



ESG Report 2023

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Message from our CEO

Writing my introduction to the inaugural 2022 Zumo ESG report, the sector was just exiting a period of turmoil, highlighting the need to ingrain sustainability, values-based codes of conduct and operational resilience in the industry DNA.

2023 has been a year in which some of those learnings have begun to translate into action – and the collective realisation of the role of environmental consciousness, corporate responsibility and good governance in a future-proofed and long term successful digital asset sector.

With that in mind, it is my pleasure to report on Zumo's progress in these areas in the calendar year 2023.

As we continue to build out intelligent infrastructure for a sustainable, compliant digital asset future – and as we evolved to become a B2B focused as-a-service provider – it is clearer than ever that the enabling solutions we provide must embed sustainability considerations as an integral part of any cryptoasset offering. A highlight of the year was launching Oxygen to the wider market as that solution. Oxygen is the world's first comprehensive solution for tackling the carbon footprint of digital assets and will enable Zumo's clients, including banks and asset managers, to provide ESG-aligned, future-proofed digital asset offerings to their customers.

It was also a year of securing compliant routes to market. I'm pleased to say that Zumo remains at the forefront of compliance-first solutions in the UK market, alongside our strategic exploration of other promising geographies. In 2023, important work was undertaken to operationalise compliance requirements including the Travel Rule for cryptoasset transfers, and the extension to cryptoassets of financial promotions regulation, with Zumo becoming the first digital asset platform to integrate the tech-based requirements of the incoming regime.

UK regulatory alignment is a top priority at Zumo and this is achieved by open communication and transparency with the regulators in all incremental steps that we take. Our platform has been engineered with a focus on compliance and sustainability, positioning Zumo as a digital asset partner the UK market can have faith in.

As everywhere in the industry, there is lots going on and lots to tell: I encourage you to read this report and to refer to the key actions summarised on the ESG & Impact pages of our newly re-launched [website](#).

Delivering a financial future that creates opportunities, protects people and leaves a positive impact on our planet will rely on our collective collaboration, co-operation and co-creation, and we look forward to continuing to work with you towards this goal in the months and years to come.



Nick Jones
CEO at Zumo

About Zumo

Zumo is a digital asset solutions provider with the mission to create easy to use and fully compliant financial tools, so that digital assets are adopted by the many and used in total peace of mind, every day.

As an enterprise-focused digital-asset-as-a-service platform, our API-based infrastructure offers a fast, flexible and compliance-sensitive route to market, empowering fintechs, banks, asset managers and brands to embed the tools of the future simply, securely and sustainably while also opening up new revenue streams, attracting new customers and supporting customer retention.

A values-driven business, we have underlined our commitment to a fairer society and a sustainable planet with an ambitious 2030 net zero strategy encompassing our own business; the blockchains we work with; and the wider digital asset ecosystem. Carbon-neutral since inception, we're committed to ongoing collaboration in the decarbonisation of the digital asset industry. We were an early signatory of the Crypto Climate Accord; a founding member of the Emerging Technologies Sustainability Taskforce; the first digital asset business to receive UK government funding from the UK's national innovation agency, Innovate UK, to further our applied work on the decarbonisation of digital assets; and are a key contributor to industry guidance on the energy consumption of blockchain, working in tandem with the World Economic Forum and Global Digital Finance.

Our infrastructure also powers the direct-to-consumer Zumo App, launched in the UK and registered with the Financial Conduct Authority (FCA).

Our values



Inclusion inspires

- Zumo is accessible and useful to people everywhere.
- We believe the benefits of crypto and blockchain are for everyone.
- We seek to ensure our decisions and actions benefit people and the planet.



Unshakable commitment

- We treat everyone in a respectful way.
- We provide a laid-back environment to ensure great productivity.
- We bring our A-game to work every day.



Transparency wins

- Everything we build has usability and security at its core.
- We seek to make the complex seem simple, and we don't use jargon.
- In every situation, we speak the truth.



Love the adventure

- We do not take the easy path unless it's the right one.
- We are constantly exploring to find the best way.
- We accept failure as part of the road to success.

Environmental

A note on scope: this environmental section of the ESG report is deliberately focused on carbon footprint and climate reporting, representing the single material part of Zumo's environmental impact based on its current operations. This is not to deny the importance of other considerations such as waste or water usage; however, since these are currently less relevant in the Zumo context¹, they are not covered in this report.



01. Zumo's net zero strategy

At Zumo, we have always been clear that for digital assets to realise their long-term potential, the business models we create must be environmentally sustainable – and leverage the native advantages we have as a sector.

Therefore, our pledged goal as a company is net zero by 2030, in our own business and in the electricity consumption associated with our digital asset-related operations.

In line with that ambition, our publicly shared **2030 net zero strategy** outlines a three-pillar roadmap encompassing our own business; the blockchains we work with; and the wider digital asset ecosystem.

Our 3 pillar commitment

1

Zumo
the company

2

Zumo and
the blockchain

3

Zumo and the
wider ecosystem

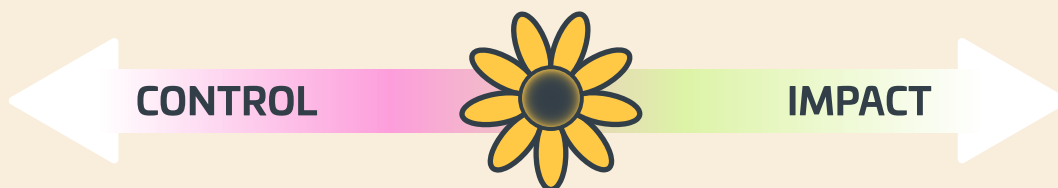


Fig. 1: An overview of the three pillars of Zumo's net zero strategy

Specifically, this means:

Pillar 1: Zumo the company

Zumo commits to quantifying, reducing as far as possible, and offsetting / removing² the remainder of our Scope 1, 2 and 3 emissions.

- This applies from the day we were founded and includes indirect emissions³ such as business travel, staff commuting, and working from home (see the 'Carbon footprint data' section for our full 2023 report).

¹ Waste production and water use are primarily impacts associated with staff homeworking, with minimal operational waste produced.

² Offsetting in line with Oxford Offsetting Principles. 7% removal in 2023.

³ Includes scope 1, scope 2 and non-blockchain-related scope 3 emissions, please refer to appendix 2 of this report for scope 3 screening.

Pillar 2: Zumo and the blockchain

We will quantify, mitigate and disclose the electricity consumption associated with our digital asset activity, and develop products and services to enable our clients to do the same.

- Through our Oxygen offering, we will continue to develop the products and services to enable our clients to align their offerings with net zero principles.
- We will inform and engage our customers relating to the electricity usage of blockchains (data for which also reported later in this chapter).

Pillar 3: Zumo and the wider ecosystem

We will work with industry partners, engage in knowledge sharing, and be active in driving the sector forward to reduce the carbon footprint of our industry.

- We will actively contribute to supporting industry-wide commitments, driving conversation and shaping the sector frameworks and guidelines that allow localised action to translate into lasting impact across the ecosystem (more about which in the '2023 progress report' that follows).

The digital asset sector is a young sector with huge potential. We remain stubbornly optimistic that by acknowledging the urgency of the decarbonisation imperative - and taking strong, purposeful action today - we and the digital asset sector have the opportunity to lead the way in guiding the critical next steps in the maturation of the industry and showcasing what sector-wide decarbonisation could look like.

02. 2023 progress report

As with 2022, 2023 was a year of significant positive momentum in the decarbonisation of digital assets - from a Zumo perspective, and in the wider industry.

In line with Zumo's overarching net zero strategy, this progress report section details the specific actions Zumo took in 2023 and the tangible progress that was made over the year.

Zumo's sustainability journey



Fig. 2: An illustrated timeline of Zumo's sustainability journey to date

Practical action

Following on from the practical testing and pilot programme described in last year's report, which culminated in Zumo becoming the first digital asset business to receive UK government funding from the UK's national innovation agency, Innovate UK, 2023 was about building further on this foundation and launching a fully formed solution.

