

Article 13 Group Ltd Environmental Report 2008

As part of Article 13's values and principles we feel it our duty to do everything we can to reduce our environmental footprint. Therefore on a monthly basis a dedicated member of the Article 13 team monitors; the levels of fuel use; electricity and paper consumption; air travel; and public transport estimates. Furthermore, Article 13 has introduced a standard rate Carbon Clause into client contracts which contributes £20 to offsetting carbon emissions as a result of a project.

The following report details;

1. Our monthly usage of fuel, electricity, paper, air travel emissions, public transport;
2. The percentage change on our 2007 levels;
3. Our targets and actions for 2009 to further improve our environmental practices and impacts of our business activities and operations.

FUEL CONSUMPTION

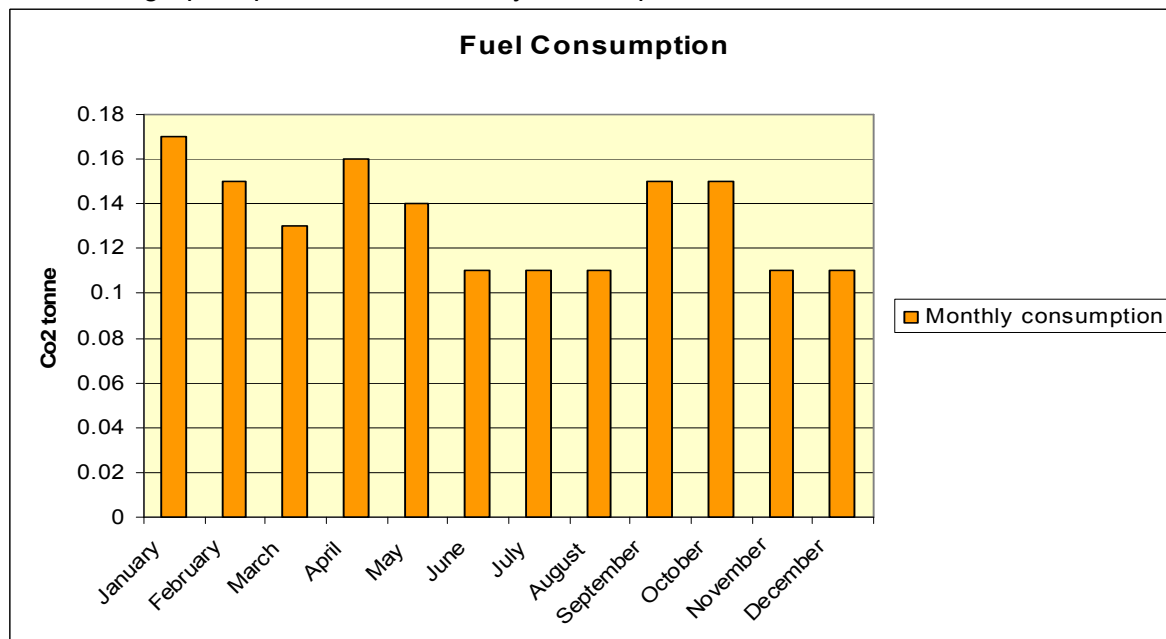
Article 13's fuel consumption reporting calculates the CO₂ emissions that result from staff travelling between home and office by car. There is a high level of awareness about the detrimental effect of extensive car travel among Article 13 team members and as such employees use public transport as often as possible. Some of the employees tend to cycle or walk to work, which helps keep our total fuel consumption to a minimum.

In 2007 we used a total of 1.4 Co₂ tonnes
 We set a target of a 25% reduction in business related fuel consumption
 In 2008 we used a total of 1.6 Co₂ tonnes
 We made a 14% increase our 2007 levels. *This was due to increasing attendance and therefore use of car travel to and from the office.*

In 2009 we aim to further reduce our fuel consumption by 10%:

1. *replacing face to face meetings with conference calls;*
2. *promoting public transport use and cycle / walking where possible.*

