The Ecotricity guide to Going greet



EVERYTHING YOU NEED TO KNOW ABOUT MAKING YOUR BUSINESS MORE SUSTAINABLE

The Ecotricity guide to going green

IT'S NEVER BEEN MORE IMPORTANT FOR BUSINESSES TO BE TAKING ACTION TO FIGHT THE CLIMATE CRISIS.

Climate change is the defining challenge of our time.

The existential threat posed to our current way of life and the irreversible effects on our ecosystem are drawing closer. In 2018 the UN Intergovernmental Panel on Climate Change (IPCC) declared that we have just 12 years to prevent the worst effects of climate change – extreme heat, droughts, floods and poverty. We all have a part to play.

It also makes good business sense. More and more consumers are demanding that the brands they buy from have an ethical and sustainable business model.

In 2018, Forbes published an article which found that 87% of consumers will have a more positive image of a company that supports social and environmental issues, and 88% of consumers would be more loyal to a company that supports these issues.

But turning your business green can be a bit of a daunting task. That's why we've written this guide – it's full of practical advice based on our own experience and the latest guidance. It highlights the actions you can take from the major to the minor, which when added up will make a big difference in reducing your business's impact on the environment.

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ECO CREDENTIALS

You're in safe hands – our Eco Credentials

Ecotricity's purpose in life is the environment. We're here to promote sustainable living and sustainable business in all its forms – it's what we do, it's in our DNA.

Back in 1996, we started with a mission that remains to this day: to change the way energy is made and used in Britain. We pioneered the green energy movement and, in the process, kick-started a green revolution with the ambition to reduce carbon emissions and fight climate change.

We started with energy and we've continued to push boundaries ever since, focusing on the biggest contributing sectors to climate change - Energy, Transport and Food. We introduced sustainability in lots of new areas from electric vehicle charging through to football and telecoms.



OUR ENVIRONMENTAL POLICY

https://www.ecotricity.co.uk/our-story/walking-the-walk



OUR ENVIRONMENTAL FOOTPRINT

green our energy is (you can check out our fuel mix to see that). Our environmental

https://www.ecotricity.co.uk/our-story/our-environmental-footprint



OUR ISO ACCREDITATION

https://www.ecotricity.co.uk/our-story/walking-the-walk



ONE OF THE FIRST TO DECLARE A CLIMATE EMERGENCY

https://www.ecotricity.co.uk/our-story/walking-the-walk

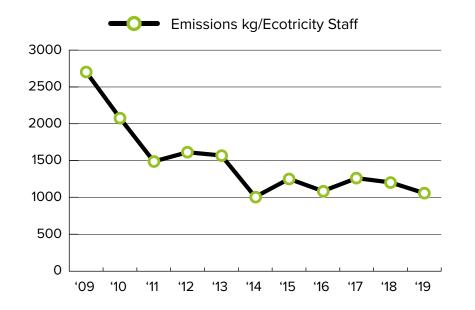
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ECO CREDENTIALS

How we do things

The culture at Ecotricity is geared towards education on living sustainably and helping our people make the right sustainable choices both at work and at home.

Our Head of Sustainability monitors and tracks our performance against goals geared towards achieving our carbon emission targets. Our goals are weaved through the business by a team of Eco Champions who inspire and inform our people to make more sustainable choices, whether that's switching from a single-use plastic water bottle to a reusable bottle or cycling to work a few times a week instead of driving.



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It didn't happen overnight for us at Ecotricity. We started looking at our operations very closely from the very beginning, but a lot of today's amazing sustainable options simply weren't available 25 years ago.

We set and measure against targets every year which are based on science and facts – so we hold ourselves to account.

Even today we find that we're still able to reduce our carbon footprint. It's an ongoing process.

Gary Thomas Sustainability Lead at Ecotricity



WHERE TO START

Where to start

Firstly, it's important to acknowledge that as your business moves to a more sustainable model, it does need a change in approach.