Zumo **Oxygen**, soft launched in **June 2023** at the Money20/20 conference in Amsterdam, was announced as a world-first digital assets solution for financial institutions prioritising ESG. Allowing clients to provide ESG-aligned, future-proofed digital asset offerings to their customers, the targeted solution combines the forecasting and calculation of crypto electricity consumption with standard industry data, and uses renewable energy procurement in the form of Renewable Energy Certificates (RECs) to ensure crypto or blockchain activities are matched with an equivalent compensating purchase of RECs, or other selected market instrument.

Over the course of 2023, this was matured and developed over multiple angles. First, through the building and strengthening of data, procurement and blockchain proof partnerships to ensure the most robust data, high-quality market instruments and verifiable proofs for the Oxygen solution. Second, through practical experimentation with the most impactful and strategic procurement strategies for supporting market instruments such as RECs and carbon credits. And finally, through the forging of entirely new partnerships, such as with **data provider CCRI**, to support ongoing exploration of product possibilities.

Much of this experience was distilled in the onboarding of the first Oxygen **live client**, Jacobi Asset Management, in August 2023, and catalysed by founding membership of the Emerging Technologies Sustainability Taskforce (**ETST**) to facilitate inter-disciplinary conversation and policy engagement on these emerging topics.

Knowledge sharing

Zumo has always aimed to be transparent and open in documenting its sustainability journey and thinking. We continue to be extremely active in knowledge sharing with the wider sector and beyond, representing our views and practical experience of blockchain sustainability at various events, with highlights including panel and speaking appearances at:

- **Sustainable Blockchain Summit**, Boston, USA.
'Scaling renewable energy with blockchain', April 2023.
- **London Blockchain Finance Summit**, London.
'ESG & climate', May 2023.
- **Money 20/20**, Amsterdam.
'Nurturing a climate-conscious crypto sector', June 2023
- **Point Zero Forum**, Zurich.
'Cryptoassets and climate change: Understanding the carbon footprint and opportunities to dampen it', June 2023.
- **Scotsoft**, Edinburgh.
'Catalysing web3 and sustainability', September 2023.
- **SIBOS**, Toronto.
'Digital assets, sustainability and regulation: the new convergence', September 2023.
- **Glasgow Fintech Climate Conference**, University of Glasgow.
'Addressing our climate crisis with technology and data', October 2023.
- **Zebu Live**, London.
'The sustainable future of web3 - moving from mitigation to regeneration', October 2023.
- **Crypto UK webinar**.
'The sustainability switch: starting and scaling your crypto sustainability journey to gain competitive advantage', October 2023.

Driving sectoral change

At Zumo, we are determined to achieve a regenerative future in which technology and climate action combine for a thriving and sustainable world. This is not a path we walk alone. Change must be coordinated, knowledge shared, and action inspired by the collaboration of all who care about the digital asset sector and the open, transparent and verifiable world of value transfer it seeks to create.

Zumo continues to contribute actively to the development of industry-wide sustainability guidance, knowledge sharing and sector frameworks that allow localised action to translate into lasting impact across the ecosystem. A lot of this work has interacted with the third 'ecosystem' pillar of the Zumo net zero strategy - where collaboration is vital and the maximum impact can be achieved.

Europe's first spot Bitcoin ETF supported by Zumo

In August 2023, Jacobi Asset Management listed Europe's first spot Bitcoin ETF on Euronext Amsterdam. The product leveraged Zumo's work in the area to incorporate a managed **solution** from Zumo to quantify the electricity consumption attributable to bitcoin held in the ETF and purchase an equivalent amount of RECs, the standardised instrument for procuring clean power.

Guidance

Continuing our work in this space, in 2023 Zumo was privileged to contribute to, and align with, a number of active wider collaboration projects driving progress in the digital assets decarbonisation space. Highlights include:

- World Economic Forum's Crypto Sustainability Accelerator '**Guidelines for Improving Blockchain's Environmental, Social and Economic Impact**'
- GBBC's **Global Sustainability Standards Mapping Initiative**, in particular the '**Sustainability Report**'.

Emerging Technologies Sustainability Taskforce

Building on this work, in July 2023 Zumo Sustainability Director Kirsteen Harrison, and Sales & Marketing Director Amelie Arras, co-founded the Emerging Technologies Sustainability Taskforce (ETST) alongside Dr Cathy Mulligan and Suzanne Morsfield.

The ETST was set up in recognition of the fact that traditional accounting standards, sustainability standards and technical standards are combining. In this rapidly evolving environment, the ETST's purpose is to ensure that the specific characteristics of emerging technologies such as blockchain are encapsulated.

Consultation responses

Zumo remains active in responding to consultations, both as part of the ETST and independently. Recent consultation responses include:

- **Cryptoasset sustainability disclosures in the EU under MiCA (ESMA)**
- **Call for Evidence: Environmental impact of cryptoassets (OECD)**
- Call for comments on the ISSB's Request for Information (UK Endorsement Board)

Awards & accolades

Zumo's work in the area has been acknowledged with a number of public recognitions.

2023



2022



Ecosystem developments

As is clear from the preceding content of this chapter, the strands are coming together for the digital asset ESG space as a focus point of urgent and required action, both in terms of sector frameworks, coordinated guidance, and attention from policymakers and dedicated industry bodies.

At a macro level, the need to integrate sustainability considerations into corporate action became increasingly evident over 2023, with the progress of the EU's Corporate Sustainability Reporting Directive (CSRD) and the unveiling of inaugural global sustainability disclosure standards from the International Sustainability Standards Board (ISSB). This overarching imperative duly filtered through in the embedding of sustainability requirements into the progress and consultation held on both the EU's (MiCA) and UK's (future financial services regulatory regime for cryptoassets) digital asset specific frameworks over the year.

Within the industry, the year brought the first substantive **revison** since 2019 to the Cambridge Bitcoin Electricity Consumption Index (CBECI). Nevertheless, the data picture remains one of Bitcoin as the main driver of electricity consumption in the cryptoasset sector, with ESG benchmarking placing Bitcoin's electricity demand at 88% of the analysed cryptoasset total (**CCData**).

In response, 2023 for Zumo had a practical solutions focus, and so too in the wider industry, where narratives and developments continued to move at pace. Two worth noting in brief here is the at-source potential for improving the environmental impacts of Bitcoin mining, with **flexible load response**, **renewable energy expansion** and **methane mitigation** all receiving theoretical academic scrutiny, though timelines for large-scale operationalisation will inevitably be considerably longer than the ideas behind them. Separately, a growing blockchain community-based **regenerative finance**, or 'ReFi', movement looks to deploy underpinning blockchain technology as climate tech and optimiser of environmentally-oriented infrastructure and systems, with more and more solutions emerging out of the space.

As we look ahead to 2024, Bitcoin remains in our view a priority focus as the single largest electricity consumer (responsible for some 88% of all crypto electricity consumption), and we will be working to maintain the momentum in ensuring that mitigation solutions – both ours and in the wider industry – have maximum real-world impact as they begin to be rolled out at scale.



03. Carbon footprint data

Sustainability and transparency are core values of the Zumo business, and we are committed to publicly documenting our sustainability journey. This section of our ESG report sets out our carbon reporting data for 2023.

Zumo's 2023 carbon footprint

Fig. 3 and Fig. 4 below show Zumo's total carbon footprint for 2023 using both the location-based (Fig. 3) and market-based (Fig. 4) approaches.

