

Sustainability at MAQ Software

“Making peace with nature is the defining task of the 21st century. It must be the top, top priority for everyone, everywhere... I firmly believe that 2021 can be a new kind of leap year – the year of a quantum leap towards carbon neutrality.”

António Guterres, UN Secretary-General, [“The State of the Planet”](#)

Sustainability is not just a business buzzword. Sustainability is the way forward, for all of us. In 2019 alone, the global population emitted [approximately 33 billion metric tons](#) of carbon dioxide (CO₂) into the atmosphere. So far, excessive CO₂ emissions have accelerated global warming by raising our planet’s core temperature 1°C.

Compared to the tech giants (who can produce around 50 million metric tons of CO₂ each year), MAQ Software’s carbon footprint seems minor. But, for the global population to reduce our emissions, sustainability must be a mindset for *everyone*. It requires a global effort. In response to the crisis, we commit to becoming carbon neutral by 2025 and carbon net zero by 2030, reducing our total carbon emissions by 55% by 2030.

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MAQ Software Today

We disclose our environmental impact status yearly to the Carbon Disclosure Project (CDP), an international non-profit that helps companies manage their environmental impact. We track and report our carbon emissions using the Greenhouse Gas Protocol, the world's most widely used greenhouse gas (GHG) accounting standards. The Greenhouse Gas Protocol divides carbon emissions into three scopes:

- 🌿 **Scope 1:** Direct emissions created by your activities. As an office-based organization, our scope 1 footprint is negligible (so we don't track it).
- 🌿 **Scope 2:** Indirect emissions caused by purchased heat, electricity, or gas. We currently track our scope 2 emissions across all locations.
- 🌿 **Scope 3:** Indirect emissions associated with your activities, such as emissions produced by manufactured products, business travel, employee commute, or building materials. Our scope 3 calculations cover the following activities: employee commuting, business travel, paper usage, and the purchase of laptops and monitors.
- 🌿 **Work from home:** In 2020, our team began to work remotely in response to Covid-19 quarantine guidelines. To account for work-from-home emissions, we developed a system to track emissions based on an estimated calculation. Work from home emissions were considered a part of scope 3 emissions.

Of the six GHGs outlined in the Greenhouse Gas Protocol (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆), we only track CO₂ emissions. As an office-based organization, the five other types of GHGs are negligible for us. For more information about how we calculate CO₂ emissions, uncertainty, and exclusions, please review the chart in the Appendix.

MAQ Software uses calendar years to calculate and track emissions (1 Jan–31 Dec). We are using 2019 as our base year. This report covers carbon emissions, protocols, and updates from the calendar year 2020. To track historic emissions and changes, we plan to implement an interactive Power BI report on our Sustainability page. Currently, that report exists exclusively as an internal tracking tool.

In 2019, our carbon emissions were **724.1 metric tons CO₂**

- 🌿 Scope 1: 0 metric tons CO₂
- 🌿 Scope 2: 560.4 metric tons CO₂
- 🌿 Scope 3: 163.7 metric tons CO₂

In 2020, our carbon emissions were **322.8 metric tons CO₂**

- 🌿 Scope 1: 0 metric tons CO₂
- 🌿 Scope 2: 279.1 metric tons CO₂
- 🌿 Scope 3: 43.7 metric tons CO₂

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A Note on Calculation Methods

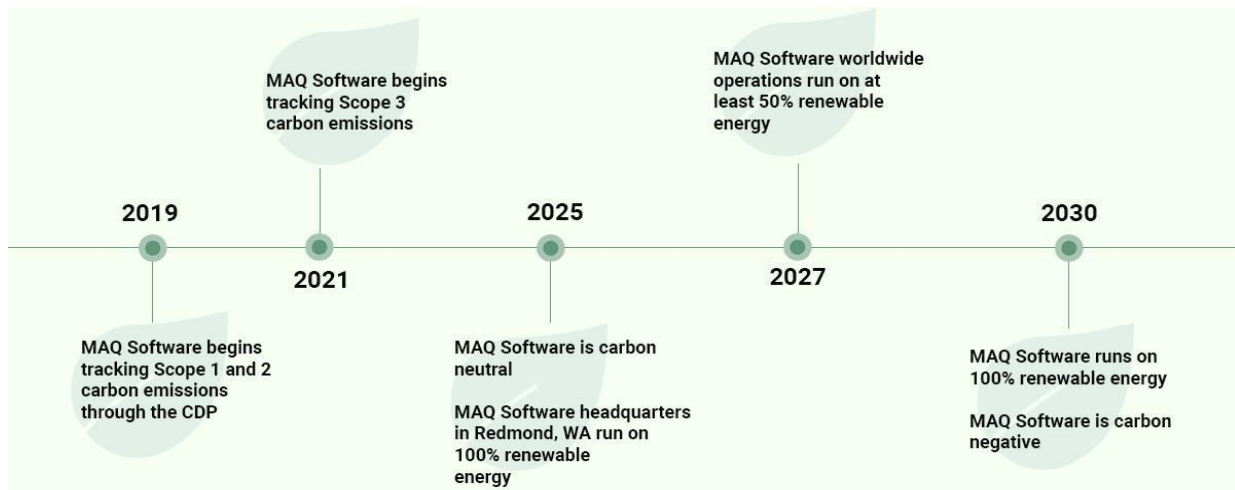
MAQ Software owns all our operations and uses the control approach to define our operational boundaries. We use the centralized approach to calculate carbon emissions across all three locations: Redmond, Mumbai, and Hyderabad. The Redmond headquarters receives activity data, and calculates and publishes our GHG emissions and updates.