It sounds obvious but during this process you'll be re-imagining your current business model and adjusting your strategy and ways of working to embed better business practices. It may be challenging at times but the process will help your business to better understand its future risks and opportunities, becoming better prepared and resilient.

You may want to bring in an independent sustainability consultant. If this isn't feasible, we recommend assigning responsibility to one of your existing team and creating 'green champions'

who can represent and engage the various areas of your business.

Their role will be to conduct a complete operational review of your organisation's environmental impact to understand the areas of your business which may be heavily carbon emitting.



Is my business legally obliged to report on its energy and carbon emissions?

From April 2019, companies, LLPs and groups who meet at least two of the following criteria are obliged under the Streamlined Energy and Carbon Reporting (SECR) legislation to report their carbon emissions:

- > £36m annual turnover
- > £18m balance sheet total
- > More than 250 employees



WHERE TO START

Your Carbon Footprint

As you complete your review it's important to consider established models to support you. If you're just starting out on calculating a carbon footprint, you might want to keep things simple and just look at your utility consumption.

Others may want to get a fuller picture of their environmental impact. The Science Based Targets Initiative (SBTi) sets out goals and targets to reduce your carbon emissions aligned to the goals of the Paris Agreement, which are to limit global warming to 1.5% above pre-industrial levels.

The Greenhouse Gases (GHG) Protocol Corporate Standard is a global accounting and reporting structure that provides a framework for your business to measure its emissions. It classifies a company's GHG emissions into three 'scopes'.

Our advice is to start simple, start easy with Scope 1 and Scope 2. As you get more confident in your tools and data, expand it out to scope three. In the UK, energy and transport are the dominant polluters – so start here and then look ahead to what else you can change.

Scope 1

Direct emissions from owned or controlled sources. For example, fuel use for company owned vehicles (e.g. pool cars and delivery vans). The gas you use in boilers for water or space heating.

Scope 2

Emissions are all indirect emissions from the generation of purchased electricity. For example, grid electricity.

Scope 3

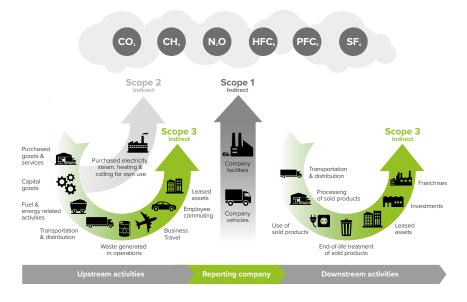
Emissions are all indirect emissions that occur in the value chain about the carbon emissions that are generated through your purchases and through what you sell. Start with the easy things like water consumption, waste management, how your staff get to work.

Most businesses have for some time measured their Scope 1 and Scope 2 emissions but, for many, Scope 3 emissions make up the bulk of their total carbon impact – as much as 90% in some instances! So it's essential to consider all areas.

In this guide we'll look at the key operations that fall across all scopes and, while we won't be able to provide the detail on how and what you report, we will lay out some simple, best practice principles which you can look to adopt.

What's most important is you have a reporting framework by which you can benchmark and monitor your successes. The best ways to do this are to:

- 1. Identify the areas of your business that have the largest carbon emissions
- 2. Identify what things you're going to tackle
- 3. Set up a program to monitor these emissions
- 4. Set benchmarks and targets
- 5. Actively address these aspects and monitor the results
- 6. Celebrate your successes.



Power your business with the good stuff – the green stuff

Choose your energy supplier wisely... not all energy companies are as green as they seem!

For many businesses, it's simple – switching to green energy is the biggest and easiest thing you can do to reduce your business's carbon footprint. Switching to 100% green electricity and carbon neutralised gas can make a real difference and will reduce your Scope 1 and 2 emissions towards zero!

Greenwashing – claiming something is greener than it really is, has become a thing in the energy market recently, so much so that the regulator OFGEM is considering taking steps to control it we hope they do.

A number of energy companies claim green credentials for themselves or for some of their tariffs - but scratch the surface and it's not what it seems.

