Carbon Reduction Plan For Smart Energy GB

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smart meters

positive planet

Our Commitment

Smart Energy GB is committed to facilitating the move toward a Net Zero economy.

We are committed to decarbonising our operations as much as possible while we continue to encourage UK consumers to adopt smart meters. We aim to achieve Net Zero by 2030.

What does Net Zero mean in practice?

To achieve Net Zero, organisations should aim to reduce emissions in line with the latest science-based targets (SBTs). SBTs are greenhouse gas reduction goals set by organisations, they are defined as "science-based" when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. Achieving Net Zero requires reducing scope 1 and 2 emissions by 90% from our baseline and scope 3 emissions by either 90% in absolute terms or 97% in both physical (tCO2e/FTE) and economic (tCO2e / £) intensity terms compared to our baseline.

A Net Zero target date of 2030 is ambitious, given the high proportion of our emissions which is driven by suppliers, and the fact that only 22% of those for whom we have data are targeting 2030. For our 2025 data-gathering exercise, we intend to improve supplier data, identifying Net Zero target dates for the c.50% of suppliers for which we don't currently have them. We will also endeavour to influence suppliers with later target dates to bring them forward.

Smart Energy GB has set near-term targets to address emissions and will aim to reduce operational and value chain emissions as much as possible during the period we are active.

Our long-term targets:

- Decarbonise scopes 1, 2 and 3 as much as possible while trading.
- Influence value chain and encourage adoption of Net Zero strategies to maximise legacy impact.
- Achieve Net Zero by 2030.

Our near-term targets:

- Measure remaining upstream scope 3 categories by 2024 *(achieved 2024)*
- Measure downstream scope 3 categories by 2027.
- Improve existing scope 3 data collection by carrying out employee commuter survey for our 2024 measurement *(achieved 2024)*
- Engage with landlord to understand plans and timelines around addressing gas heating emissions within the building.
- Engage with landlord to establish current electricity contract end date and discuss procuring a 100% renewable tariff to reduce market-based scope 2 emissions to zero as soon as feasible *(achieved 2021[1])*

[1]This target was established when a renewable tariff was understood to not be in place in subsequent reporting periods following the base year. However, during the 2024 measurement project, new information revealed that a renewable tariff had been in place continuously since 2021. The target has been left in with this updated achievement date for continuity and transparency.

Scope 1 emissions: direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from the combustion of fuels in on-site boilers, furnaces, or vehicles.

Scope 2 emissions: indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.

Scope 3 emissions: all other indirect greenhouse gas emissions that occur in an organisation's value chain, including emissions from upstream and downstream activities.

Emissions Reporting

Base Year Emissions

Emissions reports are a record of the greenhouse gases that have been produced in the past, a base year is a representation of emissions produced prior to the introduction of any strategies to reduce emissions. During the 2024 measurement period, Smart Energy GB expanded the scope of the measurement to include procurement emissions (Scope 3 Purchased Goods & Services and Capital Goods) for the first time. As this measurement scope is no longer comparable with the scope of previous measurements, the decision has been made to rebaseline to the latest reporting period (January – December 2024). This is viewed as a positive step towards increasing the comprehensiveness and accuracy of our organisational footprint, and ensure the future comparability of progress.