Total carbon footprint 2023 - Location based

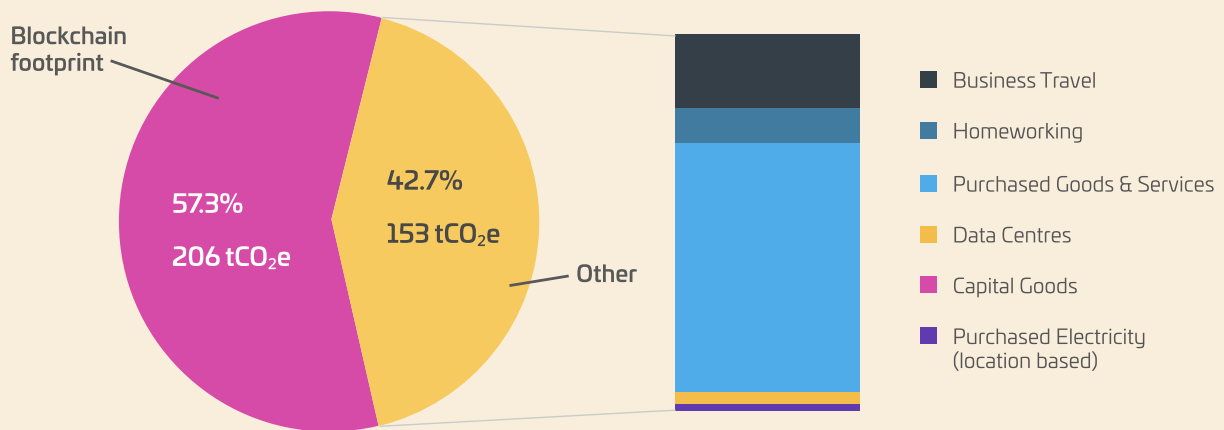


Fig. 3: Zumo's total carbon footprint (company operations and blockchain) for the calendar year 2023 (location-based).

Total carbon footprint 2023 - Market based

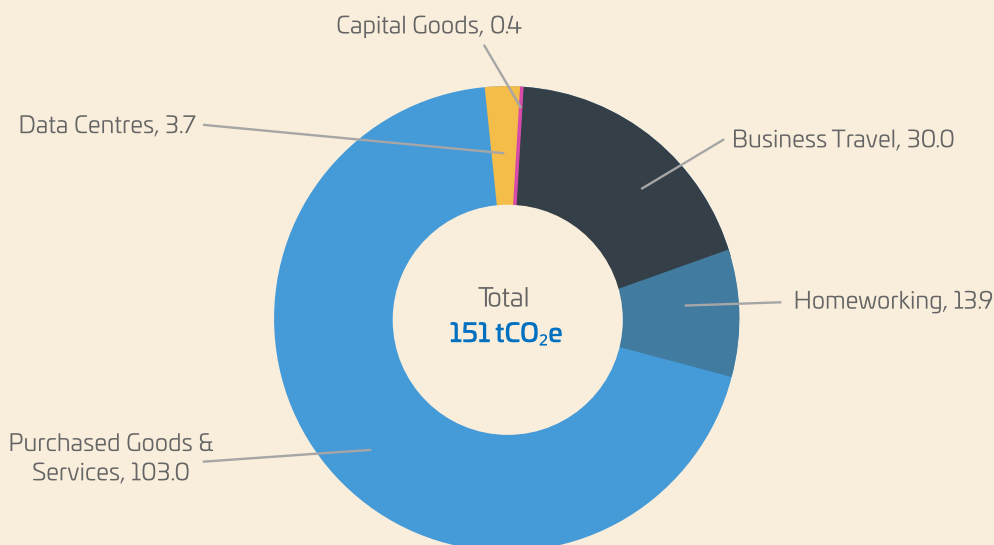


Fig. 4: Zumo's total carbon footprint (company operations and blockchain) for the calendar year 2023 (market-based). Renewable energy purchases have been made for all blockchain-related emissions.

Zumo's total 2023 carbon footprint was 358 tCO₂e before the purchase of any Renewable Energy Certificates (this is known as our 'location-based' footprint as it includes the carbon footprint of 'grid-average' electricity consumption due to cryptocurrency activity).

Zumo made a renewable energy purchase, in the form of RECs, to account for 100% of our crypto and blockchain-related indirect electricity consumption. This is shown in Fig 5, which represents our 'market-based footprint' (which takes into account the purchase of renewable electricity). Using the market-based approach, Zumo's total carbon footprint for 2023 is 151 tonnes CO₂e.

A full breakdown of the carbon footprint of blockchain activity is given in Appendix 4.

Zumo's carbon footprint over time

Compared to Zumo's overall carbon footprint in 2022 (see Fig 5) the non-blockchain component has increased in 2023, largely due to a more comprehensive assessment of the carbon footprint related to 'purchased goods and services'. However this is accompanied by a corresponding decrease in our staff 'working at home' emissions, largely due to an increased number of staff signing up to a renewable electricity tariff and a move towards localised heating of work spaces with electric heaters rather than heating the entire house when working. Business travel will remain a significant part of our footprint due to the global nature of blockchain events, and we strive to manage this by minimising the number of staff that travel to international events and ensuring we align meetings as far as we can to avoid redundant travel.

Despite the fact that Zumo is a growing business, in terms of the company's own operations, carbon footprint viewed on a per FTE basis has not increased significantly as company headcount has grown (see Fig 6). This reflects the fact that sustainability has been at the core of the business since we were founded, and the boundaries of making significant reductions in carbon footprint in a company with a lean operating model.

Zumo's blockchain-related carbon footprint has decreased in light of a strategic focus on enabling services for third-party enterprise clients as opposed to providing direct-to-consumer services through its own application. We have also spent time developing Oxygen as a practical solution for tackling blockchain carbon footprint.

The Merge of the Ethereum blockchain in 2022 also had a significant and positive impact, reducing our carbon footprint in relation to Ethereum to nearly zero, even when the location-based approach is used. Bitcoin remains a challenge, as we have no control or influence over the electricity consumption of the Bitcoin network at source, meaning that procurement of appropriate market instruments in the form of RECs remains the best current option.

Zumo total carbon footprint 2019-2023

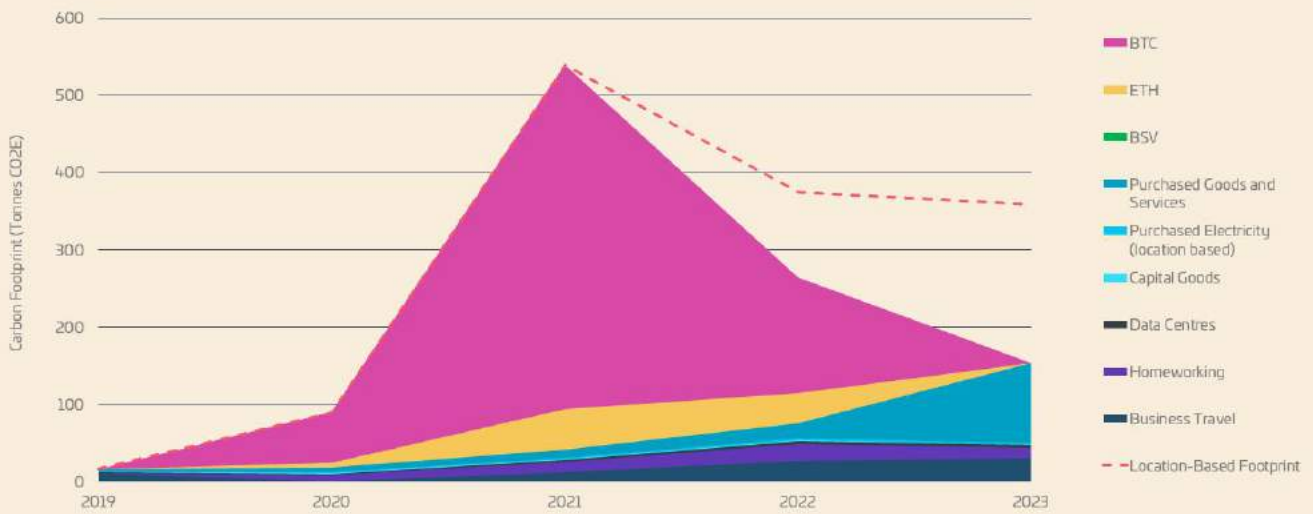


Fig. 5: Zumo carbon footprint from 2019 to 2023 using the market-based accounting method (with dotted line to show location-based footprint). Blockchain-related emissions form the bulk of Zumo's footprint, peaking in 2021 as the scale of the problem became evident and Zumo started its work to calculate impact and develop mitigation strategies, and tapering down in 2022 and 2023 based on subsequent renewable energy procurement processes put in place.

