

Annual social value report

2022/2023



POWERING A SUSTAINABLE FUTURE

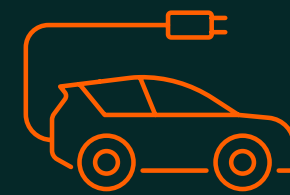




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64%
of company cars switched to
electric



25%
of offices have
EV charging capability



278
heat
decarbonisation
plans delivered for 53 clients



42
sites supported with our
Zen Zero proposition in
13 countries



£61,000⁺
donated to charity

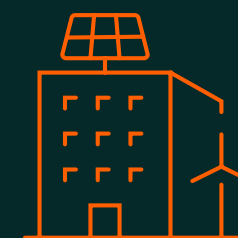


180
players
of our climate crisis game

450
hours
of community volunteering



100%
of offices
have undertaken energy
and water efficiency surveys



5
offices
switched to renewable
energy contracts

reported

our 2021 emissions for
scopes 1, 2 & 3 base year

calculated

our 2022 emissions for
scopes 1 & 2, with scope
3 underway

committed

to science-based
net zero targets

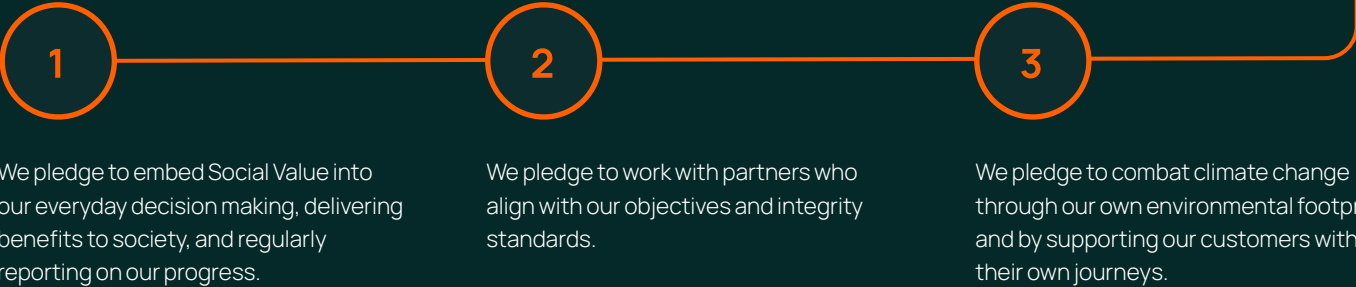
Introduction

Welcome to our annual social value report. With the ever-increasing focus on global issues, such as climate change and inequality, customers, employees, investors, suppliers and society in general all expect more from the organisations they have relationships with.

Businesses therefore need to demonstrate responsibility with credible and realistic commitments if they are to retain relationships and, moreover, relevance with their stakeholders. Zenergi's social value strategy has been designed to align with our organisational purpose and core mission. Within this report, we have summarised our progress against the commitments we set

ourselves within the four pillars of our social value strategy, Planet; People, Community and Customers. We are committed to creating a more sustainable future and our social value strategy is at the heart of our organisation driving us forward. We are pleased to share our progress within the following pages.

Our pledges



Powering a sustainable future



Executive overview

“

I'm delighted to share our social value report which summarises our progress in making a positive and lasting impact at both a local and global level.

Delivering transformative change for our planet; and amongst our people, customers, communities and stakeholders, is more than a commitment, it is embedded into our everyday operational activities. As Executive Sponsor, I'm proud of the team's collective effort and successes in creating meaningful social value that shapes a successful future for our organisation, while Powering a Sustainable Future for us all.



Robert Hughes, Chief Executive Officer
Executive Sponsor of Powering a Sustainable Future



Zen Planet



“ I am proud of the progress we’ve made surrounding our commitments to science-based targets, greener transport strategies, improving recycling and our ambition for 100% renewable energy across our estate. It’s important that we continue to build upon these achievements, while also sharing our experiences with our people, communities, and customers, as this helps to raise awareness and delivers upon our Powering a Sustainable Future mission.

Jamie Hall, Chief Operations Officer
Planet Pillar Sponsor



“ As a sustainability consultancy, we are keen to lead by example. It’s been a refreshing challenge to apply our in-house skills and expertise, usually reserved for our customers, to ourselves. We have assembled a team to oversee progress, measured our carbon footprint and carried out audits of our offices to identify opportunities, among other initiatives. It means we are not only reducing our own impact on the environment, but also enabling the lessons learnt from our experiences to be applied to our customers’ own decarbonisation journeys, for the benefit of us all.

Jonathan Weller, Sustainability Manager
Planet Pillar Lead

Our highlights

We want to help our team commit to a sustainable lifestyle and lower their emissions, which is why we introduced our Electric Car Salary Sacrifice Scheme, Electric Dreams.



octopus
electric vehicles

Helping our team make the switch to electric

Provided by Octopus Electric Vehicles, the scheme allows our people to purchase a new electric vehicle through salary sacrifice, making it a great value option, with no up-front costs and a simple monthly fee.

The scheme offers a completely hassle-free and flexible process, designed to tailor to the preference of our team. Included in the monthly cost is the car, all servicing and maintenance, breakdown cover, insurance, and the support from the Octopus EV team as we make the switch to electric.



