P:XELFR:DGE

Impact Report 2022















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1: FOREWORD

A year to mature and focus

In February 2023, we celebrated our 4th year of Pixel Fridge. We are very proud to be here, having weathered a global pandemic!

Turning 4 marks a year of focus for us as an agency. We're growing up and, as a consequence, it's time to start concentrating on what makes us who we are. We're making organisational changes to allow the team to deliver work that we all really care about, in an environment that we all enjoy.

As a leadership team, we make our decisions with People, Planet and Profit in mind.

We appreciate that we're a small team, but we all have big ambitions. Purposeful Experiences is becoming a real focus for the whole agency. This year, we want to see an increase in the 'Purposeful Experiences' work we're doing. Being small, the honest answer is that we can't yet say no to work that falls outside 'Purposeful Experiences', but it's definitely our aim to progress towards being the go-to agency for clients looking to use digital to make a difference.

Looking back at the last year, it was a testing one. We had some ups and downs with workload and as a result, financially. But, we have also grown and bonded as a team. We couldn't be prouder of our team and feel very lucky to all be working together, delivering value to our clients and having a great time whilst doing it.

This report aims to highlight some of the key statistics and changes that we're focussing on as an organisation. This is our first impact report and it will give us a benchmark to monitor our progress in the future.

We hope you enjoy reading it!

Tom, Chris and Nick

REFLECTING ON

our achievements in 2022



2: REFLECTING ON...

our highlights of 2022

Eco-friendlyhosting

Moving 100% of the websites we host to sustainable providers.*

Revenue increase

We grew our revenue by 5%.

Refined positioning

Finalising our positioning of 'Purposeful Experiences' and all that comes with this; brand, website, messaging and so on.

Flexible fridays

Introducing and formalising Flexible Fridays for our team.

Improved policies

We have worked to improve and update our policies for our employees, including enhancing our maternity and paternity leave.

* We completed a review into the greenest hosting partner and have selected Google as a result of our research. They have been leading the way in sustainable hosting for many years and have been carbon neutral since 2007. They invest in renewable energy infrastructure around the world, and have ambitions to run on carbon-free energy 24/7 at all their data centres by 2030.

2: REFLECTING ON...

our mission and vision

This is our first ever impact report, so we don't have any previous goals to report on! We will use this section in the coming years to report on goals we set each year. For now, we'll use this section to share and confirm our mission and vision.

Our mission

Purposeful Experiences

We partner with our clients to create websites and applications for social and environmental good. We achieve this by adhering to best practice design and development standards, working with like-minded organisations and selecting carbon-neutral partners.

Our vision

To be the go-to digital partner for clients who want to create engaging digital experiences, whilst doing social and environmental good.

environment

hosting and digital sustainability

2022 was the year we wanted to make some big changes. We now talk more about digital sustainability with our clients, and have switched all of our sites that we host to an eco-friendly offering.

Hosting

100% of our sites (that we host) have been moved over to Google Cloud for carbon neutral hosting.

Some of our clients host their own sites, which are not all currently on green hosting. So our challenge for next year will be to educate and encourage others to consider the change.

Digital sustainability

We have started to include digital sustainability as an item in our proposals and statements of works, to start the conversation with clients and introduce them to the concept. There is still a way to go, but as a result, some clients are already beginning to think about it more than they had been previously.

our Scope 1, 2 and 3 emissions

We used Zero Ecologi to measure our emissions for the 2022 period. This gives us a benchmark and a consistent means of measuring our impact moving forward.

As a small, service-based organisation our results are as expected with regards to the split between our Scope 1, 2 and 3 and these are highlighted on the following slides.

Total emissions for 2022

18.2 tCO₂e

What makes up our total emissions?