The below graph represents our monthly consumption levels of fuel over 2008



ELECTRICITY CONSUMPTION

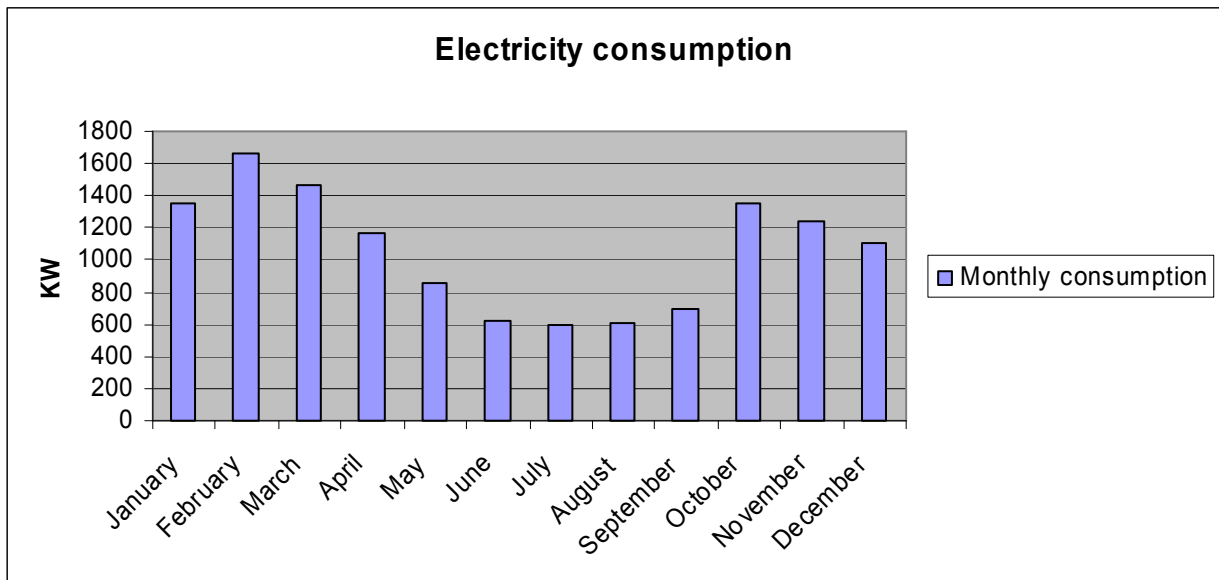
Article 13's electricity consumption calculates lighting, heating, IT (server, computers, printers, and fax) and some small appliances (boiler, water feature...). In accordance with our objectives we have labelled electrical equipment reminding staff to turn them off when not in use. During the third quarter of 2007 Article 13 switched to a 100% renewable energy mix within BizzEnergy (the Green Choice fuel mix). As of March 2008 a dedicated member of the team has taken actual readings every month to better understand and adapt to variances in energy usage. In addition we are now in a non-serviced office, allowing us to have absolute control over types of services and electrical equipment used.

In 2007 we used a total of 6.35 Co2 tonnes (equivalent)
 We did not set a measurable target but committed to an overall decrease
 In 2008 we used a total of 4.99 Co2 tonnes (equivalent)
 We achieved a 27% decrease in line with our aim

In 2009 we aim to reduce our electricity usage by 10% by:

1. *maintaining signage and policy for encouraging staff to ensure all non-necessary electrical equipment is on standby when not in use, and turned off completely at the end of each working day.*
2. *a dedicated member of staff will perform weekly spotchecks to ensure compliance with the above commitment*

The below graph represents our monthly consumption levels of electricity over 2008