MAQ Software calculates carbon emissions using an in-house calculation tool, updating our records on a rolling six-month basis, with the ultimate goal to update our public report on a quarterly basis. We strive to ensure consistency in our reporting across locations and time. As new calculation methodologies emerge, we will adjust our calculations accordingly. Currently, we are still in the process of developing a system to account for new acquisitions, divestures, outsourced resources, and insourced resources. For changes in calculating methodologies, we will recalculate all current and historical data, if relevant. If the change is significant ($\pm 5\%$), our Sustainability Report will show both the updated and historic numbers. Otherwise, we will leave historical data unchanged and use the new methodology going forward. Any changes in methodology will be reflected in the Sustainability Report.

As our goal is to reduce total emissions released into the atmosphere, our goal to reduce emissions by 55% by 2030 is an absolute target.

MAQ Software Tomorrow

We aim to become **carbon neutral** by the year 2025, and **carbon net zero** by the year 2030. By 2025, our Redmond headquarters will be 100% powered by green energy. By 2030, we will reduce our carbon emissions by 55%. We plan to work with [Science-Based Targets](#) to ensure our approach is transparent, disciplined, and guided by expert opinion.



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Our Sustainability Principles

- 🌱 **Ground our goals in science and math** - We base our tracking and goals on universally accepted processes. We align ourselves with sustainability leaders like the [CDP](#) and [Science-Based Targets](#) to ensure we are compliant with the latest protocols.
- 🌱 **Invest in green energy** - We are committing to renewable energy sources. By 2025, our headquarters will run 100% on green energy. By 2030, all our locations will run 100% on green energy.
- 🌱 **Reduce & remove** - We are investing in energy-efficient systems, education initiatives, cloud-based data management, hybrid working models, and more to *reduce* our carbon emissions. To account for unavoidable emissions, we are proactively investing in carbon offset programs to *remove* carbon emissions from the atmosphere.
- 🌱 **Transparent tracking** - Our sustainability principles and progress are public-facing to keep us accountable. We publicly announce our carbon emissions in our yearly Sustainability Report. We are currently building a Power BI report to track our carbon emission in real time, which will be available on our website once completed.
- 🌱 **One global (green) team** - Investing in a green future is a big undertaking. We rely on every one of our team members to reduce carbon emissions and identify new, creative ways to implement green ideas. Our sustainability progress is both readily available and frequently shared company-wide.

How Will We Do it?

We developed a two-part approach to sustainability:

1. Reducing Carbon Emissions:

- 🌱 *Investing in energy efficiency*: From investing in energy-efficient equipment (our laptops, tablets, and TVs at the Redmond headquarters are [ENERGY STAR](#) certified) to company-wide education efforts, we are going to reduce the amount of carbon we emit each year.
- 🌱 *Investing in green energy*: As an office-based organization, our scope 2 emissions are one of our greatest sources of carbon emissions. By 2030, we will completely replace our dependence on carbon-based electricity with renewable energy sources.

2. Investing in Carbon Offsets:

- 🌱 *Investing in offsets*: Reduction is our #1 goal. However, some carbon emissions are unavoidable. To offset those, we are investing in carbon offset programs.

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Our Sustainability Team

As a global company, we've established sustainability coordinators in both the United States and India. At our headquarters, we have a dedicated sustainability team lead by Rajeev Agarwal as Chief Sustainability Officer (CSO). If you have a question about our sustainability initiatives, principles, or goals, please email Sustainability@MAQSoftware.com.



Our 2021 Goals for Sustainability

Each year, we'll set a new sustainability goal to clear a path towards our final target. We want to ensure that every step is a step in the right direction.

2021 will be our year of **awareness**.

1. Awareness to our stakeholders
 - 🌱 Our team: By the end of 2021, any one of the 718 of us should be able to succinctly explain MAQ Software's sustainability goals and principles.
 - 🌱 Our community: We will publicize our sustainability initiatives and goals.
2. Awareness of renewable energy opportunities
 - 🌱 Identify and invest in green energy opportunities for our Redmond headquarters.
3. Awareness of our carbon emissions through improved tracking
 - 🌱 Track our scope 1, 2, and 3 emissions. We need a clear starting line to effectively reach our end goal.

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Appendix

Data Sources: For scope 2 emissions, we used primary data collected within the outlined boundary when available. We only used secondary data when primary data was unavailable. To convert activity data into emissions, we used regional and national emissions factors (see the chart below for specifics). For scope 3 emissions, we used a combination of primary data, secondary data, emissions factors, and estimations based on assumptions.