Zumo carbon footprint per employee 2019-2023

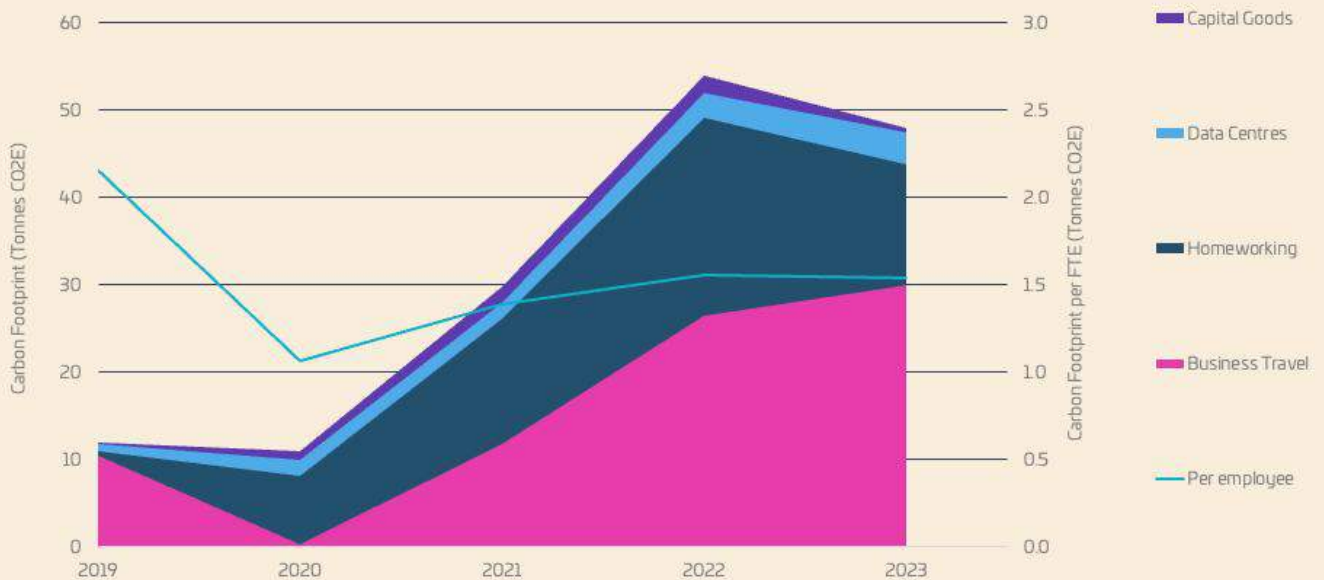


Fig. 6: Zumo carbon footprint from 2019 to 2023 on a 'per employee' basis. Emissions related to blockchain and purchased goods and services are omitted from this as they do not relate to employee numbers.

Further mitigation action

In line with the data reported above, Zumo has, for the year 2023, and previous years, used carbon offsets to address its calculated company carbon footprint and renewable energy certificates (RECs) to address its blockchain-related carbon footprint.

As outlined in the Zumo [Decarbonising Crypto reports](#), RECs have been used for the blockchain component in preference to carbon offsets because of (a) RECs being a recognised market instrument in the Greenhouse Gas Protocol's 'Market-based accounting method' (b) the predominance of electricity consumption as the key input in the environmental impact of blockchain, meaning that, in our view, the clearest line of sight and path of least assumptions is to account for our share of electricity consumption with an electricity generation-targeted instrument such as the REC. This is also the approach employed by Zumo's Oxygen product, which allows any party with digital asset exposure to conduct the same process.

The following mitigation action has been taken for 2023:

Renewable energy certificates

- For all Zumo blockchain-based activity, a purchase of RECs covering 406 MWh was made (see certificate [here](#)). The CCRI / Southpole hybrid calculation methodology has been used. This accounts for 100% of Zumo's blockchain electricity consumption in 2023.
- RECs have been procured from the USA (where the [most recent data](#) shows 38% of Bitcoin mining is located) and from [Vietnam](#) (where coal provides over 45% of the country's electricity.)

Carbon offsets & removals

- We have procured carbon offsets to cover all of Zumo's non-blockchain carbon footprint for the reporting year (2023) and for every year of the company's operations going back to our inception in 2018 (see Appendix 5 for 2023 proof)
- In line with the Oxford Offsetting Principles, Zumo is committed to increasing the amount of permanent removals, recognising the limitations of traditional offsets and also the need to build a market for and be early adopters of higher-risk and more expensive carbon removals. As part of this commitment, in 2022 5% of our carbon footprint was accounted for by carbon removals and in 2023 this was 7% (see proof [here](#) and in Appendix 5).
- In 2023 a total of 142 offsets and 10 carbon removals were purchased, covering 100% of Zumo's non-blockchain carbon footprint (shown in Fig 5).

Progress evaluation and concluding remarks

Summing up this carbon data section of the report, as in previous years blockchain-related electricity consumption has represented the most significant portion of Zumo-attributable footprint. However, the Merge of the Ethereum blockchain has led to significant reductions in this and coupled with Zumo's strategic move to focus on providing Enterprise solutions has led to a year-on-year reduction of our blockchain carbon footprint even before Renewable Energy Certificates are considered. Notwithstanding this, in 2023 Zumo procured RECs to account for 100% of the company's blockchain-related carbon footprint.

Blockchain electricity consumption, particularly where the Bitcoin network is concerned, remains an area over which we have little direct control. The scale of the challenge is, however, apparent, which is why we have aimed to be proactive in engaging with the wider industry where at-source impact can ultimately be made, and in launching Oxygen as a solution to enable our clients to address their own blockchain impact. Certainly, the predominance of blockchain electricity consumption and lack of direct control at platform provider level is a unique component of operating a business in the digital asset sector.

To that end, we will continue to share these figures on an annual basis, and look forward to building on this further in future versions of the Zumo ESG report.

Social



01. Social Impact

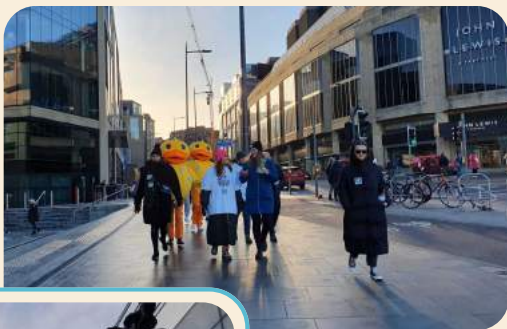
Corporate Social Responsibility

Crypto and digital assets more broadly have grown out of the vision to rethink existing ways of doing things, and deliver innovative, fairer and more equitable solutions that work for people everywhere, whoever they might be.

At Zumo, we believe in the real-world potential of blockchain technology to positively impact people and the planet – and the need to live and showcase shared values. Since the company was founded, Zumo has nurtured a close partnership with waste management charity [WasteAid](#), finding common ground in a wider mission to empower communities and create sustainable livelihoods, at scale. In the last five years, Zumo has raised over £33,000 for WasteAid.

In 2023, Zumo was an active supporter of WasteAid's Big Give campaign, which successfully met its £10,000 funding target over the period 20th-27th April 2023, coinciding with Earth Day on 22nd April. Donations were matched by the Big Give's Green Match Funding campaign, raising money for WasteAid's work in improving livelihoods and the environment in Cameroon.

Members of the Zumo team also offered their time and expertise in a range of coaching and mentoring initiatives in return for donations to the Big Give campaign.



Financial inclusion and education

Blockchain and digital assets represent a paradigm shift, in the financial world and potentially far beyond. But for that potential to be fully realised, there is a huge amount of work to be done to communicate the technology, showcase the risks and opportunities, and ensure the benefits of digital assets are open, inclusive and accessible to all.

Based on our core value of inclusion, Zumo has developed a range of free educational resources and inclusively designed initiatives to ensure anyone can be comfortable with and enjoy the benefits of digital assets in an informed and sustainable way.

