementations

What changes have we made at Metrikus?

With a year of company emissions data up our sleeves, we started to look at ways of reducing our impact. As we quickly found out, this wasn't always straightforward.

The Sustainability Committee had regular meetings where we came up with great ideas on how we could sail the company to more sustainable waters, but the reality was that these solutions were often at odds with our resources – in other words, they were impractical or (for the time being) too expensive.

Our approach was to come up with various solutions to our different sources of emissions, and give them a ranking from 1-5 on the impact they would have, their cost, and feasibility. We prioritized solutions that had the most impact but were feasible to implement given our current resources.

The above approach led us to implement the following solutions:

1.

Ethical and sustainable procurement policy

As a building efficiency platform, our solution primarily operates within the cloud. Sometimes, however, a client requires additional sensors to be fitted in their building and we fulfill this by reselling from hardware vendors. Our ethical and sustainable procurement policy outlines certain criteria which must be met by our suppliers: these are environmental, ethical and social.

We amended this policy to include a statement of preference to those suppliers with a net zero strategy, actively working to lower carbon emissions which can aid and optimize our scope 3 impacts. In conjunction with this amendment, we reached out to our current suppliers to ask for their sustainability policies or net zero strategies, with the hope of influencing better environmental practices throughout our supply chain.

2.

In-work travel

To lower our business emissions related to hotels, we are now using Staze to complete the bookings. Using Staze, we can see the emissions related to each hotel booking and can opt for the lower impact option. Additionally, the emissions are offset through a portfolio of four high-quality projects.

3.

Cycle to work scheme

Our Green Commute Initiative has been in place for a year and incentivises workers to purchase a bike for the purpose of commuting to work. There is potential for this to be more widely used and we are working on internal communications to increase uptake.

The road ahead

What's in store for us next?

What's next for us?

A couple of things we've already started to work on:

Office emissions
Our number one priority is to switch our office electricity to a 100% renewable tariff. Whilst we work on making this happen, we are also trying to reduce our energy consumption altogether.

To do this, we have ordered smart sockets to be installed on one of our floors, setting up a calendar and timer to control them off at night and on weekends. We will compare the energy consumption across our floors to assess the effectiveness.

Additionally, we are using the Metrikus platform to monitor real-time occupancy and optimize our office space, opening additional floors only when others have reached 70% capacity. We currently predict 20% energy savings and we're excited to see the results.

Cloud computing
The new version of the Metrikus platform is being built on Microsoft Azure, migrating over from AWS. This will have various sustainability benefits, as Microsoft has committed to running Azure on 100% renewable energy by 2025. Additionally, they aim to be water positive and zero waste by 2030.

A couple others in the pipeline:

Greening our software
Computationally inefficient software can negatively influence the operation of computer hardware, and therefore have a sizable impact on energy consumption. In order to increase the computational efficiency of software, making it less energy intensive, there are several principles to follow as outlined by the Green Software Foundation. We are coordinating with our tech team to implement these principles as we build out the next generation of the Metrikus platform.

Avoiding cost-based emission estimates
Our current carbon accounting methodology uses cost-based estimates to calculate emissions from purchased goods and services. The resulting emissions give you a fair idea of your scope 3 impact, but the data isn't always optimal to devise accurate reduction strategies. In the future, we aim to achieve higher granularity of our scope 3 emissions. We've begun this process by screening our suppliers' net zero strategies, and will slowly begin to analyze our other sources of scope 3 emissions. It's going to be tricky but it's an important step to improve the quality of our data.

Water and waste
We want to begin measuring our water consumption and waste production to get a more holistic understanding of our sustainability and see where we can make further improvements.

Offset portfolio

Read about our work with Patch

Learning about offsets

In 2022 we published our Impact Report and calculated our total emissions for the periods 2019/20 and 2020/21. The totals were 59.12 and 131.38 tCO2e, respectively. We decided to work with Patch to **offset these historical emissions** as we began to embark on our net zero journey.

Coming in with close to no knowledge of offsets we took several weeks to learn about the process: why some projects are more expensive than others, carbon avoidance vs removal, how projects are given ratings, and so on. After consulting with Patch we decided to go ahead with the following four projects, making sure to **include carbon removal projects** (CDRs) in the portfolio.

Our approach to sustainability is to **minimize then neutralize**, but the nature of our current emissions (the majority being scope 3, i.e. from goods and services) means that for the time being it is likely that we will still be heavily reliant on offsets to neutralize our impact.

Our offset portfolio

CarbonCure Concrete Mineralization

Captured CO_2 is injected into cement to make super-strong, low-carbon concrete. During the production process the CO_2 undergoes mineralization, embedding it permanently in the concrete

Total CO_2 removed:

960kg

Running Tide ocean carbon removal

Growing and sinking kelp forests, which can store up to 20 times more carbon per acre than land forests

Total CO_2 removed:

960kg

South Jordan landfill gas capture

Capturing methane gas from a landfill near Salt Lake City using underground gas wells and converting it into energy

Total CO_2 avoided:

93.56t

Rwanda high efficiency cookstoves

Improving public health in the Republic of Rwanda by distributing high efficiency cookstoves, reducing the burning of firewood or coal

Total CO_2 avoided:

95.5t

Glossary

Helpful definitions

Did you come across any terms or eco-jargon that made you scratch your head? Here's some definitions that might be helpful:

Carbon avoidance:
The process of avoiding or reducing greenhouse gas emissions before they are generated. Examples of carbon avoidance methods include increasing energy efficiency, transitioning to renewable energy sources, and reducing consumption.

Carbon footprint:
The total amount of greenhouse gas emissions that are released into the atmosphere as a result of an activity or organization – in our case, it is everything associated with running Metrikus.

Carbon neutral:
Being carbon neutral refers to an individual or organization balancing their carbon emissions by removing carbon from the atmosphere, usually through carbon offsetting.

Carbon offsetting:
A process that allows companies or individuals to compensate their own carbon emissions by funding projects that reduce greenhouse gasses elsewhere. If you'd like to learn a bit more about carbon offsetting, including how projects are rated and verified, you can read this blog post.

Carbon removal:
The process of removing carbon dioxide from the atmosphere and storing it in long-term storage solutions. Examples of carbon removal methods include afforestation, reforestation, carbon capture and storage, and direct air capture.

Net zero:
Net zero and carbon neutral are often used interchangeably. The slight difference is that net zero refers to the balancing of all GHG emissions, not just carbon.

Science-based target:
An emission reduction target is classified as 'science-based' if it is in line with the scale of reductions necessary to keep global warming to well below 2°C from pre-industrial levels.

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Get in touch

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