

# EI NET ZERO: 2023 PROGRESS REPORT

March 2024

This report provides an update on progress achieved towards the El's <u>Net Zero Pledge</u> during 2023, plus an outline of the next steps planned for 2024.

## 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 to date**

2023 represented a settling in year as the impact of coronavirus subsided and new modes of working have settled down. Business travel emissions were kept to approximately half of the pre pandemic levels, with emissions being minimised via proactive application of the new 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 46% 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.

### 2023 performance: summary

The table below summarises performance to the end of 2023 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.

	2019	2020 Performance		2021 Performance		2022 Performance		2023 Performance		2025		2030		2035	
	Baseline year (Tonnes CO <sub>20</sub> )									Science Based Targets for a 1.5°C warming pathway				hway	
		(Tonnes CO <sub>20</sub> )	% **	(Tonnes CO₂₀)	% **	(Tonnes CO <sub>2e</sub> )	%	(Tonnes CO <sub>2e</sub> )	%	(Tonnes CO <sub>2e</sub> )	%	(Tonnes CO <sub>2e</sub> )	%	(Tonnes CO <sub>2e</sub> )	%
Scopes 1 & 2: Head office emissions*	53.02	42.37	17%	42.28	20%	36.75	31%	36.06	32%	34.40	35%	21.20	60%	14.00	74%
Scope 3: Business travel	305.06	21.49	93%	1.91	99%	99.70	67%	156.52	49%	229.80	25%	165.30	46%	100.80	67%
(of which flights)	297.70	20.90	93%	1.69	99%	97.26	67%	153.48	48%						
	358.08	63.85	82%	44.19	88%	136.45	62%	192.57	46%	264.20	26%	186.50	48%	114.80	68%

#### 2023 performance vs. baseline, interim, & target years

\* Includes a small quantity of scope 3 emissions relating to electricity transmission and distribution \*\* % column is the % reduction from Baseline year

- **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 an onsite solar array which typically provides approximately 6% of our electricity requirements. Work onsite temporarily limited the solar PV output to around 2.4% of consumption during 2023, although higher values are anticipated again in 2024.
- Investment in further head office emission reductions: Whilst noting that head office emissions have reduced by 32% 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. In past years we carried out benchmarking work referencing data from the UK Green Building Council and also LETI's (London Energy Transformation Initiative) target for commercial offices. We also reorganised the facilities team roles to support delivery of the head office targets. In 2023 we have worked upon Building Management System (BMS), metering, and control improvements that we will embed and capitalise upon during 2024.
- Quantifying our commuting and homeworking emissions: We have undertaken a staff commuting and homeworking survey to track emissions in line with new working patterns. This data will help us to better understand and manage our scope 3 emissions and to contextualise reductions in head office emissions as staff work more from home.
- 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 launching our new two day *'Net Zero for Professionals'* training course and a via wide range of net zero related events held in 2023. To find out about our latest net zero engagements, please visit <u>www.energyinst.org/whats-on</u>

### Next steps in 2024

The activities discussed above will continue into 2024 as our journey towards net zero progresses. During 2024 we plan to look at how we can increase the scope 3 coverage of our net zero targets. 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- we continue to run '*Net Zero for Professionals*' course. This course targets energy managers and senior management stakeholders with the aim of engaging our members and wider stakeholders in the delivery of the net zero future. More detail can be found at <u>www.energyinst.org/whats-</u><u>on/academy/course?meta\_Id=NZPMASTER</u>

			GHG Emissions (Tonnes CO <sub>2e</sub> )						
			2019	2020	2021	2022	2023		
	Scope 1	Natural gas	25.37	25.72	27.94	22.34	19.81		
Head office emissions	Scope 2	Purchased electricity (excl. Transmission & Distribution)	25.49	15.33	13.17	13.21	14.96		
Hea	Scope 3	Purchased electricity (Transmission & Distribution)	2.16	1.32	1.17	1.21	1.29		
ی می		Flights	297.67	20.90	1.69	97.26	153.48		
ss nutinę king		Rail (UK and international)	1.15	0.39	0.04	1.53	1.26		
Business travel, commuting homeworking		Vehicle (taxi, car, uber, bus)	6.24	0.19	0.18	0.91	1.78		
Bu vel, c hom		Commuting*				11.33	13.93		
trav		Homeworking*				30.93	25.94		
						136.45	192.57		
			358.08	63.85	44.19	<b>178.72</b> (inc. HW & commuting)	232.44 (inc. HW & commuting)		

<sup>\*</sup> A review of commuting and homeworking emissions was completed during 2022, we continued to track these emissions for 2023. These emissions are relevant to new 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. Work is ongoing during 2024 to re-baseline our targets to include commuting and homeworking emissions.