Purchasing a new car is always very exciting, but knowing I will also be helping reduce my emissions, makes it extra special. I was impressed at how quick and easy the process was, and I love my new car!

Zenergi Electric Dreams
participant



We committed to science-based net zero targets

The effects of climate change and its consequences are already being felt worldwide. And although the damage isn't reversible, we can most definitely reduce and control its destructiveness. But time is running out and we need to act fast. At Zenergi, we have responded to the Science Based Targets initiative's (SBTi) urgent call for corporate climate action, by pledging to align with 1.5°C and net zero through the Business Ambition for 1.5°C campaign. This is in addition to our ambition to achieve scopes 1 & 2 net zero by 2025.

By dedicating our actions to the SBTi Net Zero Standard, we are setting a robust emissions reduction target at the pace and scale required by climate science. We have also joined the Business Ambition for 1.5°C campaign, the world's largest and fastest-growing group of companies that are aligning with 1.5°C by helping to halve global emissions by 2030.

As a part of the pledge, we have also signed up to the UN Race to Zero. Race to Zero is a global campaign led by the High-Level Champions for Climate Action to rally leadership and support from businesses, cities, regions, and investors for a healthy, resilient, zero carbon recovery.



We are excited to be committed to such an ambitious movement that is helping drive long-term change. We are helping Power a Sustainable Future for our planet, and this is just one of the ways we are making this possible.

Bryan McAlpine
Head of Sustainability

Energy and water surveys carried out at all offices

As part of our commitments to establishing a baseline to enable waste reduction and recycling targets; and implementing water and energy reduction plans across our estate, our Climate Change Engineering team carried out comprehensive energy and water surveys at each of our sites.



The surveys were an important piece of understanding our baseline and how we can meet our energy and waste reduction targets. We now have an understanding of our current emissions, what optimisation can take place to improve these, when this should take place, how much this would cost, and what the residual emissions are after implementation where offsets would be required.

Stephen Callanan
Senior Climate Change Engineer

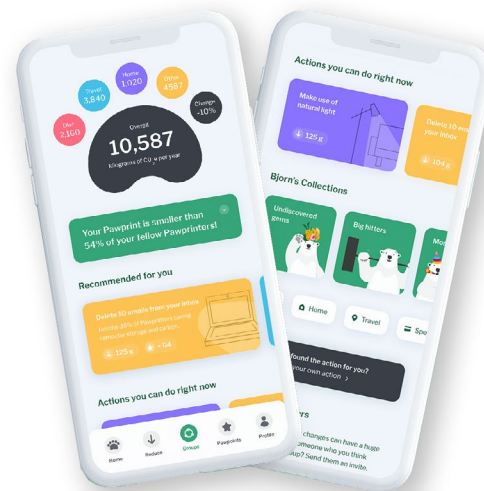
The team have been involved in net zero plans for several industrial clients and were therefore well placed to undertake the surveys for the Zenergi sites. The team used the project as an opportunity to support the graduate training programme, sharing knowledge across teams to help upskill graduates in the development of net zero plans. The project involved gathering data for conversion to tCO₂e; identifying consumption trends; site visits to assess and split energy use; identifying opportunities for optimisation; and the compilation of reports detailing the plan to improve efficiency and reduce emissions.



Pawprint
eco companion

We partnered with Pawprint to bring our team a behavioural science-based carbon calculator app that helped us measure, understand and reduce our carbon footprint through simple lifestyle changes and habit building.

The app offered an engaging resource to encourage our teams to hit carbon reduction targets and compete against each other. We combined the app with our existing incentives and rewards programme, Zen Points, to further encourage our team to make genuine change from a library of eco actions.



We empowered our team to measure their own carbon footprint with **Pawprint**

97 active participants
7,576 actions tracked
and
576 habits formed

210,396.2kg
Total CO₂e saved

Equivalent to:

631m² of sea ice surface
and
381,083 miles driven

Pedalling our way into UK Bike Week: Meet our Zen cyclists

We are encouraging a healthy, sustainable lifestyle that is affordable and achievable through our Cycle to Work Scheme.

Our Cycle to Work Scheme allows our team to purchase a brand-new bike with no upfront cost via a salary sacrifice scheme that offers a cost-effective repayment option. By offering this, we are giving our team the support they need to lower their emissions and live a healthy lifestyle.

In June, we celebrated Cycling UK's Bike Week. The campaign's aim is to bring us together and demonstrate that cycling can help people, the community, and the planet. Its goal was to encourage as many people as possible to get out there and enjoy their community by bike.

So, to mark Bike Week, we shared how a couple of Zenergi's keen cyclists have benefitted from our Cycle to Work Scheme.



“

I cycle to and from work mostly every day. I find it is a great way to start and finish my day, doing something I love. It keeps me fit and healthy and by purchasing my bike through our Cycle to Work Scheme, it means I was able to buy a brand new, top of the range bike, without the financial burden. It is also good to know I am significantly reducing my carbon footprint by leaving the car at home!