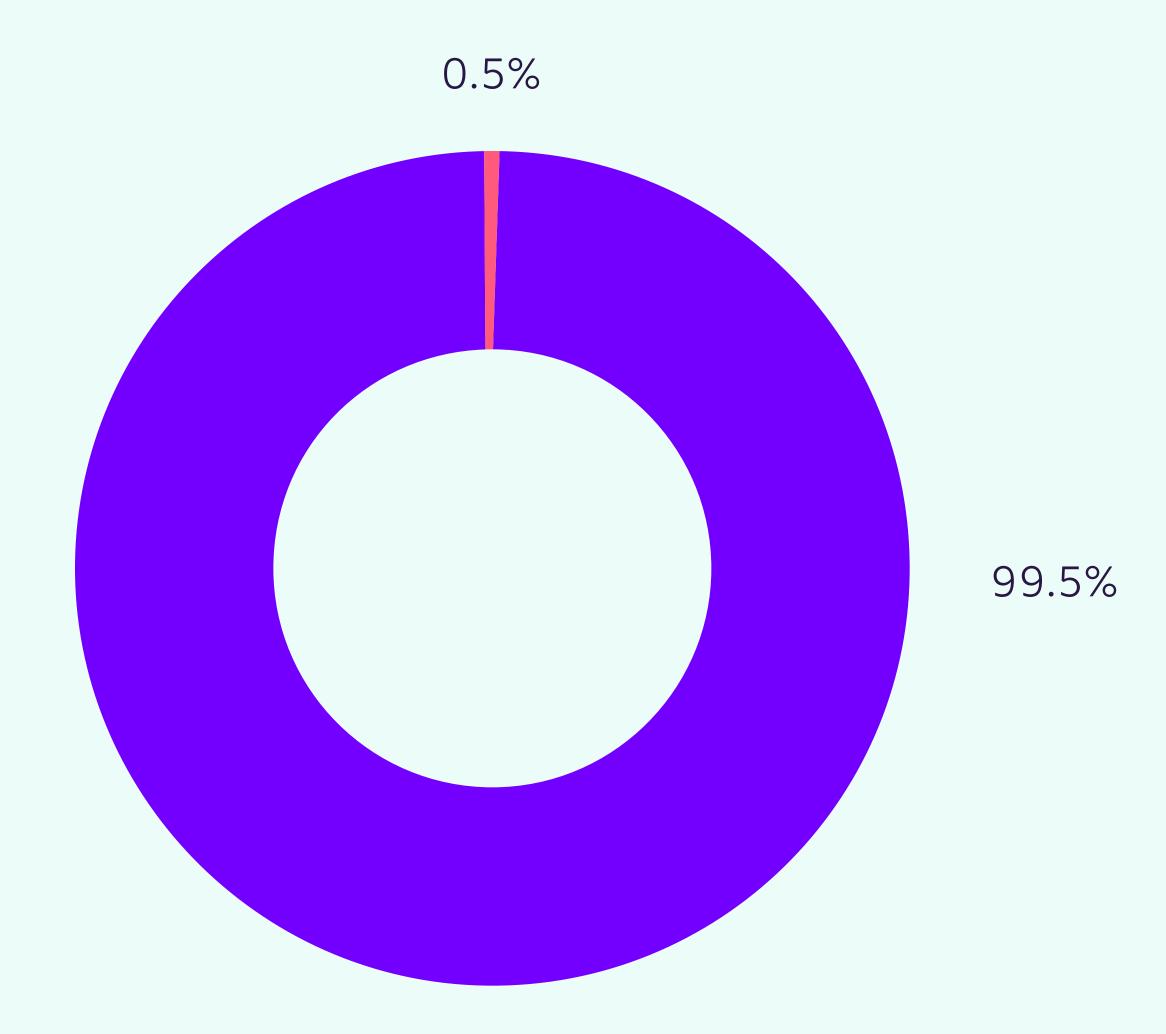
Suppliers 17.7 tCO₂e

-**Energy** 0.097 tCO₂e

Vehicles 0.413 tCO₂e

our Scope 1, 2 and 3 emissions

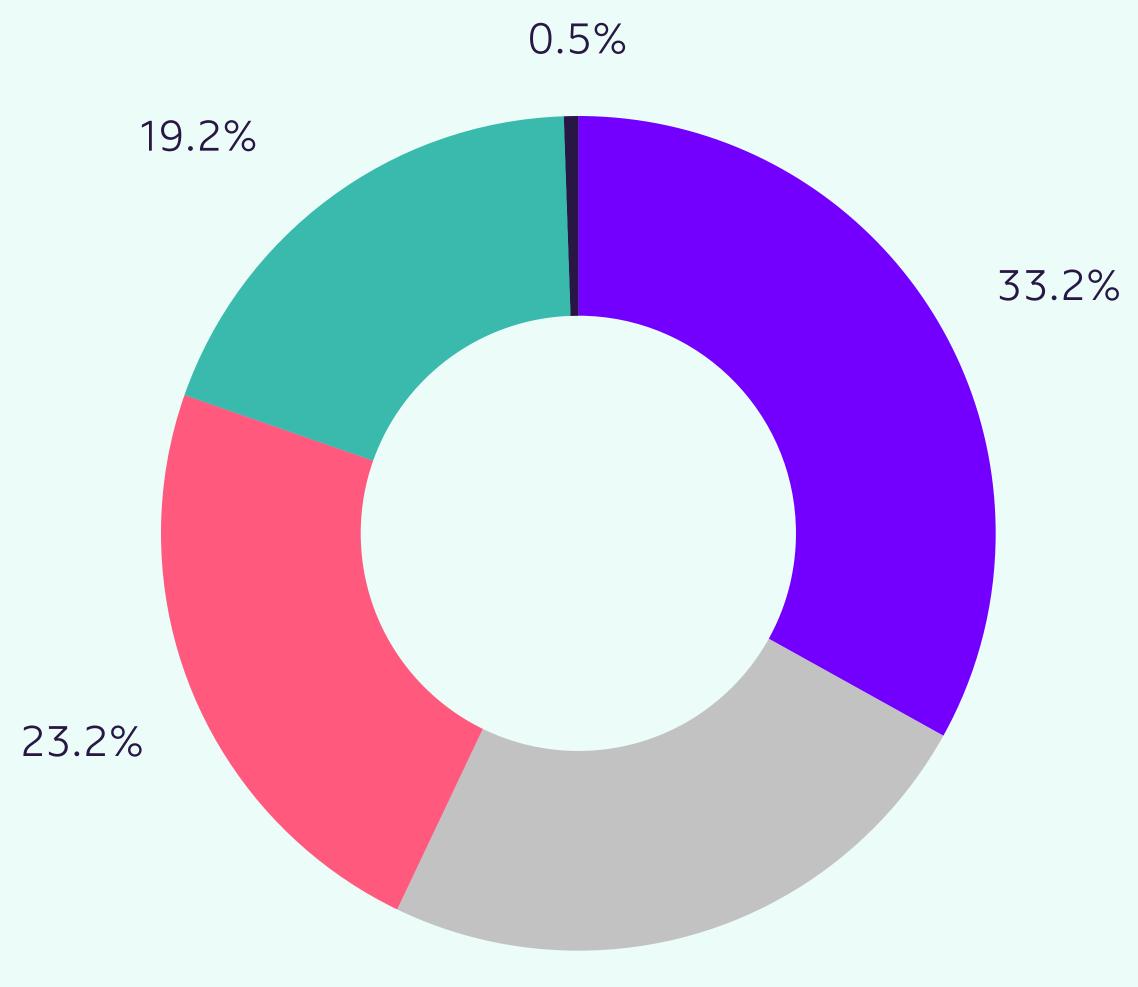
- Scope 1: Direct Emissions
 0 tCO₂e
- Scope 2: Indirect Emissions
 0.097 tCO₂e
- Scope 3: Value Chain Emissions
 18.1 tCO₂e



our Scope 1, 2 and 3 emissions

- Food & Hospitality
 6.04 tCO₂e
- Services
 4.34 tCO₂e
- Purchased Goods
 4.21 tCO₂e
- Travel & Transport

 3.49 tCO₂e
- Energy
 0.097 tCO₂e



carbon offsetting

Although our aim is to reduce the energy that we consume as a company, we make a monthly contribution to <u>Ecologi</u> which offsets the amount that we do use (not counting the impact of our websites).