Education

Launched in 2022, the Zumo Crypto Confidence live podcast explores a wide range of topics in digital assets and web3, breaking down knowledge barriers, educating consumers about risks and pitfalls as well as opportunities, and providing an outlet to get closer to the digital asset space. Topics in 2023 included the Financial Promotions Regime, crypto tax, Zumo product developments and CBDCs & the future of money.

From an education perspective, we continue to invest in the resources and educational materials that allow anyone to successfully navigate the fast-evolving digital asset space. Across our blog, podcast and insights pages, we continue to publish clear and accessible materials that address the commercial landscape, emerging topics in digital assets and the compliance and sustainability issues surrounding them. An important part of this has involved outreach across communities and user groups, and spokespeople from across the Zumo business have been extremely active in speaking at events and initiatives designed to ensure that the benefits of crypto can reach as wide an audience as possible.



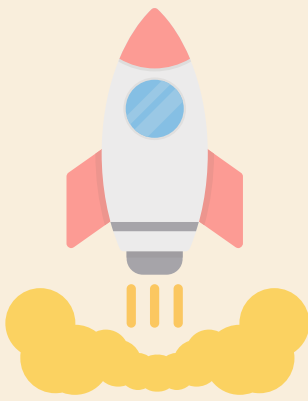
02. Working at Zumo

Building on mutual values, a commitment to people and a shared vision of success, Zumo aims to provide career-defining work and a place for colleagues to thrive.

Values action and employee engagement

As a values-driven business, we want to create a working environment where shared values are celebrated and recognised.

Every quarter, the Zumo Values Awards hold up those nominated by their colleagues as exemplifying the Zumo values. In 2023, we received 170 nominations in total and crowned 12 values award winners.



We had a total of **170** nominations in 2023



Inclusion inspires
40 nominations



Unshakable commitment
46 nominations



Transparency wins
40 nominations



Love the adventure
44 nominations

Fig. 7: Combined 2023 Zumo Values Awards nominations across the Zumo values categories

Testament to the level of collaboration and teamwork within the business, 26 colleagues received nominations throughout the year, with well over 60 recognitions and messages of ongoing support shared day-to-day in the all-company 'Gratitude, praise and values' Slack channel.

A positive working environment is something we at Zumo want to encourage - and be mindful of - on a daily basis, and this is valuably supported by the work of the Zumo Employee Engagement Committee. Bringing together representatives from all teams in the business, the Zumo Employee Engagement Committee listens to company-wide feedback from colleagues to improve life at Zumo based on our shared range of perspectives, ideas and experiences.

“ The Zumo Employee Engagement Committee brings together employees from different departments who might not have a chance to work together normally. We not only share ideas and feedback from our teams but also get to know each other better which is very important as we are all working from home and do not get to socialise as much. Every member of the committee is enthusiastic about improving the business and its culture and it is beautiful to see the rest of Zumo enjoy and appreciate what we bring to the whole team. ”

Monika Chiummo

Zumo Employee Engagement Committee

Supporting our people

As a forward-thinking, remote-first employer, Zumo has a range of initiatives in place to ensure a supportive and nurturing work environment for all our people.

Generous holiday allowance

We understand how important it is for our team to recharge, spend meaningful time with the people close to them and explore new experiences. Zumo previously provided unlimited holiday allowance, but on the back of employee feedback, we decided to introduce a holiday limit, to provide clearer guidelines to colleagues of what is an acceptable level of annual leave. We settled on a generous 40 days annual leave allowance, and didn't mandate public holidays to provide autonomy and cater for our multicultural and distributed workforce, so they can celebrate their local holidays. In addition, to ensure a minimum rest is taken, we introduced a holiday minimum of 28 days, to encourage switch off time and contribute to staff wellbeing.

Inclusion and engagement

Zumo is committed to building an inclusive environment where everyone feels psychologically safe and can feel a sense of belonging.

To ensure we are supporting our staff effectively - as well as proactively monitoring and responding to overall sentiment and engagement levels - we run a bi-annual Employee Engagement survey, delivered anonymously via the CultureAmp platform.

Amidst the challenging conditions in the industry in 2022, in early 2023 Zumo had to make the difficult decision to realign the strategic direction of the business, a carefully consulted and managed process during which a number of roles were made redundant.

This was a necessary short-term measure to manoeuvre a period of market volatility from which several other businesses did not emerge; and we are pleased to report that the business has since returned to hiring growth.

As a result of essential cost management to ensure the long term viability of the business, our staff engagement score inevitably recorded a notable dip during the year, falling to 52% from 90% in 2022, and a 71% average score for the fintech sector.

We have taken all the feedback on board and addressed a number of areas, with ongoing focus on closing the gap further in 2024, with a particular focus on remuneration and benefits. Identification and delivery of further improvements arising out of employee engagement surveys is conducted on an ongoing basis, spearheaded by the work of the Zumo Employee Engagement Committee.

Remote working, team building and support

At Zumo, we are a distributed and remote-first team, but we also understand the importance and value of in-person connection; which is why, on a quarterly basis, we enjoy coming together for our quarterly all-hands meetings. Not because we believe work is done better in person - in fact, we aim to give all our colleagues as much freedom and flexibility as possible to do their best work - but because our business is built on the strength of our relationships with each other.

We acknowledge that this has a knock-on impact on our carbon footprint, and therefore seek to balance the benefits of personal interaction with virtual meetings where it makes sense to do so.

Outside of the day-to-day, we also run a range of flexible, informal activities designed to support 'out-of-work' interactions and relationship building, including staff quizzes, Water Cooler Fridays and DEAL sessions.

DEAL Sessions (Drop Everything and Learn) are part of Zumo's drive to champion continuous learning and professional growth. Held fortnightly, these sessions are a cornerstone of our commitment to the personal and professional development of our staff. DEAL sessions are designed to foster a culture of learning and sharing within the workplace, covering a diverse range of topics from compliance and regulatory standards to management, leadership skills, climate action and personal development strategies.

Fair working

Fair work means fair working conditions, equality of treatment and opportunity, and a safe and healthy working environment.

As Zumo employees, all our colleagues are entitled to:

- A clear communication - and enforcement - of workplace rights and expected codes of conduct as outlined in the Zumo Grievance, Harassment & Bullying and Disciplinary policies.
- Equality of opportunity as codified in our Equal Opportunities policy and supported by our ongoing efforts to ensure an ethos of diversity, development and inclusion in the workplace (see also the DDI section that follows).
- The right to a safe and healthy working environment, as supported by our Health & Safety Policy, including assistance with DSE workstation assessments and purchasing of additional desk equipment if needed.

Zumo is a fair wage employer, and will always encourage employees to bring a colleague or representative to any meetings where a trade union representative would normally be advised to attend.



03. Diversity, development and inclusion

Zumo aims to be a place where everyone can feel welcome and receive equal treatment, and that means working to foster diversity and opportunity for all.

This section outlines our key workforce diversity and inclusion metrics for 2023, and the work we are doing to actively support and develop our people. We remain dedicated to fostering an environment where every employee, regardless of gender, has the opportunity to thrive; and further information on our gender pay gap can be found [here](#).