Jake Priddle
Website and Digital Marketing Manager



“

When we relocated to the Waterfront at Brierley Hill, I identified a fun and scenic mixed terrain cycle route to the office and made the commitment to use this as my primary commute going forward. As an added incentive for me, I used the Cycle to Work scheme to make good financial savings on a brand-new high quality 'gravel' bike, meaning I can ride on various surfaces, including roads, canal towpaths and woodland paths, with comfort and confidence. I now look forward to the commute each day and the mental and physical benefits, not to mention the extra satisfaction knowing I'm avoiding traffic, saving money on fuel and car maintenance and reducing my carbon footprint, and I've never looked back!

Jonathan Weller
Sustainability Manager





“ Our People targets support our ambition to create jobs, grow careers, and provide a fulfilling and rewarding environment for everyone, while building a business that we can all be truly proud of. We are focused on recognising the commitment and value our team provides, while working together to shape the future of the business.

David Redman, Chief Financial Officer
People Pillar Sponsor



“ True sustainability will be delivered by changing behaviours and informing decisions in the people that make up our society. We know the positive impact our team can make for our customers, our community and each other so, it's only natural that one of the central pillars of our social value strategy is focused on our greatest asset: Our People. We've made great strides by becoming a Recognised Living Wage Employer as well as continuing to develop our People as part of working to achieve Gold standard on the Investors in People framework, and we're excited to continue this success.

Nicholas Gribben, Head of People Business Partnering
People Pillar Lead

Our highlights

At Zenergi we recognise that our people are our strongest asset. We take our time to invest in good people who can play their part in helping us achieve our goals. We strongly believe in supporting each of our team to become the best they can during their Zenergi journey and are committed to providing a positive environment where people can grow and develop both professionally and personally.

Our team's mental wellbeing is one of our top priorities. Whether it is inside, or outside of work, we want our people to feel assured that they have the right support in times of need, to improve and maintain physical, mental, and financial wellness. As part of this commitment, we have many resources and specialised training in place to build a workplace that is educated, understanding and open about mental health, and we introduced personal trainer sessions as an option in the benefits pot.

Training

We worked with the mental health charity, Mind, to deliver training to all our managers and leadership team. An open-door policy is rooted in our Zen culture, and having this additional specialist training means our managers are even more equipped to care for our teams' needs during difficult times. Our internal wellness buddies are also trained by Mind and the British Red Cross, to act as a port of call throughout our offices. Our buddies are trained to be a shoulder to lean on and to listen, so if a team member needs to get something off their chest, they can contact a wellness buddy to confide in.



Employee Assistance Programme

Our Employee Assistance Programme offers the team immediate access to 24-hour telephone counselling and legal information services, provided by an independent health and wellbeing provider. Experienced and qualified telephone counsellors provide around the clock support to help our team with a wide range of personal and work-related problems in areas such as relationship difficulties, bereavement, anxiety, stress, family worries, alcohol/drug abuse and financial concerns.

Wellness Action Plan

The Wellness Action Plan is inspired by Mary Ellen Copeland's Wellness Recovery Action Plan® (WRAP®): an evidence-based system used worldwide by people to manage their mental health. The WAPs are a personalised, practical tool for our team to use, whether we have a mental health problem or not, it is there to help us identify what keeps us well at work, what causes us to become unwell, and how to address a mental health problem at work. Wellness conversations now form part of our team's six-month PDP review.

Mental Health Awareness Week

To show our support during Mental Health Awareness Week, lots of the team participated in 'Wear It Green' to help end the stigma surrounding mental health in the workplace. For each person who wore green, we donated to the Mental Health Foundation's programmes. Those who wore green were also entered into a competition to win a fruit and vegetable box.

Strat: Zen Fest

The theme of our Summer Strat, Zen Fest 2022, was 'Wellness' where we introduced laughter yoga and each director shared their own ways to support mental health. We had Alastair Campbell as our guest speaker to talk about his experience of managing his mental wellbeing and we offered his books 'Living Better' and 'Winners'. Our team were invited to spend an afternoon enjoying a fairground, followed by a music festival with street food, music and games into the night.



Rounding off our Year of Wellness

Our year culminated in three weeks of wellness in December. We arranged for all offices to be visited by massage therapists who provided relaxing, stress-relieving chair massages. We arranged 30-minute virtual sessions of desk Yoga and Mindfulness, offering feel-good stretches and self-care practices to calm the mind and let go of muscle tension.

This period also featured weekly deliveries of fresh fruit in each office to support with physical wellness. Finally, we signed up to the Mind Workplace Wellbeing Index.



Zenergi is a Real Living Wage Employer

At Zenergi, we believe in supporting our team and their families which is why we became an accredited Real Living Wage Employer. We recognise that the cost of living is at an all-time high which is why we are voluntarily going above and beyond the government minimum and taking a stand to ensure all our eligible team take home a wage which is enough to live on.

The Real Living Wage is higher than the government's minimum, or National Living Wage, and is an independently calculated hourly rate of pay that is based on the actual cost of living. It is calculated each year and is announced by the Living Wage Foundation as part of Living Wage Week.

Speaking of the accreditation, Zenergi's Head of People Business Partnering, Nicholas Gribben, said:



Being a Real Living Wage Employer is part of our commitment to Powering a Sustainable Future for our people.

Whether it helps towards living costs, enables days out with the family, or the treats that bring an element of joy to our team's lives, we are proud to be a Real Living Wage employer.