We started offsetting with Ecologi in November 2021. We offset approximately 50 tonnes of CO_2 in 2022 which more than offsets our estimated scope 1, 2 and 3 emissions for the same time period. That said, the amount of CO_2 emitted by the websites we created is additional. The following slides explore this in a little more detail.

Tree planting with Ecologi

1,174 To date, we have funded the planting of this many trees



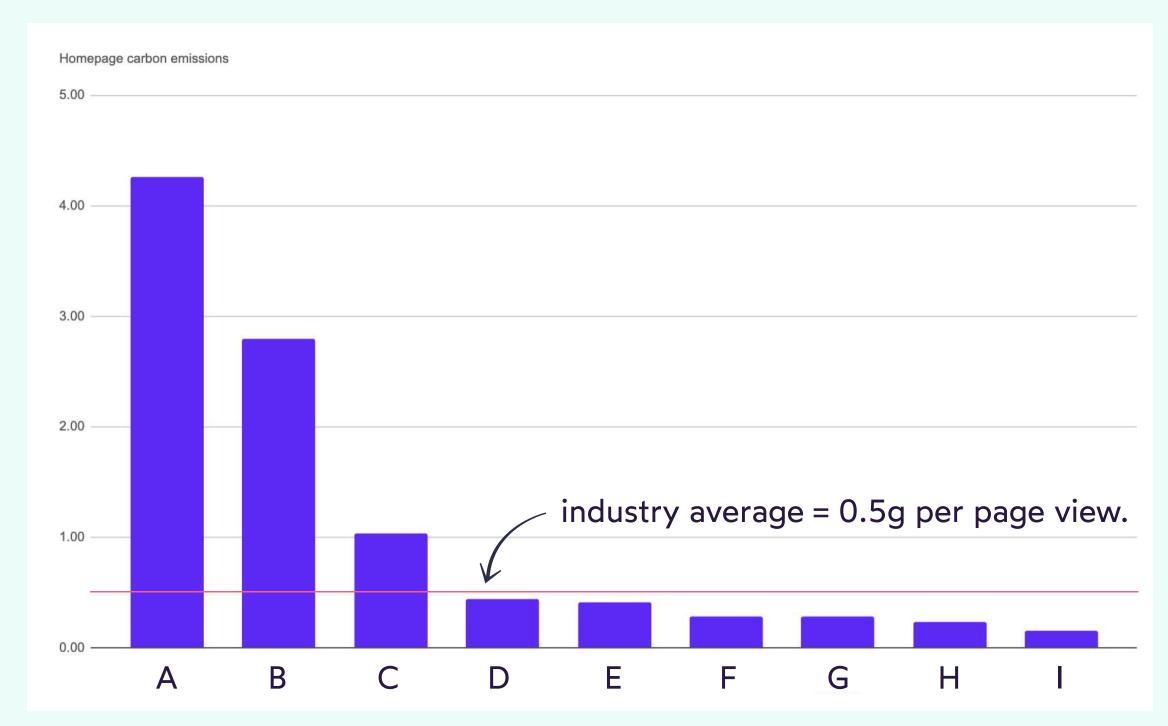
50 tonnes of CO₂ sequestered



measuring our website carbon emissions

The following chart shows the average page emissions per website we launched in 2022.

The homepage is a particularly relevant page to review because most people are likely to visit it.



Two thirds of our websites launched in 2022 fell below the average carbon emissions. However, there were 3 websites which emitted significantly more. So we need to aim to improve on this during the 2023 time period.

Discussion

- What should we aim for in 2023 for all new sites?
- Can we improve our worst sites?