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A business using 30,000 kWh of energy would save 6 tonnes of CO₂

every year if they switched to a deep green energy supplier!



Power your business with the good stuff – the green stuff

There are three levels of activity that energy companies engage in - they range from the superficial to the impactful.

LEVEL 1 TRADING GREEN CERTIFICATES



Some companies trade green Renewable Energy Guarantee of Origin certificates (REGOs), which authenticate green energy itself. For each unit of green energy made a REGO is issued, like a birth certificate.

However, REGOs can be detached from the green energy itself and sold separately. This becomes a problem if trading green certificates is all the supplier does. About 50p spent on certificates will cover a typical household's energy for a whole year, but the energy actually supplied to the house could come from any source.

LEVEL 2 Trading green energy



Other companies actually supply green energy. They buy it from the people that make it (generators) – or they make it themselves – and they sell it to their customers.

When they do this they also buy the certificates that come with this green energy. This is better.

But the flaw (which it shares with Level 1) is that the green energy is typically from a source that's already been built, it exists and is part of the national supply. When one company buys this green energy, another one loses it – it's a transfer of existing green energy. The same transfer happens between customers – today you may have it, yesterday somebody else had the green energy.

LEVEL 3 Building New Sources of Green Energy



This is the only level of activity that makes a difference, that moves the dial.

Britain has around 40% green energy in the national supply mix right now. We need to get to 100% and we can only do that by building more. We can't trade our way there. If you want a green outcome from your energy bills you need to be with a supplier that builds new sources of green, renewable energy. Sources like the wind and the sun.

Building new sources of green energy is often done in combination with Levels 1 and 2.



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ENERGY

Managing and reducing your energy use

With the introduction of smart meters and energy monitoring & management systems, it's easier than ever to keep an eye on your energy usage, and to reduce consumption.

The Carbon Trust observed an average saving of 5% on ordinary energy costs when they conducted a survey into the efficacy of energy management programs with over 1000 small businesses.

An Energy Management System (EMS) like <u>Ecotricity Stark ID</u> is a reporting, monitoring and engagement system that combines both software and hardware to track your consumption across all your utilities including gas, electricity and water. This is often in real-time across a building's heating, ventilation, air conditioning (HVAC) and lighting control systems.

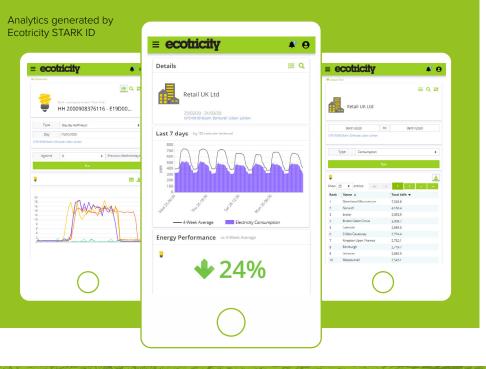
These systems work by collecting data every half-hour directly from smart meter hardware installed on individual utility assets or alternatively from Building Automation Systems (BAS). The data collected is live streamed to the EMS where it can be aggregated and analysed to provide powerful insights into your utilities consumption.

There are numerous benefits to gaining access to all this data. It will give you the power to develop performance and energy reduction targets for your utilities and start managing your energy and water as variable rather than fixed costs.

WHAT ARE THE KEY BENEFITS?

- > Identify where energy losses occur and spot opportunities to make environmental and financial savings
- > Forecast utility costs and potential savings for any energy saving initiatives
- > Set KPIs and engage with your utilities
- > Demonstrate to your staff how they can get involved and why it's important

You'll be able to see trends and patterns in energy usage, identify anomalies and get an explanation for any excessive consumption. Further, with submetering, the division of energy bills between the different meters and/or high consuming energy assets and processes is easier to understand. You'll have the tools to allow you to understand good and bad consumption habits thus providing opportunity for cost and carbon-saving initiatives.



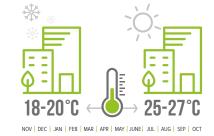
How can you save energy in your business?