PAPER CONSUMPTION

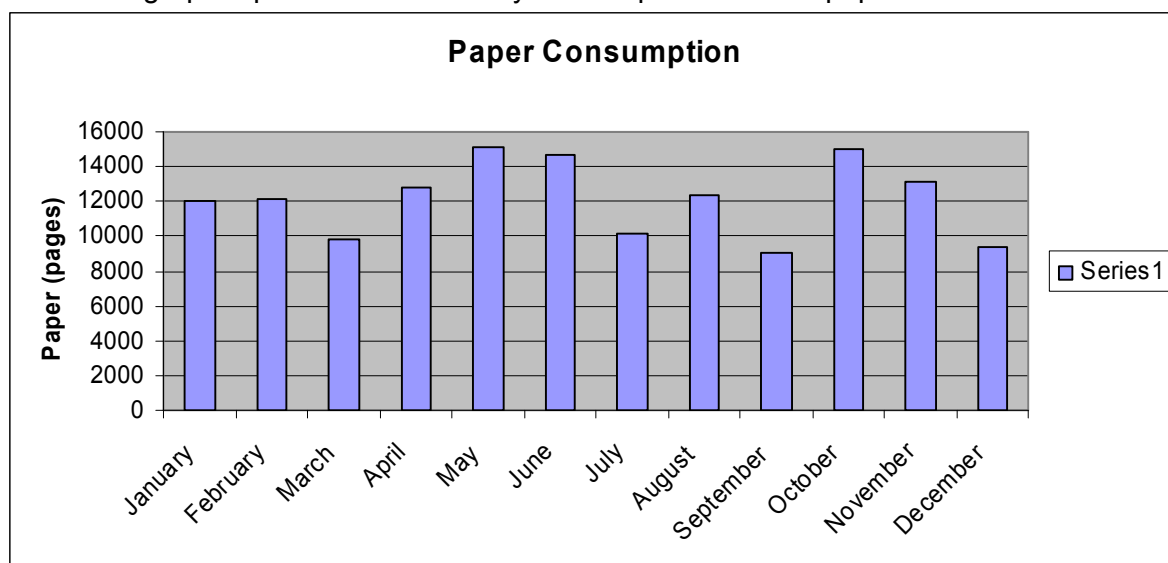
Article 13's paper consumption is necessary and the team takes the problem of unnecessary printing very seriously. Double sided printing and two-to-a-page printing is firmly embedded within our organisation. We also run a policy of re-using one sided paper for printing unofficial documents and faxes. Regular communication and signing around the office promotes the continued use of more resource friendly printing methods. Furthermore, our paper is manufactured by EMAS accredited suppliers who use sustainable resources and good environmental practices. Each time a new ream of paper is opened staff are obliged to record it on the special printing sheet. This results in persistent awareness raising as well as enabling us to keep a record of the number reams used.

In 2007 we used a total of 130 reams (65000 pages)
 We did not set a measurable target but committed to an overall decrease
 In 2008 we used a total of 109 reams (54500 pages)
 We achieved a 10% decrease

In 2009 we aim to reduce our paper usage by a further 10% by:

1. *maintaining signage and policy for encouraging staff to print double sided (all computers default settings), reuse one sided printing for faxes and non-confidential printing, recycling all 'fully used' paper*
2. *increasing internal and external communication by email*
3. *increasing the use of electronic mailing for new business*

The below graph represents our monthly consumption levels of paper over 2008



AIR TRAVEL EMISSIONS

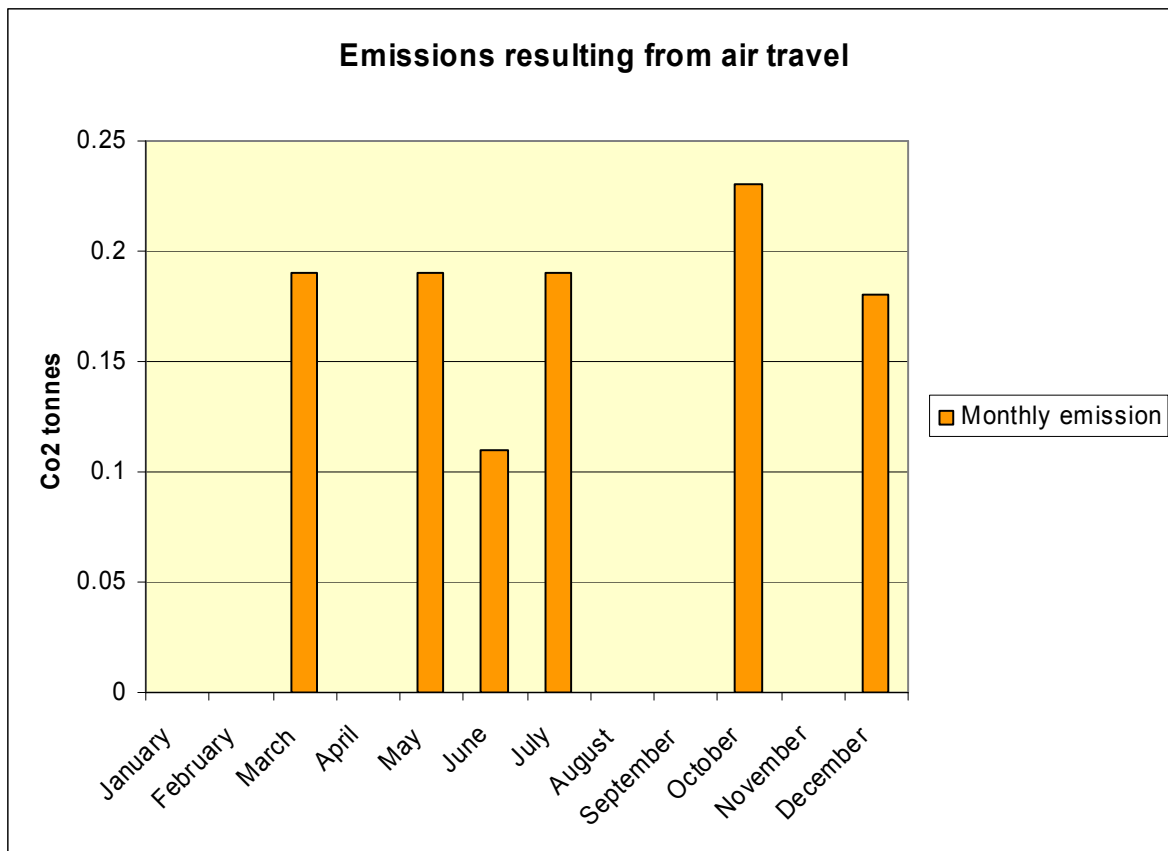
Article 13 calculates emissions related to air travel from our London base for business purposes. Where possible, trains and buses are used as preferable alternatives, however flights are taken for unavoidable, overseas business trips.