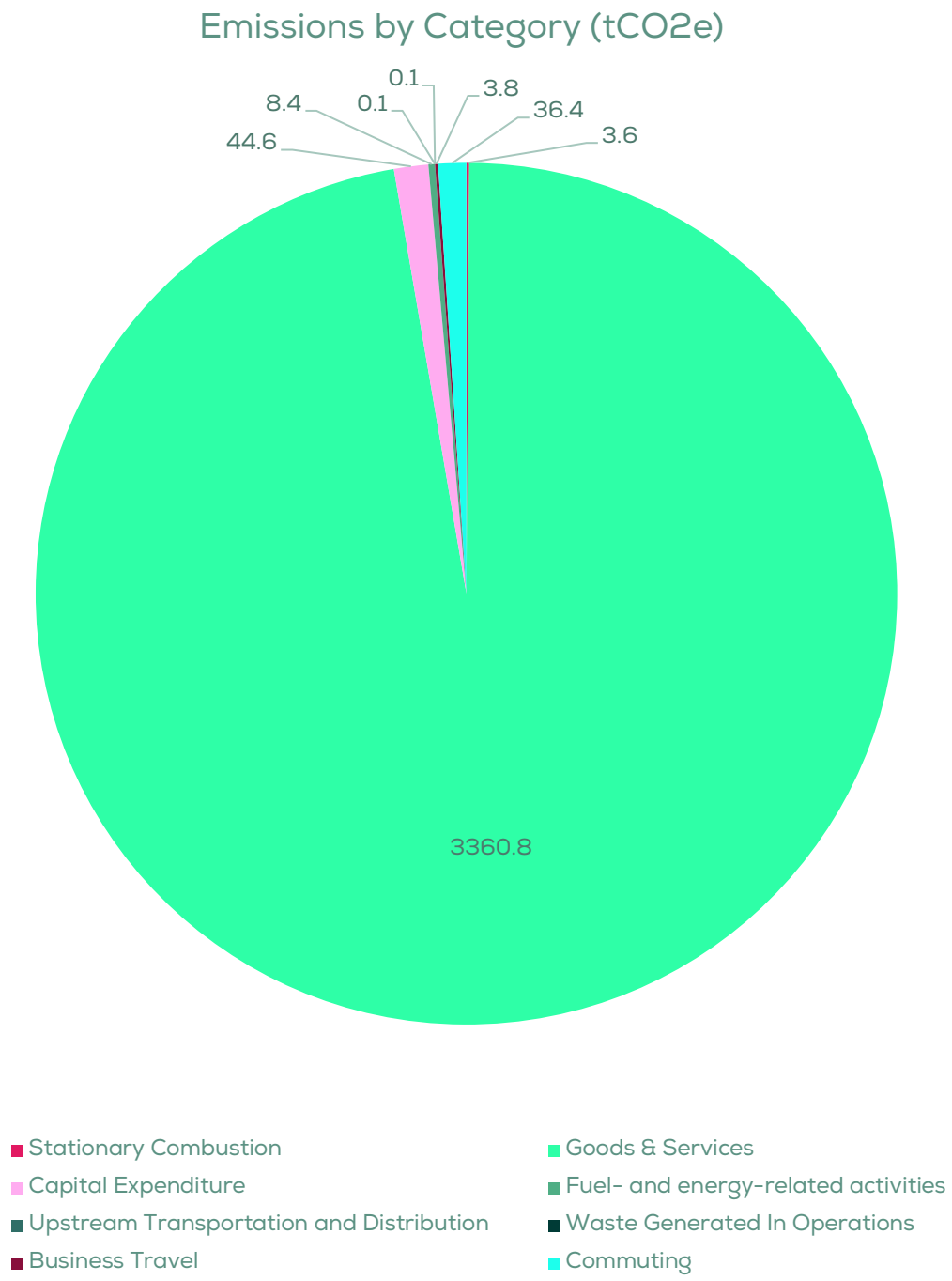
Base Year: January – December 2024	
Emissions	**Total (tonnes CO_2e)**
Scope 1	3.6
Scope 2*	Market-based: 0.0 *(Location-based: 11.9)*
Scope 3 including: - Purchased Goods & Services - Capital Goods - Fuel & Energy Related Services - Transportation & Distribution (Upstream & Downstream) - Waste Generated in Operations - Business Travel - Employee Commuting and Homeworking - Leased Assets (Upstream & Downstream) - Franchises and Investments	3,454.1
Total Emissions*	***Market-based:*** 3,457.7 *(Location-based: 3,469.6)*

*Purchased electricity can be measured in two ways, A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. Smart Energy GB has chosen to use a market-based approach for Net Zero targets, with location-base figures still reported for transparency and compliance. The difference between the location- and

market-based figures reported above demonstrates the positive actions taken by Smart Energy GB in procuring a 100% renewable energy tariff.

Our total emissions equate to 48.8 tCO_2e per full-time employee equivalent (FTE) and 90.4 tCO_2e per £million in revenue during the measurement period (using market-based emissions).

Carbon Emissions Breakdown (tCO_2e)



Measurement Results - January - December 2024		
By Scope	tonnes CO_2e	% of total
Scope 1	3.6	0.1%
Scope 2 (*Location-based*)	11.9	-
Scope 2 (*Market-based*)	0.0	0.0%
Scope 3	3,454.1	99.9%
By Source		
Direct	3.6	0.1%
Upstream	3,454.1	99.9%
Downstream	0.0	0.0%
By Category		
Office Utilities	3.6	0.1%
Company Cars	0.0	0.0%
Business Travel	3.8	0.1%
Employee Commuting	36.4	1.1%
Procurement	3,405.4	98.5%
Distribution	0.1	0.0%
Waste	0.1	0.0%
Indirect Energy Emissions**	8.4	0.2%
Total		
Location-based	3,469.6	-
Market-based	3,457.7	-

***Emissions related to the extraction, production, and transportation of fuels and energy purchased and consumed by the reporting company that are not already included in Scopes 1 & 2.*

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Carbon Reduction

Progress

This reporting period is Smart Energy GB's first measurement from the new base year. As such, there are no comparable previous measurements against which to report progress. Future reporting will assess progress against reduction targets, explore trends by category and identify any notable changes to data used to measure emissions.