Lesson learnt

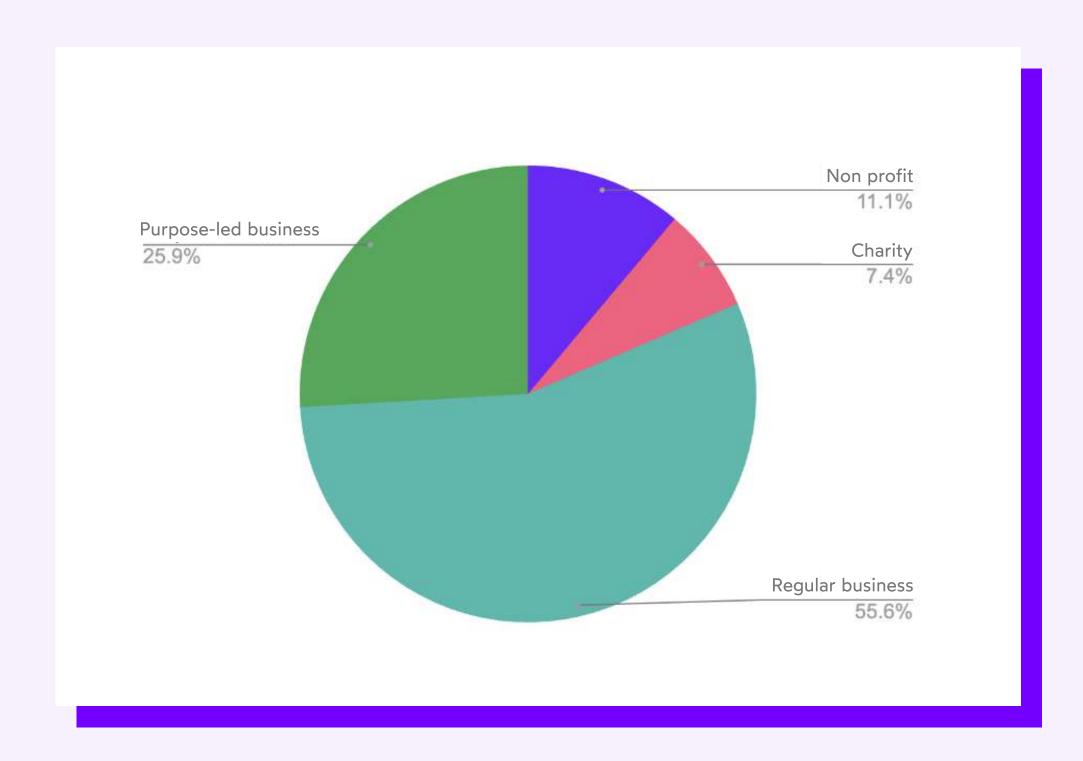
Sites that require a lot of content to be loaded up front require a different approach; Implementing lazy loading, triggers for video loads and other small interactions can have a dramatic reduction in website carbon.

A CLOSER LOOK AT **clients**



our clients

In 2022, we updated our positioning as a business. This included a new mission statement and vision, and a much stronger emphasis on working with purpose-driven clients.



The chart opposite shows our current spread of purpose-driven clients (non-profit, charity and purpose-led businesses) vs. regular clients.

