



## Carbon reduction – 2021 report and plan for 2022

Climate change is an existential threat to our planet, the human race and our way of life. It is also creating wide injustices across the world. We want to be part of the solution, rather than one of the causes of the problem. The UK government has committed to businesses becoming net zero by 2050, in line with the global Paris Agreement to limit climate change to less than 1.5 degrees above pre-industrial levels – the limit which scientists say is required to prevent catastrophic, uncontrollable climate change.

Businesses can have an enormous influence on their various stakeholders – suppliers, customers, competitors, and employees. We urge other businesses to make plans to reduce and eliminate their carbon emissions, because together, we can all make a big impact. Small and medium sized businesses make up most of the UK business stock (and our customers), and no one is too small to have an influence.

Climate change demands urgent and universal action. This year, Everflow was the first retailer to make all our customers' water and wastewater supplies carbon neutral. We also signed The Climate Pledge, which commits us to being net zero carbon by 2040 across Scopes 1, 2 and 3 of the GHG Protocol - ten years ahead of The Paris Agreement (2050).

As part of this, we will:

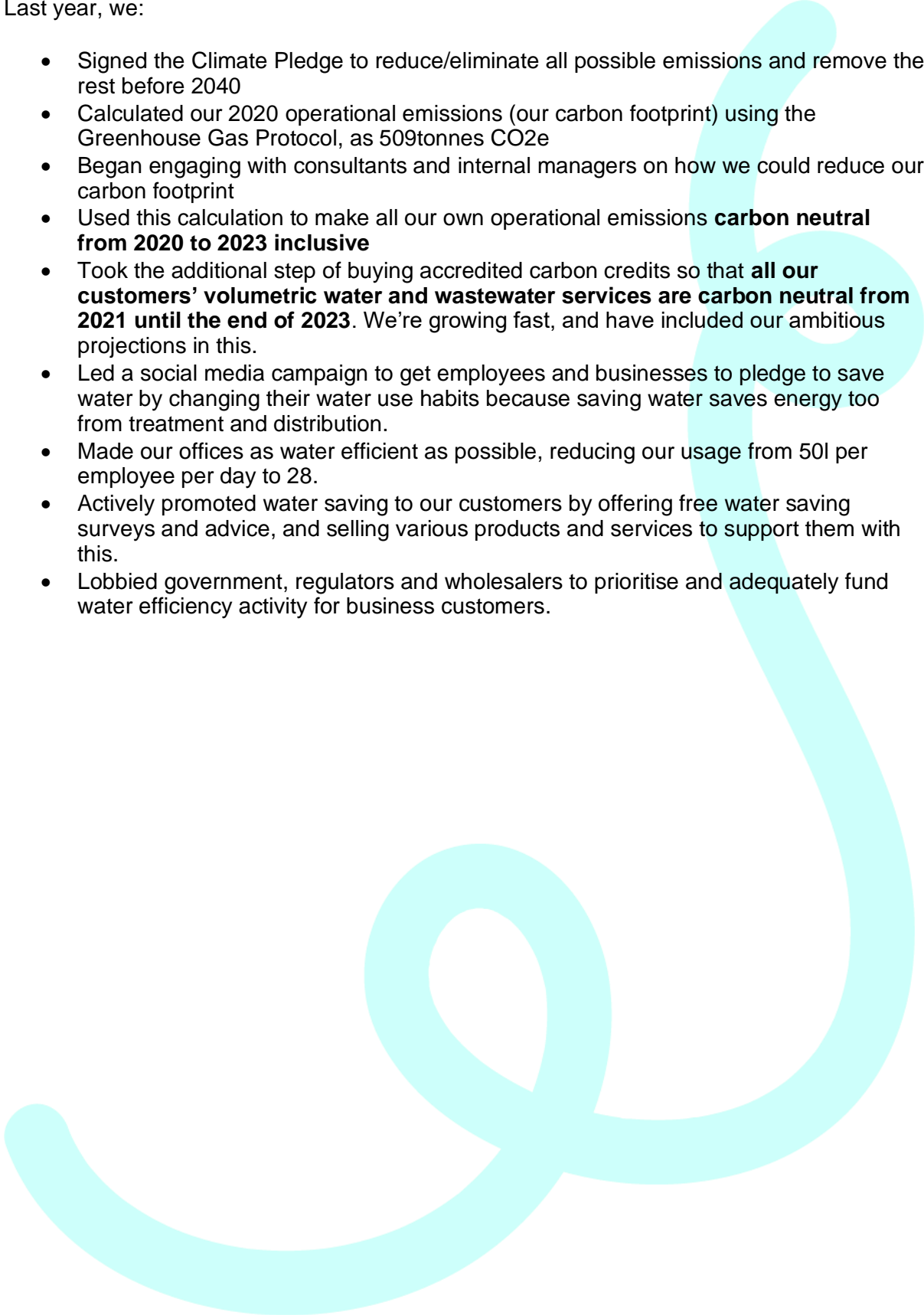
- Measure and report greenhouse gas emissions at least annually
- Implement decarbonisation strategies through real business change and innovations, including efficiency improvements, renewable energy, materials reductions, and other carbon emission elimination strategies (See how below.)
- Neutralise any of our remaining emissions with additional, quantifiable, real, permanent, and socially beneficial offsets.