In 2007 we used a total of 2.67 Co2 tonnes (equivalent)
 We did not set a measurable target but committed to an overall decrease
 In 2008 we used a total of 1.09 Co2 tonnes (equivalent)
 We achieved a 144% decrease in line with our aim

In 2009 we aim to reduce our air travel emissions by a further 20% by:

1. *encouraging conference calls where possible to replace face to face meetings*
2. *prohibiting air travel when train or bus use is feasible*
3. *only travelling abroad for business related purposes when no other option is available*

The below graph indicates our monthly air emissions resulting from business related air travel.

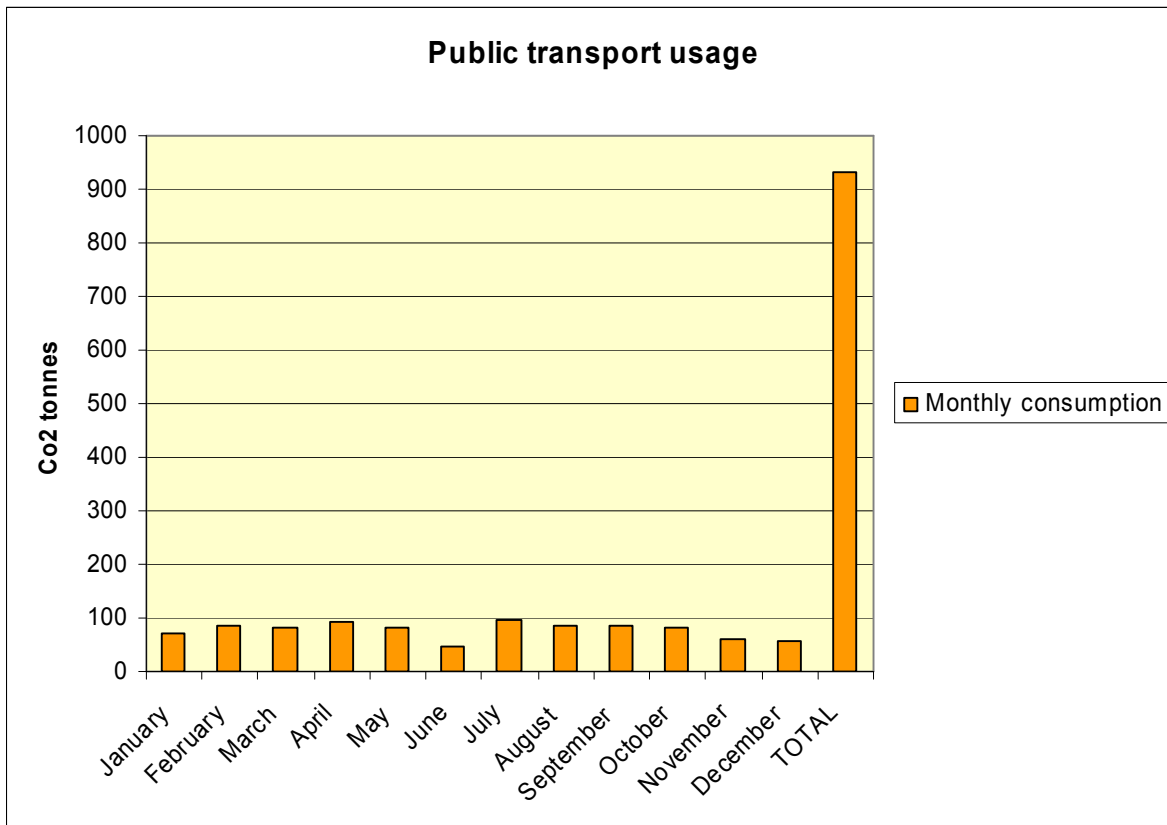


Overview of monthly reporting results for 2007 & 2008 with 2009 targets

| Areas of consumption (monthly reporting) | 2007 total | 2008 total | % change | 2009 targets | 2009 Actions |
|--|----------------|----------------|----------|---------------|--------------|
| Fuel | 1.4 Co2 tonne | 1.6 Co2 tonne | ↑ 14% | 15% reduction | Page 1 |
| Electricity | 6.35 Co2 tonne | 4.99 Co2 tonne | ↓ 27% | 10% reduction | Page 2 |
| Paper | 130 reams | 109 reams | ↓ 19% | 10% reduction | Page 3 |
| Air travel | 2.67 Co2 tonne | 1.09 Co2 tonne | ↓ 144% | 20% reduction | Page 3 |

PUBLIC TRANSPORT

Article 13 also measures public transport emissions by estimating and calculating the distance between staff homes and the office, and for business purposes between the office and meetings. We then use the ClimateCare carbon calculator to revert these distances into an estimate of Co2 tonnes. Employees use public transport for business purposes where possible and especially in and around London. In fact most employees use buses and/or the underground everyday for travelling to and from the office. We keep individual records of mileage travelled and type of transport used. The figures below are the sum of all Article 13 staff per month and as this is the first time we have calculated our public transport emissions.