By ensuring a fair wage for our team, we hope to reduce any financial pressure they may be experiencing.

We developed a Cost of Living Fund which was created in response to the cost of living crisis. The company's Employee Benefits Trust (EBT) was utilised to make the fund possible. The EBT was created not only in recognition of our team's hard work and support in the growth of the business but so it could be there to help everyone in times of need. The optional Cost of Living Fund is available to all members of the team who need it and provides a monthly supermarket card which can be used for the purchase of food, clothes and life essentials.

Continuing our work towards Investors in People, Gold

We are building on our success at being awarded silver in Investors in People (IIP) in 2021, by working towards gold standard. The silver award is testament to our commitment to investing in and developing our people. Our overall IIP survey results demonstrated that Zenergi outperformed

the average benchmark for all IIP accredited organisations, meaning our people are more positive than many others within the IIP community.

We have built on this foundation in 2022 through developing new induction training for new starters that ensures everyone has the same two days' induction whatever their role is as an orientation into the business. In addition, we've rolled out a streamlined onboarding process, with regular check in emails, along with a 'Welcome to Zenergi' goodie box once a signed contract has been returned.

We reward our team in numerous ways to show our appreciation of their hard work. From our Zen Points scheme that rewards our team for going above and beyond and allows them to claim points in exchange for shopping vouchers, to our annual 'benefits pot' that lets our team tailor their extra benefits.

Diversity and Inclusion at Zenergi

We are building a diverse and inclusive workforce and we welcomed an education piece from one of our team around how we can support our fasting colleagues during Ramadan. A session was delivered at one of our offices, and the presentation shared group-wide, along with his blog. In addition, meeting rooms have been reserved as prayer rooms to help ensure we accommodate our team's religious beliefs and commitments.

Q&A

with a graduate



We are proud to be investing in the next generation of climate change specialists with our comprehensive graduate programme. Our structured programme allows successful applicants to learn on the job from engineers with decades of experience, while moving into a specific, permanent role with a clear career path and opportunities to continue to learn and take on more responsibility.

We caught up with one of our team who has completed the graduate programme and taken up a permanent role.



“

I work with businesses to help them quantify their energy consumption and carbon emissions, so we can identify which area(s) of their business they should focus on for greatest energy and emissions savings.

Kieran Sharp
Energy and Carbon Analyst

How do you describe your job to family and friends?

I work with businesses, to help them quantify their energy consumption and carbon emissions, so we can identify which area(s) of their business they should focus on for greatest energy and emissions savings.

What is your greatest achievement in your career at Zenergi to date?

I was promoted to an Energy & Carbon Analyst after nine months in the role.

What is the most interesting thing you are working on at the moment?

I'm part of the working group for Zen Planet. There are many targets that the group is working on, such as committing to a science-based target for net zero by 2025.

I am responsible for electrifying all Zenergi-owned vehicles by 2030, and as part of this I am working with the Siteworks team to establish whether we can install Electric Vehicle charge points at the Brierley Hill office to enable this transition. Getting hands on in projects like this lets you see how your work is making a difference.

What do you value about working at Zenergi?

Everyone at the office was very welcoming from day one, which made it a smooth learning process and allowed me to get quickly up to speed. The office is a great place for grads and new starters in this industry, as there is plenty of room for forging new networks and collaborating on projects you never knew existed, developing your skills and kick-starting your career.



Zen Community



“ Our commitment to making a positive difference in the world around us is a core value we uphold. While our targets may seem daunting, I am confident that with the support of the team, we can achieve them. I believe that our actions can make a meaningful and lasting impact on the lives of those in need, and am proud to be a part of this initiative.

Henry Jones, Chief Technology Officer
Community Pillar Sponsor



“ Our Community Pillar demonstrates the power of what we can achieve when we work together. Our team has been united in a collective effort to achieve our ambitious goals, coming together to engage in creative ways to raise money for charity and give back to our local communities.

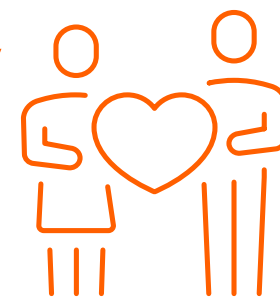
Rhiannon McCarthy, Content, Communications and PR Manager
Community Pillar Lead

Our highlights

We selected charity partners and carried out various fundraising initiatives.

From office bake sales to casual and themed dress down days and fun runs, we came together to have some fun while raising more than £60,000 for our charity partners and other causes.

£61,818
raised for
charity



Action for Warm Homes



Change your story

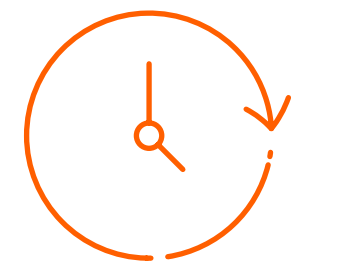
We organised a group-wide social value day and provided more than 450 hours of community volunteering

In June our whole team came together in our first group-wide social value day. The team worked in groups to carry out different activities, including litter picking; gardening; vegetation management and painting to improve the maintenance of the surrounding environment for its community.