HEATING AND COOLING

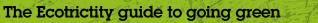
Depending on the size of your system you may have a legal obligation to get things checked as regularly as every 6 months.

- 1. Make sure you have a maintenance schedule for your Heating, Ventilation and Air Conditioning (HVAC) equipment and systems
- 2. Consult with an air-conditioning installer to check that you have the most cost and energy efficient systems in place. Many businesses using large air-conditioning units with Energy Efficiency Ratings (EER) of less than 10.5 are spending more and emitting more carbon than they could be
- 3. Regularly change and clean parts, repair leaks and replace defective equipment with the most energy efficient options. Depending upon the size of your system you may have a legal obligation to get things checked as often as every 6 months
- 4. Make sure your temperature control operating system is centrally managed and that individual room thermostats cannot be adjusted
- 5. Adjust thermostats higher when cooling and lower when heating an occupied building or unoccupied areas within a building, e.g. during weekends and non-working hours. Install a programmable thermostat to automatically adjust temperatures based on the time of day and day of the week. In this way, you'll be able to better manage and take control of your energy use.



LIGHTING

One of the easiest ways to save energy (and money) is to replace halogen bulbs and spotlights with LEDs. Use light movement sensors for corridors, communal areas and car parks so that lights aren't left on when they don't need to be. You can also optimise the space to make the best use of available natural light.



How can you save energy in your business?



WATER

Review your consumption – how does it compare with other businesses in your sector? Taking regular reads can help to identify issues with your supply, saving cash and a valuable natural resource.



OFFICE EQUIPMENT

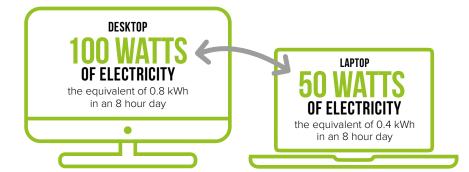
- > Make sure you turn off computers, monitors, printers and copiers at the end of each day
- > To save energy during periods of inactivity, make sure that any built-in power management system works

> Switch from desktops to laptops. A typical laptop uses about 50 watts of electricity, the equivalent of 0.05 kWh in an 8 hour day, which is half the energy of an average desktop. You can donate old IT equipment to charities who repurpose them for worthwhile projects, like IT Schools for Africa – a charity based in Gloucestershire that donate kit that would otherwise be taken to landfill.

If you'd like more information about how to be more efficient with your technology, you can read our top tips here.

https://www.ecotricity.co.uk/news/news-archive/2019/top-tips-to-be-more-sustainable-with-your-tech

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How can you save energy in your business?



CONSIDER LONG-TERM ENERGY SOLUTIONS

If the volume of your energy demand is over 1 MW, a dedicated onsite or offsite source of renewable energy to power your business could help you to become energy independent and fix your long-term energy costs for greater certainty. You'll also help to increase the share of renewable energy in the grid.

Ecotricity have worked with a wide range of businesses to help them generate their own energy, helping them to become more sustainable.

For more information visit https://www.ecotricity.co.uk/business-energy/generation



CONSIDER WHETHER YOU HAVE FLEXIBILITY In your demand to join a virtual power plant

https://www.ecotricity.co.uk/for-your-business/join-the-ecotricitysmart-grid

Ecotricity's Virtual Power Plant (VPP) may be a viable solution for your business if it uses lots of energy and has the flexibility to adjust its energy demands throughout a 24 hour period. The VPP is a digital control system that wirelessly connects thousands of businesses, energy generators and energy storage systems. It uses frequency response and market balancing to take advantage of peaks and troughs in energy generation and demand, making sure less energy is wasted. Businesses benefits from lower energy bills and a share of the revenue generated.

For an audit of your business's suitability, get in touch today. Email <u>business.sales@ecotricity.co.uk</u> or call us on 0345 600 1995.

We work with...

ecotricity

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Transport

Transport is now the largest polluting single sector in Britain – figures from the Department for Business Energy and Industrial Strategy for 2018 show that 28 per cent of all carbon emissions come from transport.

