

EI NET ZERO: 2022 PROGRESS REPORT

February 2023

This report provides an update on progress achieved towards the EI's <u>Net Zero Pledge</u> during 2022, plus an outline of the next steps planned for 2023.

The El's net zero pledge and Science Based Targets

In May 2020 the EI embarked on an ambitious net zero journey:

- pledging to end the impact of its operations on the climate well before 2050
- setting Science Based Targets for a 1.5°C warming pathway GHG emission reductions of 26.2% by 2025, 47.9% by 2030 and 67.9% by 2035

The commitments have been developed within the Society for the Environment's <u>Pledge to Net Zero</u> framework. The EI has also similarly signed up to the <u>SME Climate Commitment</u>, which is recognised by the United Nations <u>Race to Zero</u> campaign.

Progress to date

2022 was another unique year as the impact of coronavirus subsided and new modes of working were explored. Business travel emissions were still significantly below pre pandemic levels, with emissions being minimised via proactive application of the low carbon travel policy. Head office emissions remained well below pre pandemic levels, reflecting an increase in homeworking as new working patterns emerge post covid. In aggregate, these represented an 62% reduction in GHG emissions against the 2019 baseline year.

Primary activities since the launch of the net zero pledge include:

- Implementing our low carbon travel policy: Since the launch in 2020, we continue to promote the low carbon travel policy which encourages alternatives to flights; be that online, or via other modes of transport. We have also put in place the mechanisms required for department-level GHG emissions reporting, setting us up to assign GHG travel budgets to each team, allowing them to track and manage their contributions to our net zero journey.
- **Investing in state of the art video conferencing:** To maximise the benefit of the online opportunities to meet, we have invested in new state of the art video conferencing equipment at the head office.

2022 performance: summary

The table below summarises performance to the end of 2022 and supports comparison with the 2019 baseline year, interim years since the launch of the net zero pledge, plus targets for 2025, 2030 and 2035.

2022 performance vs. baseline, interim, & target years

	2019	2020 Performance		2021 Performance		2022 Performance		20	25	20:	30	20:	35
	Baseline year							Science Based Targets for a 1.5°C warming pathway					
	(Tonnes CO _{2e})	(Tonnes CO _{2e})	% **	(Tonnes CO _{2e})	% **	(Tonnes CO _{2e})	%	(Tonnes CO _{2e})	%	(Tonnes CO _{2e})	%	(Tonnes CO _{2e})	%
Scopes 1 & 2: Head office emissions*	53.02	42.37	17%	42.28	20%	36.75	31%	34.40	35%	21.20	60%	14.00	74%
Scope 3: Business travel	305.06	21.49	93%	1.91	99%	99.70	67%	229.80	25%	165.30	46%	100.80	67%
(of which flights)	297.70	20.90	93%	1.69	99%	97.26	67%						
,	358.08	63.85	82%	44.19	88%	136.45	62%	264.20	26%	186.50	48%	114.80	68%

^{*} includes a small quantity of scope 3 emissions relating to electricity transmission and distribution

^{** %} column is the % reduction from Baseline year

Primary activities in 2022 have included the following:

- Improved tracking of business travel emissions: Travel data is now collected via an updated travel expense form, allowing us to better track our business travel emissions.
- Powering our head office on 100% renewable electricity: Following the switch in 2020, our head office continues to be powered by 100% renewable electricity. We also have two on-site solar arrays which provide approximately 6% of our electricity requirements.
- Investment in further head office emission reductions: Whilst noting that head office emissions have reduced by 31% since the baseline year, we are still pursuing ambitious plans to drive further reductions. This will also help to mitigate the impact of emissions relating to increased levels of homeworking. During 2022 we have benchmarked the emissions performance of the head office against reference data from the UK Green Building Council and also LETI's (London Energy Transformation Initiative) target for commercial offices. We have also reorganised the facilities team roles, enhancing the scope and level of energy management activities within the role, aligning with our ambitions for further scope 1 and 2 emission reductions.
- Quantifying our commuting and homeworking emissions: We have completed a
 review of 2022 commuting and homeworking emissions, with the results reported in the
 appendix. This work was a priority since we have seen a shift in working patterns post
 pandemic. The new data will help us to better understand and manage our scope 3
 emissions and to contextualise reductions in head office emissions. During 2023 we will
 be re-baselining our targets to include commuting and homeworking emissions.
- Sharing our experience and fostering wider action: We continue to engage with the wider energy community on the development of the net zero journey, for example via our 'Powering Net Zero' series of events held in 2022. To find out about our latest net zero engagements, please visit www.energyinst.org/whats-on

Next steps in 2023

The activities discussed above will continue into 2023 as our journey towards net zero progresses. During 2023 we plan to increase the scope 3 coverage of our net zero targets, formalising the inclusion of commuting and homeworking. We also plan to estimate the relative scale of other scope 3 emissions to help inform future plans. At the head office we plan to build upon the recent investment in our facilities team, driving further savings behind the scenes, and engaging the wider community of building users in saving energy.

Looking to our members and the wider sector- in 2022 we completed the development of a two-day training course on delivering net zero for energy managers and senior management stakeholders. The course will be launched in the summer of 2023 onwards, engaging our members and wider stakeholders in the delivery of the net zero future.

APPENDIX - 2022 performance: detailed view

			GHG Emissions (Tonnes CO _{2e})					
			2019	2020	2021	2022		
Head office emissions	Scope 1	Natural gas	25.37	25.72	27.94	22.34		
	Scope 2 Purcha	sed electricity (excl. Transmission & Distribution)	25.49	15.33	13.17	13.21		
Hea	Scope 3	chased electricity (Transmission & Distribution)	2.16	1.32	1.17	1.21		
business travel, commuting & homeworking		Flights	297.67	20.90	1.69	97.26		
		Rail (UK and international)	1.15	0.39	0.04	1.53		
		Vehicle (taxi, car, uber, bus)	6.24	0.19	0.18	0.91		
		Commuting*				11.33		
tra		Homeworking*				30.93		
			358.08	63.85	44.19	136.45 178.72		

^{*} A review of commuting and homeworking emissions was completed during 2022. These emissions are relevant to shifting working patterns post pandemic. This new data helps us to better understand and manage our scope 3 emissions and to contextualise reductions in head office emissions. During 2023 we will be re-baselining our targets to include commuting and homeworking emissions.