Workforce data 2023

Workforce



Fig. 8.1: Gender distribution, full-time/permanent Zumo employees
 Fig. 8.2: Gender split, management team
 Fig. 8.3: Overall salary distribution by gender, management team

Executive Team

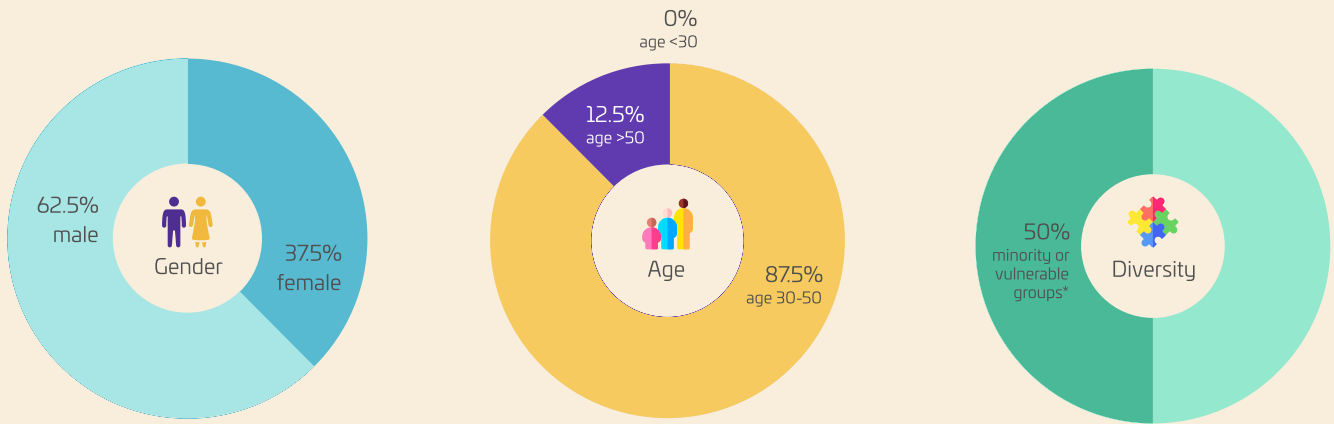


Fig. 9.1: Gender distribution, executive team
 Fig. 9.2: Age distribution, executive team
 Fig. 9.3: Proportion of executive team belonging to minority/vulnerable groups

All job applications to Zumo are handled via the Workable application tracking system to ensure a consistent and fairer recruitment process, and we run all our job adverts through Gender Decoder to publish inclusive job adverts.

*UN definition

Mentorship and support

Zumo strives to provide an environment that is supportive in allowing employees to seek out growth opportunities and be proactive in their own personal and career development. To this end, we provide mentorship opportunities for staff and offer both internal and external coaching opportunities to our staff. A number of colleagues have taken advantage of these opportunities and have reported positively on the impact that this has had.



Governance



01. Governance

Corporate governance and ESG oversight

We operate at a time when there is a greater need than ever in the wider industry for good governance, regulation and trust.

As a business, Zumo has been set up from the outset to maintain full regulatory compliance and take the most sustainable path - not just the easiest one.

We operate our business on the belief that the clear competitive advantage will be with businesses that act in good faith to ensure sustainable business practices and a considered and resilient operating model. That is why we are focused on building a governance-driven, regulated and highly secure platform ready for the mass adoption of web3 and digital assets.

Zumo Executive Team

Zumo is led by a highly experienced senior leadership team with a diversity of professional experience across technology, digital assets and financial services, and a track record of building scalable, resilient businesses.

Executive team members



Nick Jones
Co-Founder and CEO

Nick is a respected veteran of the tech start-up scene and regular speaker at major industry events, including Web Summit and the Paris Fintech Forum. As Co-Founder and CEO, he leads Zumo's mission to create opportunities, protect people and leave a positive impact on our planet. Beginning his career at the height of the dot-com boom in 2000 with the launch team of Goto.com, Nick has spent his whole working life at the bleeding edge of the digital industry and has been involved in the early stages of the commercial internet, mobile, social media, big data, machine learning/AI and now blockchain technology.



Paul Roach
Co-Founder
Chief Product Officer

Paul is an experienced product developer with 20 years' project management, technical product design and user acquisition experience under his belt. He heads up the development of Zumo's award-winning suite of products, informing the iterations that underpin the company's pioneering position within the industry. Paul has been at the forefront of digital development since 2001, in a career spanning international agencies, publishers and global businesses. Between 2007 and 2011, he was responsible for the audience development strategy at The Guardian, overseeing its transformation into one of the world's most accessible publishing sites.



Tim Sabanov
CTO

Tim is a renowned technology developer with an enviable international reputation. As Zumo's forward-looking CTO, he brings over 10 years' experience of providing market-leading solutions to firms working with blockchain technologies. He specialises in payments, financial services and fintech, and plays a key role in defining Zumo's overall strategy and leading new Web 3.0 projects. Prior to joining Zumo, Tim was a full-stack blockchain developer with Slovenian-based app specialist D.Labs, and has also worked with mungoparc, SPRD.digital and Zabec.net.



Devina Paul
CFO and Deputy CEO

Devina has over 20 years' experience as a finance professional and has spent the last 10 years working with start-ups to prepare their business for investment, scale and high growth. As Zumo's CFO and Deputy CEO, she has oversight of the company's financial goals, objectives and budgets. Devina is also an early-stage investor and Co-Founder of Galvanise Capital, an angel investment syndicate. She has multiple exits and funding rounds under her belt - most notably with I Spy to Dentsu Aegis, Encore Digital Media to Next 15 and Aquila Insight to Dentsu Aegis.



Dagmara Aldridge
Chief People &
Culture Officer

Dagmara is Zumo's Chief People and Culture Officer, responsible for leading the company's progressive 'People' function. Her role is to support the company's growth while maintaining its culture, empowering Zumo's talent to have a positive impact on the wider industry, financial inclusion and the environment. Dagmara first joined Zumo in 2020 as Chief Operating Officer, bringing over 15 years' leadership experience from across the payments, financial services and fintech sectors. She previously served in various change delivery leadership roles with CashFlows, Valitor, Travis Perkins and Barclaycard.



Vicky Byrom
Chief Data &
Analytics Officer

Vicky is an award-winning innovator with over 20 years' experience delivering cutting-edge data and analytics projects across both the private and public sectors. At Zumo, Vicky acts as product lead for Oxygen, the business's pioneering solution to tackle the carbon footprint of digital assets, and drives the development of the company's data strategy, responsibly managing and governing data whilst also ensuring the value of that data is fully realised as a strategic asset. Prior to joining the senior team at Zumo, she headed up the data function at payments fintech Modulr, and has also previously led the multi-award winning Advanced Analytics team for the agency Merkle UK.



Michael Johnson
Chief Compliance Officer
and MLRO

Michael is a highly capable compliance leader with 25 years' experience in the financial services arena. He joined Zumo in 2021 and has been the driving force behind the company's award-winning 'compliance-first' approach. Under Michael's guidance, Zumo has participated in the FCA's crypto sprints, and engaged with the trade associations' consultation responses to help inform the regulator of what works for both consumers and the burgeoning digital assets industry. Michael has been a professional member of the International Compliance Association since obtaining his diploma in Compliance in 2010. His experiences lie within compliance advisory and reporting generally relating to FCA consumer credit requirements, data protection/GDPR, anti-money laundering, corporate governance, regulator engagement, operational risk and operational incident management.



Clark Povey
Chief Operating Officer

Clark has over 20 years' experience leading global operations at financial services and technology companies. He oversees Zumo's operations and customer service strategy, and implements digital-first solutions to help the company to scale and expand geographically. Prior to joining Zumo, Clark held a number of senior operations roles at some of the world's biggest brands and delivered award-winning results, putting the customer at the heart of operations whilst implementing significant change in dynamic environments. After starting his career as an engineer, he worked in leadership positions at Virgin Media, wealth management firm Brewin Dolphin, telecoms giant Three, Barclays and Worldpay.

Zumo's sustainability commitment and governance oversight

As a values-driven business, sustainability has been at the core of what we do since the company was founded. In that spirit, it has been a point of ongoing importance that sustainability and an ESG-aligned outlook should be baked into Zumo governance processes as an integral part of decision-making at the company.

To that end, our pledge and founding commitments are encapsulated in Zumo's founder-signed **Sustainability Pledge**, and ensuring that these values are lived and respected is prioritised at the highest levels of the business.

In 2023, we evolved the Zumo Net Zero Steering Committee to become the Oxygen Product Board, consisting of key managers from all areas of the business and providing a comprehensive governance structure for Zumo's Oxygen offering.

We are also fortunate to be able to draw on the expertise and experience of Kirsteen Harrison, Sustainability Director, who has been instrumental in shaping Zumo's net zero strategy and decarbonisation initiatives.

Decision-making structures

In the wider business, decision-making processes have been built out to be similarly transparent, structured and accountable.