Of course, some businesses will be able to make a bigger impact in reducing their carbon emissions from transport than others. But all businesses can play their part.

TRAVELLING FOR WORK

As the recent COVID-19 crisis has shown us, many businesses are discovering that travel for business meetings is no longer necessary – most, if not all, can be held remotely using technology to host online meetings.

If your staff need to travel for work and you offer company vehicles, switching your company pool cars to electric vehicles is a fantastic way of cutting your business's carbon footprint. You can even go one step further and install EV charging points in your office car park to guarantee your vehicles are being charged from a 100% renewable tariff.

You should look to prohibit or only travel by air if necessary with sign off from senior management prior to travel. A short haul flight from London to Edinburgh, for example, generates 144kg of carbon emissions, nearly 5x the amount created when travelling by train (just 29kg of carbon). Of course, if you travelled in an electric vehicle charged from renewable electricity then the emissions would be zero!







Transport

TRAVELLING TO WORK

Introducing a car sharing scheme and encouraging your staff to car share can dramatically decrease the number of cars driving into your office every day. If you're based in a busy town or city, you could also encourage use of park and ride schemes.

The cycle to work scheme is a great way to promote a healthy lifestyle and cut carbon too. Regularly reminding staff of this tax-free bike scheme and providing adequate facilities for secure bike storage will help to reduce the environmental impact of staff getting to work. You'll also want to consider offering washroom facilities and providing access to a shower room so staff can freshen up if needed.

Some businesses also offer interest-free loans to staff to purchase public transport tickets. With so many people put off by the lump-sum expense of paying for train travel, offering a simple and flexible way to pay may help increase the shift from relying on a petrol or diesel car – easing congestion and reducing toxic pollutants.





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Money

CHECK WHAT YOUR PENSIONS ARE BEING INVESTED INTO

According to the <u>Make Money Matter campaign</u> making your pension sustainable can be up to 27x more effective at cutting your carbon footprint than giving up flying or even becoming vegan!

Many pension schemes invest funds into fossil fuels, arms and tobacco or support other unethical projects. There are lots of good schemes that invest part of their funds into long term impact projects which are environmentally or socially conscious – helping to build a better future. It's time for us all to align our pensions with our values, and take a stand against investments which harm our environment. So setting up your staff pension schemes with environmentally responsible providers and offering employees the option to switch existing pensions to these providers really can make a huge impact.

BUSINESS BANKING AND LENDING

Your business can make a positive impact on the world around us and be a powerful catalyst for change. If you choose an ethical bank, they'll invest your money into projects and organisations that have a positive impact on society, culture and the environment. So your money will make a genuine difference.

<u>Triodos Bank</u> helped Ecotricity 25 years ago to fund building their first windmill in Stroud. Since then they've continued to support us and lead the way in ethical banking.

Triodos 🐼 Bank



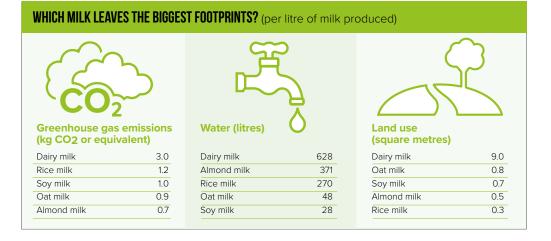


Food

There are lots of ways to become more sustainable with food in your business.

Make sure any food or drink you supply to your staff (such as tea and coffee) comes from sustainable suppliers. Only purchase food and drinks with verified environmental standards – look for the Organic, Fairtrade, Rainforest Alliance or Soil Association logos. Switch the milk in your offices to oat, soya or almond – it's not nearly as hard as you might think.

You could also look to install instant boil taps to save on the morning kettle queues and provide staff with reusable cups and water bottles to cut down on waste when they're out and about. Another great way to reduce your impact is by switching the menu for corporate events, making vegan or vegetarian the go to rather than meat-based meals and buffets.