The activities took place in Reading and the West Midlands. In partnership with Reading Borough Council, teams picked litter in four popular locations around the Reading area. This work ensured the locations were left clean and safe for both its users and local wildlife.

Another team headed down to The Weller Centre, a community centre that provides activities, events and services for local residents. The garden is an important part of the centre, particularly in the summer, and the team worked hard to give the garden a makeover, including removing a large number of weeds and nettles; repainting benches; planting numerous plants and flowers; and removing all litter.

In the West Midlands, teams supported the Canal & River Trust by painting canal locks in the local area. This important work prolongs the life of the locks, resulting in a decreased carbon footprint and environmental impact due to the extended lifespan the work affords the locks. To combat plastic pollution and microplastics, they also took part in vegetation management and litter picking along the canal.


450
hours
community volunteering



Community Volunteering



“
A huge thank you to Zenergi who completed an astounding amount of work. Thank you for cleaning up the area, lock painting & helping @CRTWestMidlands colleagues with vegetation work. All work was completed to a high standard. Thank you for making a difference. #teamwork.
Canal & River Trust



“
Thank you to all the volunteers on the day and also to the team coordinators who helped make the session a success! A fantastic effort from everyone involved!
The RAYS Team



“
What the team achieved in the few hours was amazing. Everyone worked really hard and the comradery and effort was faultless. It was great to be part of and it would be an absolute pleasure to host a similar event for you in the future.
Gemma Coley
Volunteer Coordinator, Canal & River Trust



Volunteering to support National Energy Action's Winter Warmth Support Packs campaign

We spent a morning with the Partnerships team at National Energy Action's headquarters in Newcastle, putting together Winter Warmth Support Packs. Each one contains essential items to help the recipients stay warm, including hoodies and thermos flasks and they are distributed over the winter at events facilitated by National Energy Action, to help those most in need. The Winter Warmth Support Packs are a vital lifeline for fuel poor households.



We want to thank Zenergi for their amazing support of our Winter Warmth Support Packs campaign. This winter, millions more people will struggle to heat their homes; Zenergi's help means we can reach more households in need and support some of the most vulnerable with essential items to help them stay a little bit warmer at home.

Alice Dalglish
Business and Partnerships Officer, NEA



We supported appeals in our local communities

From defibrillator fundraisers to Christmas gift appeals, we supported the local communities around our offices.



Zenergi's donation will make such a difference to our FCHO Mission Christmas appeal. With so many families across Oldham struggling to sustain the basics within the current cost of living crisis, Christmas is an additional financial stress.

With your generosity, along with other suppliers and colleagues, we hope that every child in Oldham will receive at least one gift from Santa this year. Thanks for helping spread some Christmas magic.

Naomi Martin-Smith
Learning and Development
Co-ordinator, First Choice Homes Oldham



Zenergi's generosity contributed to the overall pot which enabled us to purchase the defibrillator!

Hollie Strickland
Widbrook Equestrian Centre



The National Literacy Trust is delighted to be supported by Zenergi who have taken part in a number of fundraising activities, such as dressing up as Where's Wally? to complete a fun run! Over 40% of all children didn't reach the expected standards in reading, writing and maths last year, so the funds raised will support the National Literacy Trust's initiatives to boost literacy and improve the life chances of disadvantaged families across the UK.

Kelsey Offord
Corporate Partnerships Development
Manager, National Literacy Trust

Where's Wally? fun run

Various members of our team across four offices took part in teams to complete a fun run dressed as Where's Wally? The activity raised funds for our charity partner, National Literacy Trust, who celebrated 10 years of organising the fun run.





Zen Customers



“ We are incredibly proud of the part we play in helping our customers achieve their sustainability goals, and to provide future generations a better place to grow up in. Carbon reduction, net zero and sustainability are issues at the heart of an organisation's future success, and we are excited to continue to support our customers in achieving their targets, whilst educating the energy users of the future.

Andrew Birch, Chief Commercial Officer
Customer Pillar Sponsor



“ We value the position we have as a trusted energy partner for so many schools, and are excited to begin building on the work we have already delivered on educating school children in energy and climate change literacy. We are making good progress in increasing our green electricity sales, supported by improved internal processes and training.

Chris Jermy, Customer Success and Retention Director
Customer Pillar Lead

Our highlights

Q&A with Bryan McAlpine



The journey to Net Zero is a marathon not a sprint.

Bryan McAlpine
Head of Sustainability

Why do organisations need to embrace net zero?

There is no doubt that we are facing a climate emergency. You don't need to look far to see the evidence of how the planet is changing at an incredible pace.

We are witnessing unprecedented levels of climate-related destruction and devastation that the IPCC Working Group described as a “code red for humanity”. Although the transition to a net-zero future can appear complex, it is an essential step for any organisation that wishes to remain competitive. Organisations that fail to engage with net zero risk not only losing customers, but could also be less attractive to employees, stakeholders and investors.

And while organisations continue to stall on their net zero journey, temperatures continue to rise, and we fail to do enough to respond to the climate emergency.

Where does an organisation start?

A staged approach allows organisations to achieve net zero in a balanced way – because no organisation can make this sort of transformation overnight. The first step is often about getting a good grip on where you are today, which means measuring your emissions and calculating your baseline. If you don't measure it, you can't manage it, so work with your in-house specialists or external partners to establish a starting point that will form the basis of your plan.