In addition to the Oxygen Product Board, Zumo has a number of formalised structures in place to manage operational decisions in all areas of the business and encourage aligned and effective decision-making. These include the Audit, Risk & Compliance Committee; Pricing Committee; Remuneration Committee; and a structured pattern of supervisory and oversight meetings at Board, C-suite leadership, and management levels.



02. Operational resilience and risk management

Interest in web3 and digital assets remains high, but confidence has been shaken by bad actors, unsustainable business models and poor governance. This section outlines Zumo's approach to the tracking and assessing of risk, and ensuring the necessary operational processes are in place to ensure maximum business resilience.

Risk monitoring and assessment

Core to the business's ongoing risk management process is the Zumo Risk Register, which covers a spectrum of identified risk factors regularly re-evaluated at committee level by the Audit, Risk & Compliance Committee. Monitored risk categories encompass a wide range of enterprise-relevant risk factors including commercial, project and programme delivery, regulatory licensing and cyber and information security considerations as well as ESG-specific risk factors. Given the importance of Zumo's Oxygen product, Oxygen has its own sub-committee for assessing and monitoring risk, which feeds into the Audit, Risk & Compliance Committee.

The risk register feeds into the wider Zumo regulatory business plan that ensures, as the business grows, it has in place the appropriate people and expertise, supervision and regulatory reporting lines, financials and forecasting, insurance and information security arrangements, and overview of group and organisational structure.

Any material changes to Zumo products and services as outlined in the regulatory business plan are carefully considered by the Audit, Risk & Compliance Committee before proceeding to Board approval to ensure a considered, structured and risk-weighted approach to any proposed expansion of activity.

Financial controls

Financial controls are enforced through a combination of implemented policy; checks and balances on movement of funds; and staff awareness and training.

Zumo maintains and monitors dedicated policies covering Anti-Bribery and Corruption (including gifts and hospitality); Whistleblowing (including a non-executive director nominated as whistleblowing champion); Financial Sanctions & Politically Exposed Persons; Fraud; Know Your Customer (KYC); Customer Risk Assessment; Anti-Money Laundering (including AML & Financial Crime Prevention manual and framework); Know Your Business (KYB); and Introducer Approval and Oversight.

All processes requiring movement of funds are designed with 'doer/checker' steps to reduce the risk of extortion and fraudulent abuse; and cryptoasset wallet addresses associated with the Zumo business are clearly identified in the regulatory business plan. In addition, all staff expenses are monitored for policy breach by the Zumo finance team, with none reported to date.

All staff are encouraged to familiarise themselves with these policies and processes through the shared firm Knowledge Base platform, proportionate to their position and risk levels in the business, and employee awareness sessions are planned to be augmented with e-learning delivery in 2024. These processes are continually being monitored and updated based on latest supervisory rules and industry guidance and best practice.

Tech and cyber security

Our partnership with leading payment, data, security & compliance infrastructure providers helps us achieve the very best data security and compliance standards in our products – while still maximising flexibility and functionality.

As part of that commitment, our technology infrastructure undergoes independent external audit by recognised experts in cyber security and risk mitigation. We conduct periodic audits of server hosting, infrastructure assessment, wallet and vault API review, and mobile application assessment for iOS and Android, the results and actions from which are available to interested parties on request.

Within the business, all staff are required to attend data and cyber security awareness sessions, with data protection presentation material forming a compulsory part of employee onboarding, and dedicated information security and cyber security e-learning delivered periodically. A managed IT solution (including single sign-on, phishing defence and app locking) was launched in 2023, and we are currently in the process of gaining ISO 27001 certification.



03. Business ethics and compliance

As a UK-headquartered cryptoasset business, Zumo is committed to complying with all relevant regulations and laws to the fullest possible extent - and has prioritised laying these important regulatory foundations since the inception of the business. We are committed to sustainable business models, and holding ourselves to the highest standards of compliance and business ethics.

Regulatory status

In regard to cryptoasset holdings, since December 2021 Zumo has been registered with the UK's Financial Conduct Authority (FCA) as a cryptoasset firm. This registration confirms that Zumo has successfully passed through the FCA's assessment process as applied to cryptoasset firms, and that it is supervised and subject to enforcement by the FCA for its compliance with the UK's Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations (MLRs).

In regard to pound sterling (GBP) funds, Zumo partners with Modulr, which is an Electronic Money Institution (EMI) authorised by the FCA. Through this relationship as a registered agent of Modulr, we are able to provide digital wallets to store and transact in pound sterling.

In 2023, Zumo operationalised requirements of the extended [financial promotions](#) regime to cryptoassets, as well as the Travel Rule. As the UK regulatory landscape continues to evolve, we continue to closely monitor and ensure our full compliance wherever additional activities fall into the regulatory perimeter.

Business policies and best practice

As outlined earlier in this chapter, Zumo has put in place a comprehensive range of policy and due process in order to assure that it operates with integrity and in compliance with all relevant rules and regulations.

As an FCA-registered cryptoasset business, this includes a wide range of implemented operational compliance processes including ongoing transaction monitoring and alerts; AML and financial crime prevention frameworks; sanctions and PEP compliance; KYC & due diligence for customer on and off-boarding; and proper process for suspicious activity reports and subject access requests.

These policies also extend to consumer considerations such as data protection, privacy, complaints procedure and IT/cyber security, and tie in with the wider suite of business policies outlined in the other sections of this report.

Commitments and industry engagement

Finally, as a member and supporter of industry organisations, associations and membership bodies including the Global Blockchain Business Council, CryptoUK, UN Global Compact, Crypto Climate Accord, SME Climate Hub, TechNation Zero Taskforce and Environmental Technologies Sustainability Taskforce, Zumo is committed to playing its part in the ongoing progress of the sector.

Given the rapid pace of innovation and evolving guidelines in the industry, in 2023 Zumo input into a wide range of sector initiatives and public consultations including the FCA's extension of the financial promotions perimeter to digital assets; HM Treasury's call for evidence on the future financial services regulatory regime for cryptoassets; and the European Securities and Markets Authority's consultation package on sustainable disclosure requirements for cryptoasset service providers.



Appendix 1

Zumo is directly contributing to the following Sustainable Development Goals:

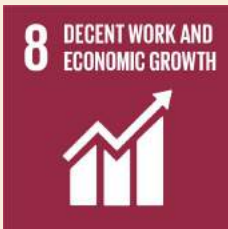




PROMOTE EMPOWERMENT OF WOMEN THROUGH TECHNOLOGY

Runs dedicated 'Crypto Confidence' webinar series, launched on International Women's Day 2022, to encourage accessibility and participation among all groups in blockchain technology.

Fosters and promotes gender diversity and equality at all levels of the Zumo business.



PROMOTE POLICIES TO SUPPORT JOB CREATION AND GROWING ENTERPRISES

As a fast-growing scale-up active in the Scottish start-up ecosystem and supported by enterprise bodies, created new, future-facing jobs including targeted support to young people through the UK Government's Kickstart scheme.

FULL EMPLOYMENT AND DECENT WORK WITH EQUAL PAY

As a values-driven business, committed to providing career-defining work and a place for colleagues to thrive, building on a range of initiatives to ensure a supportive and nurturing work environment.

UNIVERSAL ACCESS TO BANKING, INSURANCE AND FINANCIAL SERVICES

Provides access to digital assets for the financial empowerment of customers and inclusive access to financial services.



INCREASE ACCESS TO FINANCIAL SERVICES AND MARKETS

Broadens access to digital asset products through B2B and B2C solutions and services integrated with existing financial services and markets.

SUPPORT DOMESTIC TECHNOLOGY DEVELOPMENT AND INDUSTRIAL DIVERSIFICATION

From a UK base, brought to market patented wallet technology to provide customers with digital asset services. Continues to work to facilitate mass adoption of blockchain technology.



BUILD KNOWLEDGE AND CAPACITY TO MEET CLIMATE CHANGE

Works with the wider industry and on own initiatives to pioneer and drive progress, information and debate on decarbonisation in the digital asset sector. Developed Oxygen, a solution to support clients in aligning digital asset activity with net zero principles.