Nature

It's easy to make space for nature and it's a great way of engaging with colleagues and your local community!

MAKE SPACE FOR NATURE OUTDOORS

Assess your site - can you find spaces for pollinators, insects and other invertebrates? Creating a space for nature is a great way to help staff take a mental break away from the stresses of the day, whilst also providing vital habitats for nature to thrive. At Ecotricity, we've let a lot of our green spaces re-wild by mowing less and scattering wildflower seeds. We've introduced a beehive on one of our building's roofs and installed bug hotels and bird boxes onto buildings and trees. We also ensure all our windmill sites and new developments are built to help nature thrive and provide a net gain for the natural habits surrounding them.

WINDOW BOXES & BUG HOTELS

If you don't have open green spaces, window boxes or potted plants can also provide great homes for pollinators and insects. Planting colourful plants in the summer gives our pollinators the best opportunity to gather pollen. There are also a huge variety of bird boxes, bug hotels and bee houses you can get for different areas.

GET INVOLVED WITH YOUR COMMUNITY

Could you support a tree planting scheme? Or sponsor a local wildlife trust or nature reserve to support the improvement of local biodiversity?

It's easy to do and may provide an opportunity for your staff to get involved with their local communities through volunteering days.

SWITCH YOUR WEB BROWSER

Another clever and simple way to help nature is by switching to a more sustainable web browser across your business. **Ecosia** cuts your digital carbon footprint every time you search the internet. They use their profits to plant trees in areas across the globe that need them most.



Operations

WASTE

Reducing waste not only saves money on costly waste disposal, but also demonstrates your commitment to environmental leadership. It contributes to corporate social responsibility by lowering carbon emissions and reducing the hazards to human health.

A good place to start is to carry out a waste audit – ask your staff to make a note of everything they throw away, why they're throwing it away and where it will end up. It will help them think more logically about what waste they are generating and why.

Review your waste policies in line with the outcomes of the audit. Then implement paper free or plastic free policies, and comprehensive waste management systems like recycling compostables, cardboard or other materials. At Ecotricity, we're big fans of the crisp packets recycling scheme through TerraCycle, implemented by our green champions.

When it comes to waste it really is about sweating the small stuff. When you buy new products, ask four simple questions:

- 1. Do we really need it?
- 2. Is there a more sustainable solution?
- 3. How do we dispose of it in an environmentally friendly way once its lifetime is up?
- 4. Is the packaging method necessary? If it is, can we find a more sustainable solution?

Don't be afraid to engage your suppliers in this process – if they're committed to you as their customer then they will value your feedback and should be able to work with you to find alternative solutions.

Here at Ecotricity, everything from office furniture to cleaning supplies are vetted before we buy them. Most of our cleaning is done using a powerful ozone boosted liquid that we make on site whilst our other cleaning products are free from toxic chemicals, and many of our office spaces are equipped with recycled plastic tables.



WHAT ARE YOUR NEXT STEPS?

What are your next steps?

DECLARE A CLIMATE EMERGENCY

We want to inspire other business like yours to declare their own climate emergency. It's the most meaningful action your business can take to show their commitment to fighting the climate crisis.

For more info visit the **Business Declares website** where you'll find everything your business needs to declare your own climate emergency.

OTHER SOURCES OF INFORMATION

For more inspiration from other British businesses who are putting sustainability at the heart of everything they do, visit our <u>YouTube channel</u> to view our #PoweredBy series. We love sharing some of our customers success stories and we'd love to hear from you too. If you have a green success story, please contact **Ecotricity.Heroes@ecotricity.co.uk**.

There are many other sources of information:

- > Ellen MacArthur Foundation
- > Kate Raworth's Doughnut Economics
- > Science Based Targets Initiative

If you have any questions about this guide, or would like some more advice or information, please get in touch with us at **business@ecotricity.co.uk**.

If you'd like to get a quote for 100% renewable electricity and carbon neutralised gas for your business, give us a call on 0345 600 1994 or email business.sales@ecotricity.co.uk.

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