“

Organisations will need a structured plan underpinned by realistic timelines and a clear business case, identifying the investment needed plus any opportunities and risks.

The next step is to determine how fast you can go and to consider the opportunities available to make net zero a reality. Organisations will need a structured plan underpinned by realistic timelines and a clear business case, identifying the investment needed plus any opportunities and risks. The final step is all about delivering on your commitments, to engage your stakeholders and take your teams on the journey with you. It's also important to identify the right partners who can help deliver on your plan, to recognise where your gaps are and to bring in the expertise where needed.

What challenges might an organisation face?

The journey won't be without its challenges, but overcoming humps in the road such as finance, resource, expertise, technology and grid infrastructure will enable companies to move forward with their net zero transition. Achieving net zero will require a multifaceted approach and it's unlikely you'll have all the tools or capability in-house, so collaboration is key – and you can learn a lot from

likeminded organisations. For many, there will be a skills gap at the initial data-gathering stage; for others it will be during the planning phase; and for the lucky few it will just be executing parts of that plan. The key for all organisations, whatever their level of maturity on the net zero path, is to recognise that we can't always do everything ourselves and that partnerships will almost certainly help you go faster.

What would you say to organisations who are delaying the transition to net zero?

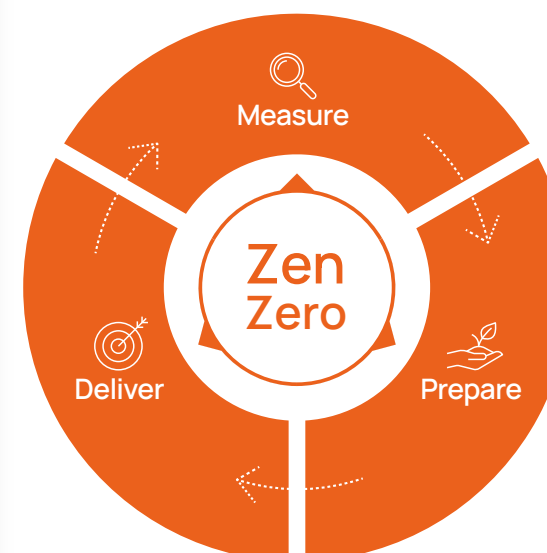
Consider the outcome if we do nothing; we are already experiencing extreme weather events and water shortages. As the IPCC report stated, if we act now, we can avert the climate catastrophe... but there is no time to delay. Organisations must take responsibility for limiting their contribution to climate change with a robust and strategic plan for net zero.

Net Zero

Enabling our customers to transition to a low-carbon future via our Zen Zero service.

Net Zero Future

We launched our Zen Zero service in 2022 to help organisations navigate the challenges associated with decarbonisation and enable the transition to a low-carbon future.



“ We appointed Zenergi to manage our environmental compliance and strategy towards Net Zero. Their approach to measure, prepare and deliver by breaking down the process into milestones and targets has allowed us to simply monitor where we are in the journey, giving us confidence that the work is being completed in a timescale which meets our global targets.

Aligning Net Zero with SECR and ESOS further strengthens our reporting strategy using the same data set throughout, expanding upon our voluntary emissions, and going beyond the minimum requirements.

Zenergi have responded extremely well to requests for global sustainability support resulting in additional kudos from our peers. Zenergi have met our expectations to date, and we look forward to further steps being managed by the sustainability team.

Head of General Administration
Global Banking Customer

Planet



By powering a sustainable future for our planet, we are:	2022	2025	2030	Progress in 2022
Committing to a science-based target for net zero by 2025, for Scopes 1 and 2				On track
Establishing a baseline for Scope 3 and setting a science-based net zero target				✓
Purchasing renewable energy contracts at Zenergi offices				83%*
Empowering our teams to measure and minimise their own carbon footprint				✓
Electrifying all Zenergi owned vehicles by 2030				64%
Offering EVs to our team via a salary sacrifice scheme				✓
Establishing a baseline to enable waste reduction and recycling targets				✓
Aiming to achieve Zero Waste to Landfill accreditation, whilst removing all single-use plastics				On track
Implementing water and energy reduction plans across our estate, and ensuring regulatory compliance				✓

*5 out of 6 Zenergi offices switched to renewable energy. Remaining office is within a serviced building with energy procured centrally.

Community



By powering a sustainable future for our communities, we are:	2022	2025	2030	Progress in 2022
Establishing a Social Value Partner network, for customers and suppliers to achieve their goals together				On track
Introducing improved supply chain governance and vetting 100% of high risk suppliers annually				Milestone moved to 2025*
Introducing Zenergi's annual volunteering day for every person within the Group				✓
Committing to raise £1m for charity and positively impacting 1,000 lives through social value activity				6%

*This work has started, with the development of a supplier code of conduct and is in the process of being implemented.