Our ambition is to achieve net zero for our own operations before 2030. We're aware that water and wastewater wholesalers also plan to reach net zero for their operational emissions before 2030.

More than three quarters of our 2020 carbon footprint fell into Scope 3 of the GHG Protocol and was generated by our supply chain partners. Therefore, this year, we're raising awareness among our supply chain about our ambitions, offering them support with reducing their own emissions and asking them to tell us about their plans. This will help us to set our Science Based Targets for how soon we can reach Net Zero.

## 2021 Activities completed

Last year, we:

- Signed the Climate Pledge to reduce/eliminate all possible emissions and remove the rest before 2040
  - Calculated our 2020 operational emissions (our carbon footprint) using the Greenhouse Gas Protocol, as 509tonnes CO<sub>2</sub>e
  - Began engaging with consultants and internal managers on how we could reduce our carbon footprint
  - Used this calculation to make all our own operational emissions **carbon neutral from 2020 to 2023 inclusive**
  - Took the additional step of buying accredited carbon credits so that **all our customers' volumetric water and wastewater services are carbon neutral from 2021 until the end of 2023**. We're growing fast, and have included our ambitious projections in this.
  - Led a social media campaign to get employees and businesses to pledge to save water by changing their water use habits because saving water saves energy too from treatment and distribution.
  - Made our offices as water efficient as possible, reducing our usage from 50l per employee per day to 28.
  - Actively promoted water saving to our customers by offering free water saving surveys and advice, and selling various products and services to support them with this.
  - Lobbied government, regulators and wholesalers to prioritise and adequately fund water efficiency activity for business customers.
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## 2022 Activities planned

This year, our main challenge is influencing our suppliers and partners to reduce their emissions.

To reduce our own operational emissions, we are:

1. Getting a clearer picture of our Scope 1 and 2 emissions that we have most control over by gathering greater detail to use when calculating our carbon footprint for 2021
2. Publishing our carbon footprint reports and 2022 carbon reduction plan on our new website
3. Asking water wholesalers and our major (at least top 50 by spend) suppliers to share their carbon reduction plans with us, indicating that this will be important in our future procurement decisions. (Our customers' monthly footprint for their water and wastewater supplies from wholesalers was 647t.)
4. Offering support to our suppliers who have not yet started carbon reduction planning through free workshops
5. Reviewing our travel and expenses policy to state preferences for low emissions options, such as transport (trains or EV hire and car sharing) and hotels (with best net zero strategies)
6. Campaigning with our current landlords to improve sustainability of our current sites, including safe cycling routes, public transport links and fast EV charging points for our employees
7. Exploring how we could further reduce our emissions from heating and lighting
8. Selecting a new head office in the North East, considering a list of sustainability requirements
9. Encouraging and enabling our employees to car share for commuting and business travel
10. Launching a salary sacrifice Electric Vehicle scheme for our employees and increasing the car allowance for eligible employees to enable this
11. Supporting hybrid working through our new policy, to reduce employee commuting.
12. Sourcing recycled and recyclable IT equipment and stationary, wherever practical
13. Setting our Science Based Targets for our net zero strategy and submitting them for approval by the SBT Initiative
14. Investigating how to add the carbon and water scarcity impacts of customers' water usage to their bills
15. Setting up a simple water efficiency benchmarking and accreditation tool for customers to allow them to see how they compare to their peers and understand how they can reduce their water use
16. Drafting climate related financial disclosures for our Financial Statement (N.B. We are not required to do this yet as we are still classed as an SME).

We'd welcome any opportunities for collaboration, coordination or support on reducing our emissions and those of our supply chain.

For an informal discussion on how we are reducing carbon emissions for our customers, please contact [makemegreener@everflowwater.com](mailto:makemegreener@everflowwater.com) .