

EI NET ZERO: 2021 PROGRESS REPORT

February 2022

This report provides an update on progress achieved towards the El's Net Zero Pledge during 2021, plus an outline of the next steps planned for 2022.

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</u> <u>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 during 2021

The table below summarises performance to the end of 2021 and supports comparison with the 2019 baseline year, 2020 as the first year of the target's implementation, as well as 2025, 2030 and 2035 targets.

	2019			2021 Performance		2025		2030		2035	
	Baseline year					Science Based Targets for a 1.5°C warming pathway					
	(Tonnes CO _{2e})	(Tonnes CO _{2e})	% **	(Tonnes CO ₂₀)	%	(Tonnes CO _{2e})	%	(Tonnes CO _{2e})	%	(Tonnes CO ₂₀)	%
Scopes 1 & 2: Head office emissions*	53.02	42.37	17%	42.28	20%	34.40	35%	21.20	60%	14.00	74%
Scope 3: Business travel	305.06	21.49	93%	1.91	99%	229.80	25%	165.30	46%	100.80	67%
(of which flights)	297.70	20.90	93%	1.69	99%						
	358.08	63.85	82%	44.19	88%	264.20	26%	186.50	48%	114.80	68%

2021 performance vs. baseline & target years

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

** % column is the % reduction from Baseline year

2021 was another unique year as coronavirus continued to drive dramatic reductions in business travel, as well as reductions in head office emissions resulting from reduced occupancy of the building as compared to the baseline year of 2019. In aggregate, these represented an 88% reduction in GHG emissions against the 2019 baseline year.

During 2021 we continued to put in place and embed initiatives which aim to retain as much of these savings as possible in future years. Primary activities have included:

- **Implementing our low carbon travel policy:** We consolidated upon the launch of the policy in 2020 and continue to promote our 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.
- **Implementing our new expense form:** 2021 travel data was successfully gathered using the new travel expense form which we launched in 2020 and which allows us to better track our GHG emissions from business travel.
- Quantifying our commuting and homeworking emissions: We have completed a pilot study, estimating our GHG emissions from staff commuting and homeworking in the baseline and subsequent years. This will help us to review the impact of recent changes in working patterns and to decide how to best manage developments as these new modes of working evolve and become more commonplace.
- **Powering our head office on 100% renewable electricity:** Following the switch in 2020, our head office continues to be powered by 100% renewable electricity.
- **Continuing to benefit from our onsite solar array:** Our solar array onsite provided us with 6.5% of our electricity consumption during 2021.
- Sharing our experience and fostering wider action: During 2021 we engaged with the wider energy community on the development of the net zero journey. This included the development and delivery of high-profile events such as the <u>Powering Net Zero</u> <u>Conference</u> (October 2021) and <u>Energy Efficiency Conference</u> (September 2021).

Next steps in 2022

These activities will continue into 2022 as our journey towards net zero progresses. During 2022 we plan to increase our net zero pledge's coverage of scope 3 emissions. We are also exploring opportunities to make the best use of our head office as modes of homeworking evolve, plus we are developing energy efficiency projects and staff engagement initiatives.

Looking to our members and the wider industry, we are in the late stages of developing a two-day training course on the delivery of net zero for energy managers and senior management stakeholders. This will be available from summer 2022 onwards, engaging our members and wider stakeholders in the delivery of the net zero future.

APPENDIX - 2021 performance in more detail

		Γ	GHG Emissions					
			(Tonnes CO _{2e})					
			2019	2020	2021			
Head office emissions	Scope 1	Natural gas	25.37	25.72	27.94			
	Scope 2	Purchased electricity (excl. Transmission & Distribution)	25.49	15.33	13.17			
	Scope 3	Purchased electricity (Transmission & Distribution)	2.16	1.32	1.17			
Business travel, commuting & homeworking		Flights	297.67	20.90	1.69			
		Rail (UK and international)	1.15	0.39	0.04			
		Vehicle (taxi, car, uber, bus)	6.24	0.19	0.18			
		Commuting						
		Homeworking						
			358.08	63.85	44.19			