2009: Article 13 aims to reduce fuel and air travel related emissions, which means that our public transport emissions will most probably increase. To make public transport travel most efficient, we will:

- ensure all staff are aware of the costs saved using Oyster cards and travel cards

CARBON CLAUSES

Article 13 has in place a carbon clause system of offsetting clients' emissions. A one-off lump sum of £20 is included in each project fee, equating to 2.32 tonnes of CO2. As part of Article 13's commitment to the United Nations Global Compact (UNGC), these £20 contributions are included in Article 13's environmental footprint calculation and will contribute to projects related to development of energy efficiency, renewable energies and carbon absorption. At the close of 2008 Article 13 will donate the total contribution from the carbon clause to a carbon offsetting project Kenyan Energy Efficient Stoves (<http://www.co2balance.com/>)

2008 TOTAL

| MONTH |  (CO2) |  (kWh) |  (pages) |  (CO2) |  (CO2) |  (£20) |
|--------------|--|--|--|---|--|--|
| January | 0.17 | 1357 | 12009 | N/A | 71.72 | N/A |
| February | 0.15 | 1667 | 12086 | N/A | 84 | N/A |
| March | 0.13 | 1465 | 9815 | 0.19 | 83.12 | 60 |
| April | 0.16 | 1168 | 12802 | 0.19 | 94.3 | 20 |
| May | 0.14 | 862 | 15142 | 0.19 | 82.4 | 0 |
| June | 0.11 | 620 | 14721 | 0.11 | 47.3 | 40 |
| July | 0.11 | 592 | 10142 | 0.19 | 97.9 | 40 |
| August | 0.11 | 611 | 12310 | 0 | 84.46 | 40 |
| September | 0.15 | 692 | 9047 | N/A | 86.14 | 20 |
| October | 0.15 | 1347 | 14989 | 0.23 | 81.54 | 20 |
| November | 0.11 | 1236 | 13160 | 0 | 62.45 | 20 |
| December | 1.62 | 1101 | 9352 | 0.18 | 56.76 | 0 |
| Total | 3.11 Co2 T | 12718 kW | 136223 pg | 1.09 Co2 | 932 Co2 | 26 £ |