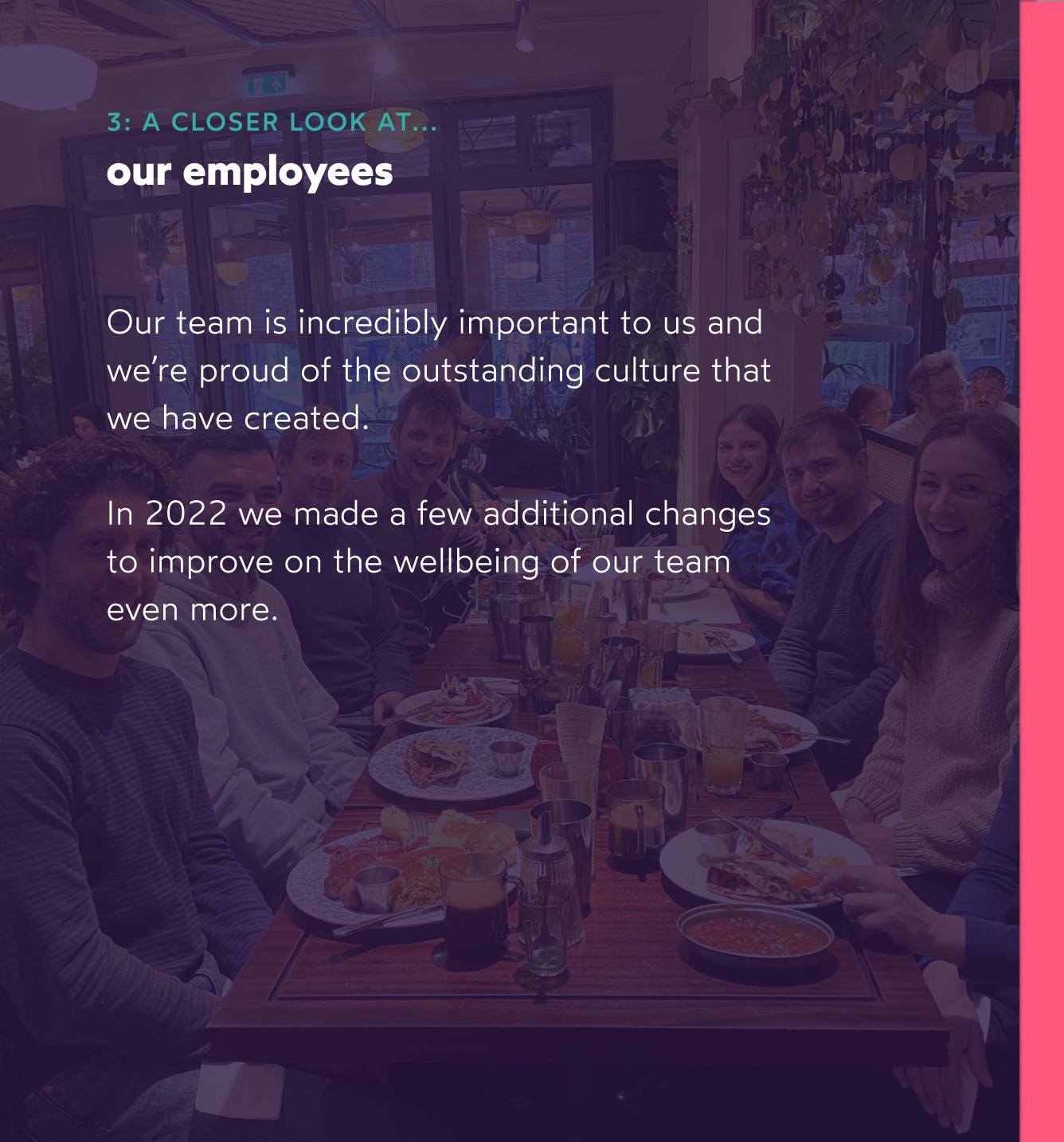
Currently 44.4% of our clients are purpose-led, non-profit or charity. In 2023 we aim to improve on this, working with as many purpose-led organisations and businesses as possible.

Other ways we are working with clients

We are starting to bring digital sustainability into our clients radars too, so that they also care about it. We are doing this by:

- Adding a slide to all of our proposals outlining our commitment to sustainability and our preference for green hosting.
- We plan to report back to clients on how much carbon their site emits.
- We plan to suggest adding a limit to the average carbon that a web page emits so that we can work collectively with the client to achieve it.

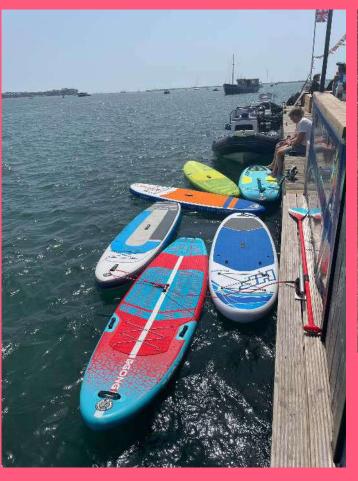














our employees



Flexible Friday

Our biggest change was to trial and then implement Flexible Friday; a half-day for all full-time employees every Friday. Employees are still paid for a full five-day week, but every Friday afternoon we encourage the team to clock-off at lunchtime and use the afternoon in any way they like.



Flexible working

We continue to offer a flexible working schedule. We provide office space in London and Exmouth, but also allow working from home so that everyone can manage their home commitments a little bit more easily.



Christmas break

Being big believers in work-life balance, we closed the office over the Christmas break for our employees, so that they benefitted from an additional 3 days of annual leave in order to spend it with friends and family. This was in addition to their standard annual leave allowance.



Company ramble

We organise an annual company ramble where we get out of the office, all meet up somewhere in the countryside and enjoy a wonderful day of walking, food and an overnight stay.

our employees

We sent out an annual staff survey in 2022 to check that our employees were as happy as we hoped they were!

Results from our 2022 staff survey

100%

- enjoy our company's culture
- feel valued for their contributions
- feel that work is distributed evenly across the team
- feel that Pixel Fridge utilises their skills and abilities
- feel that management is transparent
- are happy and fulfilled at work

How do we compare?

The average rate of satisfaction during 2022 within UK workforces was 62% (source). So we're doing pretty great!

Where we can improve

33% weren't sure how quickly they'd be able to progress due to the size of the team being small

Employee attrition rate

The average rate of attrition at Pixel Fridge for 2022 (and forever!) was 0% compared to a UK average of 9.31% (source)

governance

As part of growing up, we have worked hard to improve our formal governance documentation.

Over the course of 2022 we have introduced various policies to ensure that we were committing to some rules and procedures that we were already adhering to, but did not have in writing.



Parental leave

We've increased the time our employees will receive full pay for parental leave.



Travel policy

We've formalised our travel policy for our team with the aim of being as sustainable as possible.



Environmental policy

We've introduced a policy for our team to reference and act as a reminder to do what they can to reduce their impact.

A CLOSER LOOK AT Community



community

It's quite early in our journey but we have started to think about our impact in the community, besides the environment.

Charitable and community donations

0.5% of profits

- For Christmas each year, Pixel Fridge donates to a selection of charities (one charity is chosen by each employee).
- In 2022, Pixel Fridge donated a total of 0.5% of profits to charitable and local community causes.
- 50% of these donations were to charities as direct donations.
- 10% of these donations were to a local brewery for a charitable campaign for Ukraine.
- 40% of these donations were to local community sports clubs, schools and initiatives.

Plans for the future

- We want to improve our overall % of profits and will be creating a formal donation commitment in 2023.
- We would like to do more within our community, particularly for minority groups and their access into digital employers. So we are going to look at mentoring opportunities in the digital space.
- We are also going to consider volunteering schemes for employees.

LOOKING FORWARDS TO...

next steps



plans for 2023

Now that we have formally reported on our status across the various sectors in 2022, we're setting ourselves some specific targets for 2023 as well as some longer-term focusses.

Objectives to put in place during 2023

- Benefits: Formalise a benefits scheme for our employees
- Carbon reduction: Focus on a further reduction on average webpage carbon
- Mentoring / Volunteering: Offer our staff opportunities for mentoring and or volunteering
- Donation of profits: Commit to donate to local communities or charitable causes.

Long-term objectives

- Ensure average page of all our new websites is less than 0.5g carbon
- Investigate and set a deadline for working towards Net
 Zero

Thank you for reading