Completed Carbon Reduction Initiatives

The following emissions management measures and projects have been completed or implemented.

Activity	Completion Date	Scope
Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions. Appointed Positive Planet to support with calculating base year carbon footprint and reduction recommendations.	2021	1, 2, 3
Smart Energy GB already benefit from energy saving and energy efficiency measures implemented in our office space. These include LED and PIR lighting systems. Further, a 100% renewable tariff has been in place since 2021 for the office space operated by Smart Energy GB and since November 2021 for the communal spaces in the building occupied by Smart Energy GB.	2021	2
Smart Energy GB's group personal pension scheme excludes investments in non-renewable energy.	2021	3
Smart Energy GB's office facilities provide secure bike storage and changing facilities at the workplace. Free bike maintenance is offered by the office landlord on a regular basis. Smart Energy GB also provides information and education to employees about options for domestic renewable energy tariffs and applicable energy saving schemes. Both of these actions support lower-carbon commuting and homeworking.	2021	3

A range of sustainable travel measures are in place already which benefit business travel, commuting and homeworking emissions: - The current travel policy encourages employees to take sustainable modes of transport and, if flying is necessary, fly by economy class. - A Cycle-to-Work scheme exists to encourage active travel. - Hybrid working practices are in place to reduce necessity to travel. Employees can have an additional day's annual leave to get a smart meter fitted.	2023	3
Solar panels are in place in the building occupied by Smart Energy GB. In 2025, these generated 10981 kWh of electricity. This will help to reduce energy demand from the grid, resulting in a decrease in location-based Scope 2 emissions.	2023	2
Staff sustainability engagement is ongoing through informal and formal channels, such as engagement in team meetings and employee surveying. Local sustainability events and workshops are promoted. Smart Energy GB also organise and carry out an annual Thames Beach Clean, which has been going on since 2023. Additionally, staff partake in ongoing Carbon Literacy Training (CLT) provided through local BID Better Bankside, with opportunities circulated twice a year for CLT courses which anyone can undertake. By the end of 2024, 13 team members – including 1 director – had undertaken CLT.	2023 - 2024	1, 2, 3
Preliminary work has been undertaken to integrate sustainability into the existing procurement policy. This includes having sustainability as a pillar of the policy and requesting information on supplier's sustainability initiatives. Further work has been undertaken during the measurement process for the 2024 reporting period to survey top suppliers, covering 26% of spend for the period. A 70% response rate was returned, with 43% of of those responses returning usable supplier-specific CO2e data. Further, desk-based research was carried out by a convening supplier, covering an additional 52% of spend, with supplier-specific data provided for 21% of this spend category. By using this more accurate data, Smart Energy GB were able to report 148.5 fewer tonnes of CO2e than if industry averages were used.	2023 - 2024	3

Sustainability is embedded into the onboarding process, with new starters receiving guidance on sustainability in the workplace.	2024	All
Smart Energy GB has led on engagement with the office landlord, which has led to sustainability being added to occupier meeting agendas, utility tracking being encouraged, improved recycling and product reviews to ensure office stationery and cleaning products are environmentally-friendly.	2024	All
Smart Energy GB benefits from green initiatives present in the workplace, including: - All office catering being meat-free, with dairy-free options available. Fruit is sourced seasonally, offsite events are meat-free where possible, and local shopping is prioritised. - 95% chemical-free cleaning using "Clean Zero" water-based system. Annual reviews ensure products remain environmentally friendly, sustainable, and ethical.	2024	3
Expanded the scope of the measurement during the 2024 reporting period to include procurement and improving commuting data, achieving two of our near term targets and providing a full upstream Scope 3 footprint. This provides a more comprehensive picture of Smart Energy GB's activities.	2024	3

Future Carbon Reduction Plans

Positive Planet recommends the following actions to begin addressing and reducing emissions. Recommendations are based on the current information available and may be required before further suggestions can be made, especially where engagement with a third party is needed before timelines for implementation of actions can be confidently established.