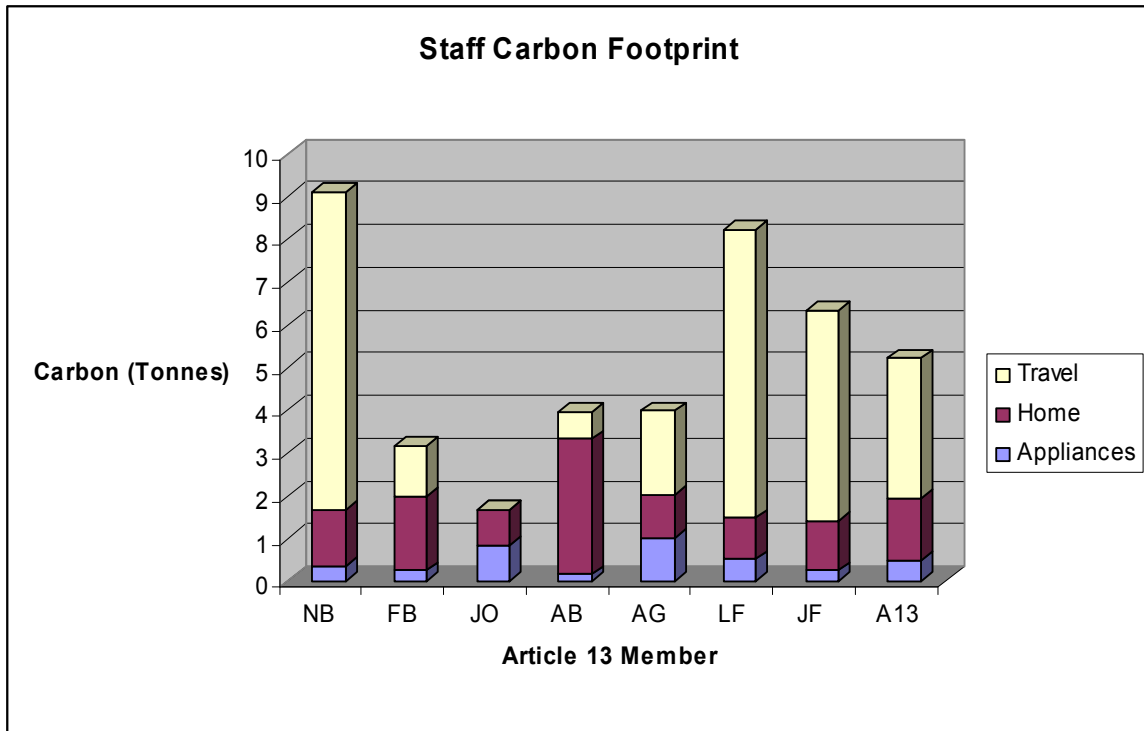
Carbon Offsetting

This year we measured our carbon footprint using the UK government's carbon footprinting calculator (<http://campaigns.direct.gov.uk/actonco2/home.html>). We will be offsetting our total carbon footprint (Article 13 Office) of 27.8Co2 tonnes with Co2Balance (www.co2balance.uk.com). We will contribute the calculated amount to project: Kenyan Energy Efficient Stoves. The project works with local social groups in East Africa to replace the use of open fires for cooking with energy efficient cooking stoves. These stoves reduce firewood consumption by half and save in the region of 3 tonnes of greenhouse gas emissions a year, 15 tonnes over the 5 year life span, in comparison to traditional cooking methods.

We have chosen this project because in addition to saving greenhouse gas emissions, the reduced need for firewood and the burning of rubbish leads to a corresponding reduction in the amount of time spent collecting cooking fuel. A strong element of CSR is social empowerment and the project benefits recipients of energy efficient technology with reduced energy and time costs, as well as a considerably improved health and safety environment.

INDIVIDUAL ENVIRONMENTAL FOOTPRINTING

As part of our UNGC monitoring and reporting, Article 13 calculated our team’s individual footprints. We do not offset these calculations but rather use the exercise to raise awareness and maintain responsible behaviour.



This is the second year Article 13 has completed our environmental footprint report and in relation to 2007, the average has increased from 4.81 Co2 tonnes to 5.28 Co2 tonnes per person in 2008. However, it has decreased significantly from our July average which is 7.11Co2 tonnes. As indicated in the below representation, this increase is mainly due to air emissions resulting from travel.

Therefore in 2009 Article 13 commits to reducing our individual carbon footprints by:

- *Promoting the use of public transport where possible and encouraging alternative methods of transport to not only reduce the travel related carbon footprint, but also increase health and well being; such as cycling or walking.*
- *We will also encourage unavoidable travel emissions to be offset at time of purchase and consolidated to make our individual carbon footprints as efficient as possible.*