People



By powering a sustainable future for our people, we are:	2022	2025	2030	Progress in 2022
Building a diverse and inclusive workforce, reporting transparently and securing 3rd party accreditation.				On track
Committed to delivering fair pay across Zenergi, reporting gender and race pay levels transparently.				*Milestone moved to 2025
A Real Living Wage Employer.				✓
Working towards Investors in People accreditation, Gold Award.				On track
Investing in the next generation of climate change specialists by hiring 100 graduates, or apprentices.				16%
Targeting 50/50 gender parity in graduate and apprentice roles.				On track
Introducing STEM ambassadors to work across the schools we support within the education sector.				On track

*We had some unprecedented challenges to manage in 2022 and provided more support to customers as a result of the energy crisis. Therefore, in order to commit the appropriate time, effort and resources to delivering on this target, we made the decision to move the commitment out to 2025.

Customers



By powering a sustainable future for our customers, we are:	2022	2025	2030	Progress in 2022
Targeting 75% of customer energy supply points to be from renewable sources				On track
Enabling our customers to transition to a low-carbon future via our Zen Zero service (measuring impact in tCO ₂ e)				✓
Launching a Sustainability Academy to educate customers, setting a target to reach 10,000 school children				On track
Educating the energy users of the future with our 'Climate Crisis' game and other education programmes				✓

Zenergi's GHG emissions

At Zenergi, we have committed to achieving operational net zero by 2025. We have chosen to focus on scopes 1 and 2 initially through engaging with the Science Based Targets Initiative to ensure we are on track, strengthening this further by including our scope 3 emission calculations.

Our Powering a Sustainable Future plan ensures that we are decarbonising our estate as further acquisitions naturally grow the business. We are ensuring that our social value strategy is at the heart of every business decision we make. Our planet pillar is well represented within our annual statement, highlighting the passion that we have not only for our customers' journey to a greener future, but to ensure that Zenergi continues to achieve our objectives and milestones detailed within this report. We fully embrace our own Zen Zero strategy to Measure, Prepare and Deliver by acting now. The current reporting period is 1 January to 31 December 2022, which is aligned to the Group financial year. This is compared against a fixed base year, which is selected as 1 January to 31 December 2021.

GHG emissions (tCO ₂ e)	2021	2022	Change (tCO ₂ e)	Change (%)
Scope 1	14.9	9.5	-5.4	-36
Scope 2 (location-based)	54.7	53.1	-1.6	-3
Scope 2 (market-based)	23.4	38.6	+15.2	+65
Scope 3	543.2	680.3	+137.1	+25
Total (location-based)	612.8	742.9	+130.1	+21
Total (market-based)	581.5	728.4	+146.9	+25

The 2021 base year is selected as this is the earliest year that a complete scope 1, 2 and 3 GHG inventory is available. The base year has been adjusted to include full annual emissions of the acquisitions DB Group (Europe) Limited (joined February 2022) and Powerful Allies (joined June 2022) in accordance with our base year recalculation policy.

Total gross location-based and market-based emissions have increased 21% and 25% respectively this year. This compares to an increase in the employee intensity ratio of 5% and 8% for location-based and market-based emissions respectively. The relatively small increase in employee intensity ratios reveals that some of the gross emission increase correlates to an increase in employee numbers. The largest contributions to increases in emissions is scope 3 business travel and employee commuting, resulting in an increase of 119.2 tCO₂e (136%) and 98.9 tCO₂e (107%) respectively.

This is to be expected as business operations pick up again following the COVID-19 pandemic and employees return to the office. Nevertheless, homeworking remains at levels much higher than pre-pandemic.

The largest contributions to reductions in scope 3 emissions is purchased goods and services and capital goods, resulting in a decrease of 75 tCO₂e (35%) and 42.5 tCO₂e (46%) respectively. Electricity energy consumption (kWh) has increased 5% this year. Due to a lower electricity emission factor, this translates to a 3% decrease in scope 2 location-based emissions. Scope 2 market-based emissions are influenced by contractual emission factors that are more volatile, meaning these emissions have increased 65%. This is predominantly due to the Brierley Hill office, which has increased electricity usage as well as a high-carbon contract controlled by the landlord. Gas energy consumption (kWh) has reduced by 33% this year, contributing to a 36% reduction in overall scope 1 emissions.