Uncertainty: As no calculation method is perfect, we have identified several possible areas of uncertainty within our above calculations, caused by a combination of estimation, measurement error, aggregation, and assumptions. For scope 2, uncertainties are introduced via metering accuracy and emissions factors. These are considered small and thus negligible. Scope 3 calculation inherently implies uncertainty, as it relies on secondary data and assumptions. To account for these uncertainties, we have taken a conservative approach to calculations.

Emission Type	Category	Evaluation Status	Sources and Calculation Method
Scope 1	Direct emissions	Not relevant, not calculated	We emit little-to-no scope 1 emissions as we do not own company vehicles, combustion devices, or refrigeration and air-conditioning equipment. Our heating is electrical and any potential scope 1 emissions would account for <0.05% of our carbon emissions, thus we do not track them.
Scope 2	Indirect emissions through purchased electricity	Relevant, calculated	<p>Scope 2 emissions have been calculated from primary data. Regionally and nationally available emission factors were used wherever available.</p> <p>We pulled activity data from our monthly electricity bills, which outline monthly kWh for each location.</p> <p>We pulled emissions factors from the EPA Emissions factor for NWPP (WECC Northwest) for Redmond and from the Ecometrica global emissions factors (for India).</p>
Scope 3	Purchased goods and services	Relevant, calculated	<p>Our scope 3 emissions for purchased goods and services cover purchased laptops, monitors, and sheets of paper.</p> <p>For laptop emissions data, we used the emission data outlined in the Dell Latitude 7400 product carbon footprint, which assume an impact of 320 kg CO₂ over the course of four years. In 2020, we purchased 250 laptops.</p> <p>For monitor emission data, we used the emission data outlined in the Dell P2719HC Monitor product carbon footprint, which assume an impact of 623 kg CO₂ over the</p>

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			<p>course of six years. In 2020, we purchased 0 monitors.</p> <p>For paper emission data, we used the emissions factor for landfilled office paper outlined in the EPA Simplified GHG Emissions Calculator (SGEC) and assumed that one short ton equals 1,400,000 sheets of paper. Every year we purchase 50,000 sheets of paper.</p> <p>For the moment, we do not track cloud computing data because the quantity of emissions from it is negligible. In future, if we change subscriptions, we may use the Microsoft Azure consumption tool to calculate our cloud emissions.</p>
Capital goods	Not relevant, not calculated		We do not have any capital goods to produce scope 3 emissions as we do not manufacture nor produce products.
Fuel-and-energy-related activities (not included in scope 1 or 2)	Not relevant, not calculated		There are no fuel nor energy related activities we emit emissions for that aren't covered in scope 1 and 2.
Upstream transportation and distribution	Not relevant, not calculated		As a tech company that deals in software, we do not have any transportation or distribution channels that emit scope 3 emissions.
Waste generated in operations	Not relevant, not calculated		As a tech company that deals in software, we do not generate waste in the delivery of our solutions.
Business travel	Relevant, calculated		We calculate our business travel emissions based on emission factors shared by the EPA, type of transport, and miles traveled. Due to 2020 Covid-19 restrictions, we had no business travel in this reporting year.
Employee commuting	Relevant, calculated		<p>For commuting data, we used the emission data outlined in the EPA Simplified GHG Emissions Calculator (SGEC), assuming that the entire Redmond force commutes via passenger car and the entire force in Mumbai and Hyderabad commutes via commuter rail. We assumed that our team is commuting from an average of 10 miles away.</p> <p>Due to Covid-19 restrictions, our workforce only commuted in the first quarter of the year, which is reflected in the data</p>
Upstream leased assets	Not relevant, not calculated		We do not have any upstream leased assets.
Downstream transportation and distribution	Not relevant, not calculated		We do not have any downstream transportation or distribution channels.

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	Processing of sold products	Not relevant, not calculated	We deal in software, so do not have emissions from the processing of sold products.
	Use of sold products	Not relevant, not calculated	As our solutions are based on products created by others (primarily Power BI, Power Apps, Dynamics 365, and Azure via Microsoft), we do not account for these emissions in our scope 3 calculations.
	End of life treatment of sold products	Not relevant, not calculated	As we work with software, end-of-life treatment is not a relevant calculation.
	Downstream leased assets	Not relevant, not calculated	We do not lease any downstream assets.
	Franchises and investments	Not relevant, not calculated	We do not have franchises or investments.
	Other (downstream)	Relevant, calculated	<p>Due to Covid-19 restrictions, we needed to account for work from home emissions. We assumed that each team member has one laptop and one monitor that they use 8 hours a day, 5 days a week, 39 weeks a year (the three quarters we worked remote).</p> <p>For laptops, we used the product's lifetime emissions of 320 kg CO₂ over four years.</p> <p>For monitors, we used the product's lifetime emissions of 623 kg CO₂ over six years.</p>