DEVELOP EFFECTIVE, ACCOUNTABLE AND TRANSPARENT INSTITUTIONS

Works to further the accepted use of blockchain technology to provide transparency and accountability in all publicly-facing goods and services.



ENHANCE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

Works with charity partners such as WasteAid to support and uphold sustainable standards in business and in the digital asset industry.

Appendix 2

For clarity, Zumo has no Scope 1 or market-based Scope 2 emissions to report. All of our emissions are therefore Scope 3.

Category	In scope?	Calculated?	Comments	2023 Tonnes CO ₂ e
Upstream Scope 3				
Purchased goods and services	Yes	Calculated (spend based)	Zumo has defined this as all non-blockchain related purchasing. The data centre hosting component of this has been calculated separately. The carbon footprint of other purchased goods and services (e.g. software and professional services) has been calculated at a basic level using the spend-based approach provided in the SME Climate Hub toolkit	3.7 (datacentres) 103 (other, low accuracy)
Capital goods	Yes	Calculated	Includes all capital goods (largely IT equipment).	04
Fuel and energy related activities (not in Scope 1 or 2)	No	No	Not material.	Excluded
Upstream transport and distribution	No	No	There is no upstream transport and distribution.	-
Waste generated in operations	No	No	Not material. Zumo operates a remote-first working policy and does not operate from any location where operational waste is produced.	Excluded
Business travel	Yes	Calculated	All business travel by air, train, bus, taxi and car is included.	30

Category	In scope?	Calculated?	Comments	2022 Tonnes CO ₂ e
Employee commuting / teleworking	Yes	Calculated	Working from home is a significant part of Zumo's carbon footprint, but there is no commuting. We use EcoAct's white paper to calculate home working emissions.	13.88
Upstream leased assets	No	No	There are no upstream leased assets.	-
Downstream Scope 3				
Downstream transportation and distribution	No	No	There is no downstream transportation and distribution.	-
Processing of sold products	No	No	There is no processing of sold products.	-
Use of sold products	Yes	Calculated (CCRI)	Zumo currently considers all blockchain and cryptocurrency related electricity use under this category. This is therefore the most significant element of our carbon footprint.	0 (market-based) 205.5 (location-based)
End of life treatment of sold products	No	No	There is no end of life treatment of sold products.	-
Downstream leased assets	No	No	There are no downstream leased assets.	-
Franchises	No	No	There are no franchises.	-
Investments	Yes	No	Zumo acknowledges the carbon footprint associated with company pensions but this is not yet included.	Excluded
Total Scope 3 emissions				358.5 (location based) 150.9 (market based)

Appendix 3

Data sources and clarifications

Emissions factors

DEFRA GHG emissions factors for 2023 have been used where these are available. We have used the **market based accounting method** described in the Greenhouse Gas Protocol to account for greenhouse gas emissions in relation to electricity. The **Normative tool** provided by the SME Climate Hub has been used for spend-based emissions where activity data is not available.

Cryptocurrency

We use **CCRI** data for all cryptocurrency activity, and the **CCRI / Southpole 'hybrid' model** for calculating electricity consumption.

Limitations

It should be noted that this report is restricted to carbon/electricity consumption of blockchains only, and does not encompass other factors such as, for example, IT waste associated with the mining process. We recognise the importance of these auxiliary considerations, and hope to build on the scope in future versions of this report as far as the still limited data allows.

Market-based approach for Scope 3 emissions

We acknowledge that the GHG Protocol 'market based' approach is intended for Scope 2 emissions. We are following progressive guidance set by the likes of the **US EPA** on renewable energy procurement in supply chains. This is being pioneered by companies such as Meta and Microsoft. We are actively involved in the Scope 3 Peer Group's 'renewable energy for supply chains' working group.

Baseline year

Currently there is no publicly agreed guidance on how a young company that has implemented a net zero strategy from inception should approach setting a baseline year. This is particularly nuanced given such companies can be expected to experience significant and hard-to-forecast patterns of growth in their early years. We would love to hear what others have done in similar situations.

Carbon data

Carbon data is currently not externally verified but is subject to strict internal procedures. Further information can be obtained at hello@zumo.money.

RECs vs carbon offsets

Carbon offsets are the mechanism Zumo uses to offset its company operations emissions. Renewable energy certificates (RECs) are the mechanism Zumo uses to mitigate blockchain-related carbon footprint using the 'market-based' accounting mechanism. The differences between the two in carbon accounting terms are explained in the reference table below. For visualisations where we present a combined view of Zumo's company operations and blockchain-related carbon footprint, we have performed an additional calculation to convert the MWh of electricity consumption into an associated carbon footprint.

	RECs	Carbon Offsets
Unit	MWh	Tonnes CO ₂ e
End user's claim	'I've procured 100% renewable electricity'	'I've offset my carbon emissions'
Project types	Renewable electricity – wind, solar, hydro	Various – tree planting, projects that reduce CO ₂ emissions elsewhere e.g. efficient cooking stoves
Accuracy	Allows direct calculation: MWh = RECs	Requires further calculation from MWh (or other unit) to carbon footprint
Carbon footprint	Addresses emissions associated with electricity	Addresses all types / scopes of emissions
Market impact	Provide revenue that accelerates investments and deployment of clean energy resources to decarbonise electric grids.	Prevent emissions elsewhere, but don't solve the source of emissions

A visualisation of the two mechanisms used by Zumo to account for its carbon footprint: RECs for blockchain-related electricity consumption and carbon offsets for Zumo's company operations.

Appendix 4

Breakdown of blockchain carbon footprint

	2020		2021		2022		2023	
	Location based	Market based	Location based	Market based	Location based	Market based	Location based ⁴	Market based
Bitcoin	65	-	445	-	246	97	203	0
Ethereum	7	-	53	-	39	0	<1	0
BSV	-	-	-	-	-	-	2	0
Total blockchain carbon footprint (Tonnes CO₂e)	72	-	498	-	285	97	206	0

Zumo-apportioned cryptocurrency carbon footprint (tonnes CO₂e) (CCRI data)

⁴The location-based method reflects the average emissions intensity of grids on which energy consumption occurs (in this case, we have used the Cambridge Centre for Alternative Finance modelled CO₂ emissions). The market-based method reflects emissions from electricity that companies have purposefully chosen (in this case, via REC purchases)

Appendix 5

RECs, offset and removal proofs

A total of 406 RECs were purchased to account for 406 MWh of electricity consumption related to blockchain use.

Proof of RECs can be found [here](#).

Proof of offsets and removals are provided below.

This is a carbon credit certificate from the BioCarbon Registry. The title is "Project for Forestry Restoration in Productive and Biological Corridors in the...". It is a Retirement Certificate issued in CO in 2016. The certificate is issued to Zumo Financial Services Limited. The project ID is BCR-CO-261-14-001-2-1602-1612-0022178-0022319. The certificate represents 142 tCO2e. The retirement date is 01/05/2024. The type of project is Afforestation, Reforestation & Restoration. The thallo logo is in the top right corner.

This is a carbon credit certificate from SocialCarbon. The title is "Utah Waterbodies Restoration Programme". It is a Retirement Certificate issued in US in 2023. The certificate is issued to Zumo Financial Services Limited. The project ID is SOCIALCARBON-8. The certificate represents 10 tCO2e. The retirement date is 30/04/2024. The type of project is Water. The SocialCarbon logo is in the bottom left corner.

Acknowledgement

As we conclude this ESG report, we express heartfelt gratitude to all who contributed to its success.

We appreciate the dedicated team at Zumo, whose commitment to sustainability laid a strong foundation for our ESG initiatives.

To our stakeholders—shareholders, employees, customers, and partners—thank you for shaping our ESG strategies with your invaluable feedback and support.

We acknowledge the external experts and consultants for their guidance throughout the reporting process.

Lastly, we thank activists, NGOs, regulators, and concerned citizens advocating for a sustainable future.

Together, we can create positive change for a more sustainable world.

Thank you for your support on this transformative journey.

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 <https://www.linkedin.com/company/zumo-enterprise/>