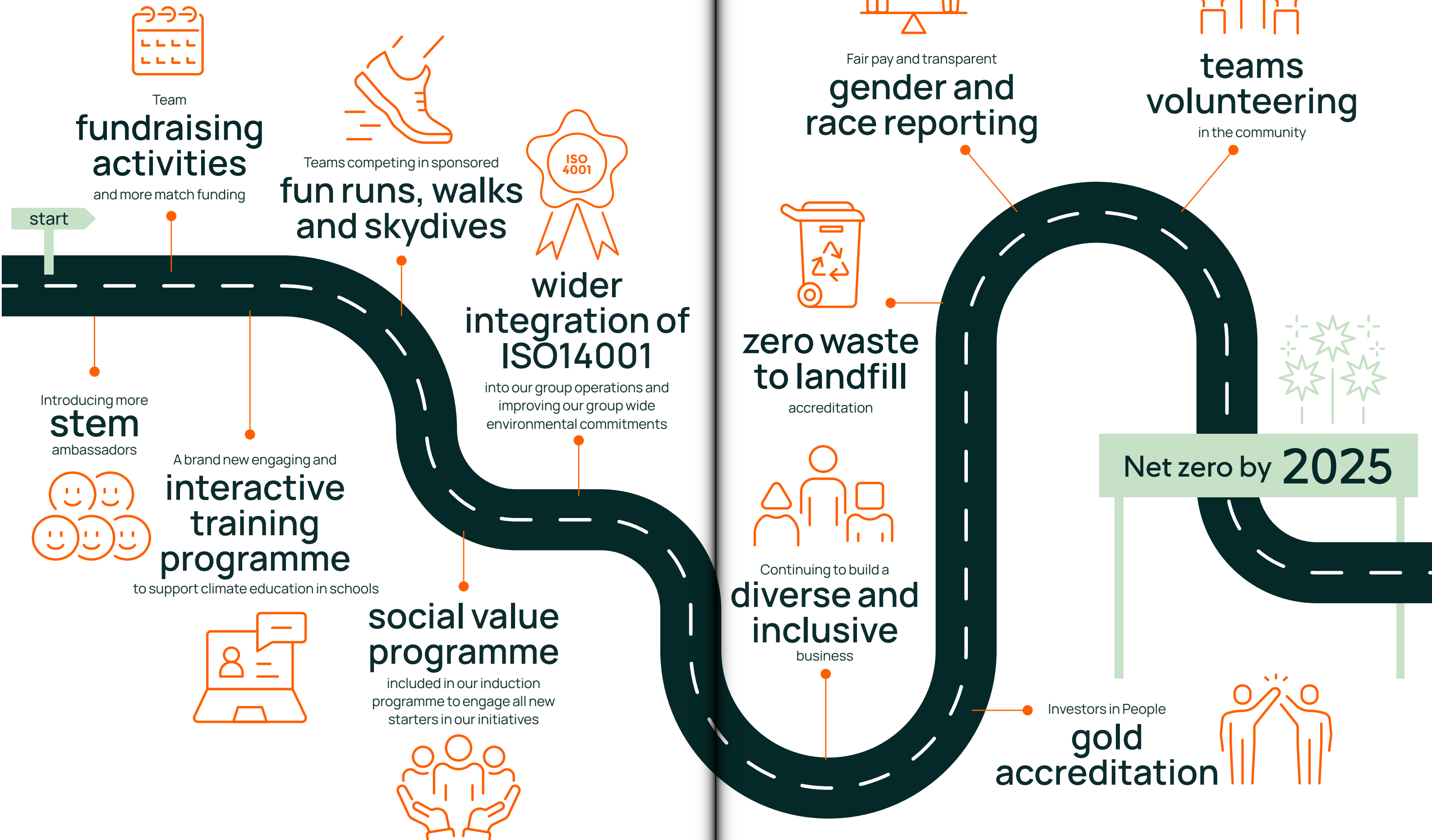
Market-based: Breakdown of emissions (tCO₂e)

Scope & Category	Emission Type	Total tCO ₂ e
Scope 1	Natural gas	8.1
	Company owned vehicles	1.4
Scope 1 Total		9.5
Scope 2 (market-based)	Purchased electricity (market-based)	37.5
	Purchased heat (market-based)	0.4
	Company owned vehicles	0.7
Scope 2 (market-based) Total		38.6
Scope 3: 1. Purchased goods & services	Purchased goods and services	137.2
	Water supply	0.1
Scope 3: 1. Purchased goods and services Total		137.3
Scope 3: 2. Capital goods	Capital goods	49.2
Scope 3: 2. Capital goods Total		49.2
Scope 3: 3. Fuel- & energy-related activities	T&D- UK electricity	4.8
	WTT - UK electricity (generation)	12.4
	WTT - UK electricity (T&D)	1.1
	WTT - Natural gas	1.4
	WTT - Employee-owned vehicles	29.6
	WTT - Commuting	44.5
	WTT - Company owned vehicles	0.5
	T&D - Company owned vehicles	0.1
Scope 3: 3. Fuel- & energy-related activities Total		94.6
Scope 3: 5. Waste generated in operations	Water treatment	0.2
	Waste disposal (combustion)	0.1
	Waste disposal (landfill)	0.4
	Waste disposal (recycling)	0.1
Scope 3: 5. Waste generated in operations Total		0.7
Scope 3: 6. Business travel	Employee-owned vehicles	115.5
	Hotel stays	43.6
	Taxi	2.9
	Train	19.2
Scope 3: 6. Business travel	Air travel	25.5
Scope 3: 6. Business travel Total		206.8
Scope 3: 7. Employee commuting	Commuting	163.9
	Homeworking	27.8
Scope 3: 7. Employee commuting Total		191.7
Total		728.4

Note: figures may not sum exactly due to rounding

What's next?

We are busy working towards our 2025 milestones. Here is a snapshot of what you will see in our next report.



Powering a sustainable future



About Zenergi

Zenergi supports and empowers organisations' journey to net zero. With a unique range of services, we tailor sustainable solutions for our customers. What sets us apart? We drive major reductions in costs, energy consumption and carbon emissions with our market-leading procurement service; informed advice, and unrivalled engineering expertise.

Let us simplify and accelerate your journey to a more sustainable future, we're here to guide you every step of the way.

Find out more

For more information about Zenergi's Social Value Strategy, visit www.zenergi.co.uk/social-value

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