Reduction Plans – Scope 1 & Scope 2			
Activity No.	**Activity**	**Target Date**	**Category**
1	Continue to liaise with the landlord, aiming to understand their intentions around, and encourage the implementation of, low-cost heating efficiency options such as reducing thermostat temperatures, adding heat & solar control reflective window sheets and improving heat retention throughout the building. While engaging with the landlord regarding lower cost measures also enquire about longer term, higher cost solutions to gas heating systems and reliance on grid electricity - initially suggesting an energy audit to assess feasibility and payback periods. Examples for consideration include electric boilers (if feasible) or on-site renewable solar heating or heat pumps. There is currently government grant funding available via the Boiler Upgrade Scheme for upgrading to low carbon heating systems, which the landlord may be eligible for and would help with upfront capital costs. While this action should be undertaken by Smart Energy GB, other companies within the building may be interested in discussing the above and joining an informal meeting around building decarbonisation. *The initial target date is aimed at engaging the landlord and understanding ambitions around decarbonisation of the managed office space.*	2026	Stationary Combustion Purchased Electricity

2	While engaging with the landlord aim to ascertain plans to reduce energy consumption within the office and communal spaces (and associated location-based emissions). This will include understanding energy efficiency measures already in place and any plans for further development of energy management systems, such as ISO 14001. Examples of measures the landlord can take to reduce energy consumption include: - installing timers on communal sockets/equipment. - reviewing and renewing inefficient equipment (when at end of life), and actively consider the energy efficiency of equipment when new purchases are required (e.g. printers, fridges, dishwashers). *The initial target date is aimed at engaging the landlord and understanding ambitions around decarbonisation of the managed office space.*	2026	Purchased Electricity
3	Despite procuring renewable energy, Smart Energy GB should continue to encourage behavioural initiatives within the workplace for reduction of emissions, including clear messaging for turning off lights, monitors, computers and other electrical appliances where appropriate. Smart Energy GB can further contribute to reducing energy demand within the office by actively considering the energy efficiency of new equipment such as printers, monitors and laptops. In spaces in which Smart Energy GB is the sole occupant it is recommended to install timers at wall sockets linked to plug banks and align these with work patterns to reduce passive energy consumption by devices left on standby.	2025 *& onward*	Purchased Electricity

Reduction Plans – Scope 3			
Activity No.	Activity	Target Date	Category
1	Revise the existing Sustainable Procurement Policy to formalise and improve on sustainability considerations in procurement processes. The policy should outline Smart Energy GB's commitment to Net Zero and outline how new and existing suppliers are expected to support this by reporting / developing their own emissions measurements and reduction strategies. Tiered rankings may also be considered for high value suppliers or as part of new tender processes, using question responses to assess the integrity of the supplier's sustainability credentials and inform decisions. The policy should also outline how and when Smart Energy GB intends to begin requesting emissions data by building emissions reporting mechanisms into existing relationships, contracts and supplier management processes.	2025	Purchased Goods and Services
2	Implement the above Sustainable Procurement Policy. Smart Energy GB is in the process of engaging its largest suppliers and has contacted 13 suppliers representing 26% of spend in 2024. The scope and depth of engagement will be expanded in subsequent years, including further targeting of the large proportion of spend with third party media agencies. Currently 25% of total spend is covered by supplier specific emissions and Smart Energy GB will look to increase that proportion in following measurements. This data collection will support Smart Energy GB's reduction journey by gathering primary data, allowing a move away from spend-based estimation for future measurements & allowing tracking of supply chain integration towards Net Zero.	2026	Purchased Goods and Services
3	Build on existing internal engagement to formalise sustainability communications in weekly team meetings.	*2024 & ongoing*	All

4	Build on existing sustainable travel policies to explore schemes and incentives that will support staff members to opt for low-carbon commuting and homeworking methods. Examples include: - EV Salary Sacrifice Scheme - Organise cycling training days to build employee confidence and skills in commuting by bicycle - offering a salary sacrifice scheme for home renewable energy technologies (e.g. Heva Energy) The extended commuting & homeworking survey can be used in the next reporting period to help guide decisions, by asking for data about employee home energy use and suggestions for helpful commuting initiatives.	2026	Commuting & Home-working

Declaration and Sign Off

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

This Carbon Management Plan has been reviewed and approved by Smart Energy GB's Executive Team.

Signed on behalf of Smart Energy GB:

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Alistair Gibbons
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Name: Alistair Gibbons

Position: Director of Operations

Date: 07 October 2025

1 https://ghgprotocol.org/corporate-standard

2 https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting