

Environmental progress report

Period: 1 May 2020 – 30 April 2021

Author: Josie Murdoch, Senior Policy Officer

KEY FINDINGS

- **Total measured emissions increased by 34%**
 - Due to changes in working practices, growth of the team from an average of five to six Full Time Employees (FTE) over the year (concluding with eight FTE), and the inclusion of new types of Scope 1 and 2 emissions.
- **The average emissions per Full Time Employee was 482.3kg of CO₂¹**
 - This compares with 443.12kg of CO₂ per Employee in the previous year – an increase of 8.84%.
- **Scope 1 & 2 emissions, of 1675.5 kg CO₂, increased by 332%**
 - In addition to an increase in the average number of employees, **changes to working practices due to COVID-19 pandemic resulted in the inclusion of the Secretariat's home energy consumption in addition to that of the Aldersgate Group's office space** (The Office Group, or TOG). Though TOG only uses electricity, most of the Secretariat have gas power in their homes, so the inclusion of home working emissions led to a significant increase in emissions. These figures are a rough estimate, as specific data for home working was difficult to obtain and included only as a benchmark for future reporting. **Emissions produced by TOG were 25% lower than the previous year.** This reduction is smaller than anticipated, as the building continued to be heated despite a significant reduction in usage.
- **Scope 3 emissions decreased by 28.96%**
 - This decrease took place despite the inclusion of the embodied carbon of computer equipment for the first time. Other scope 3 emissions reduced by 93%, with emissions from commuting, business travel, hotels and paper reducing by almost 100% due to changes to working practices resulting from the COVID-19 pandemic. Emissions relating to waste removal and water usage were not included due to lack of available data.
- **Data storage emissions increased this year by 48.9%**
 - Due to the increase to the Secretariat team size. This is likely to be an underestimate because Zoom, which was used in place of in-person meetings, does not provide usage data with which to calculate emissions.
- **The pandemic continued to impact the availability of data for the second year running**
 - Especially relating to our rented office space. In addition to being unable to attain water and waste data, we were only able to obtain an annual figure for our office emissions rather than a monthly breakdown.

¹ This estimate is based on an average of 6.16 full time employees (FTEs), calculated using the number of months worked by staff throughout the year.

SUMMARY

The Aldersgate Group monitors the climate and environmental impacts arising from carrying out its business. The Group's overall impacts remain low, though higher than previous years. In past reporting periods the Group's main sources of emissions related to the amount and mode of business and commuting travel and office tenancy. For the first time, the Group has reported emissions relating to energy consumed as part of home working, as well as product carbon footprints from office equipment. Unfortunately, it is not always possible to obtain data on all of the Group's impacts from our suppliers (e.g. waste and water consumed on our office premises), and the challenges have been even greater this year, with key team members from supplier companies being placed on furlough following the outbreak of the COVID crisis and then made redundant during the reporting period, thereby limiting the ability to obtain specific data. Similarly, data from home working is largely based on estimates, or is not possible to source (for example home consumption of waste and water), and carbon product footprints are still in their infancy and data is limited. Where we cannot obtain specific data, we continue to engage with those suppliers to improve their measurement and management of environmental impacts and share the data with us.

BACKGROUND

The Aldersgate Group is an alliance of leaders from business, academia, politics and civil society that drives action for a sustainable economy. Formed in 2006, the Group now has 63 organisation members and a permanent Secretariat which grew in size during the 2020-2021 reporting period. The environmental progress report refers to impacts of the Secretariat's activities and does not include the environmental impact of the membership or Board of Directors, except where travel was undertaken by Directors on Aldersgate Group business.

The Aldersgate Group has prepared annual reports showing its greenhouse gas (GHG) emissions since its 2011-2012 fiscal year. However, changes in scope of data have affected the consistency of accounting over recent years, primarily arising from challenges in obtaining robust and comparable data from key suppliers, which change over time. In 2016, the Group determined that the ongoing effort to publish full GHG emission reports was not justified due to lack of comparability of data year on year but acknowledged the value of monitoring key activities to help identify and manage its impacts, as well as to better understand the challenges in emissions reporting faced by its members.

In 2021 the Group joined the Science Based Targets initiative and set a target to, by 2030, reduce its Scope 1 & 2 emissions by 42% and Scope 3 emissions 46.2% against the baseline of 2019-2020. This has led to a review of some of the data included in the environmental impact report – with office equipment being included for the first time – to ensure calculations and reporting are as accurate as possible. **Reporting was further complicated by the ongoing COVID-19 pandemic,** which changed data requirements for Scope 1 and 2 emissions in recognition of the switch to home working. This required the development of a new methodology to calculate emissions from home energy consumption, with some staff in the Secretariat unable to obtain specific data on their gas and electricity usage. Additionally, the pandemic impacted the ability to gather data on Scope 3 emissions such as waste and water from The Office Group (TOG), the Group's office, as members of staff were placed on furlough and then made redundant.

In line with the Board of Directors' recommendations, the Aldersgate Group Secretariat has not published a GHG report for the last three years, but has continued to review and record its environmental impacts and engage with suppliers.

ASSESSMENT

The team size changed between 2020-2021, as the Secretariat went through a period of growth and change. The reporting period began with six full time staff members. In the first half of the year months, two staff members left and two joined, one of which joined on a part time basis. Two further full time staff joined at the start of 2021, increasing the team size to eight.

Scope 1 & 2 emissions

Scope 1 & 2 emissions increased by 332%, as changes to working practices resulting from the COVID-19 pandemic led to the inclusion of the Secretariat's home energy consumption in addition to that of the Aldersgate Group's office space, which continued to be rented throughout the year. Though TOG only uses electricity, most of the Secretariat have gas power in their homes, so the inclusion home working emissions contributed to this large increase. These figures are a rough estimate, as specific data for home working was difficult to obtain, and included only as a benchmark for future reporting.

The Office Group

The Aldersgate Group Secretariat is based in a co-working space, which is owned and managed by The Office Group (TOG). However, changes to working practices which arose due to the COVID-19 pandemic meant that the Aldersgate Group Secretariat worked from home for 99% of the reporting period. As the Secretariat continued to rent space at TOG whilst staff worked from home, this report includes estimated emissions from both the office space and staff homes – and, as such, includes Scope 1 emissions for the first time as many of the Secretariat's homes run on gas, whilst TOG runs only on electricity.

A lack of data has limited consistency and accuracy in this reporting year, as was the case in the previous reporting period. Though TOG has previously announced plans to introduce an energy portal to monitor electricity use, which would have helped to secure more specific data, this has not yet materialised due to staffing pressures. Instead, electricity is calculated by floor (of which the Aldersgate Group Secretariat only uses one), and then divided by square footage to give an estimate for the energy consumed in the spaces rented by the Aldersgate Group. The TOG Sustainability Coordinator was placed on furlough during the COVID-19 pandemic and has since been made redundant, and our main point of contact is the building manager who has been stretched with other responsibilities. We were therefore unable to get data to the same level of specificity as in previous years and the annual electricity consumption was only given to us as a rough yearly estimate instead of monthly readings, as was the case in reporting periods in before 2019. It is our hope that the data collection process will become more straightforward in the future, and the Aldersgate Group will continue to engage proactively with TOG on this issue.

Based on annual metered building electricity consumption provided by TOG, the Aldersgate Group **estimates its Scope 2 emissions from office space to be 287.08kg CO₂, which is a decrease of 25% year-on-year.** This decrease is relatively small, despite the fact that the TOG offices saw a significant reduction in use by both the Aldersgate Group and other users of the co-working space during the reporting period. Unfortunately, the Aldersgate Group has no control over whether, for example, heating or lighting is used at the TOG when the Secretariat is not working there, as the estimate is based on the whole building consumption. This is something to consider for future emissions reductions.

Home working

The Aldersgate Group estimates its Scope 1 and 2 emissions from home working to be 1388.41 kg CO₂.² Three quarters of these emissions are from gas usage. As it is likely that the Secretariat will likely continue to use hybrid working long-term, with a mixture of office and home working, we will need to continue to report Scope 1 and 2 emissions from home working long-term. To ensure double-counting does not take place, we have already started to record the split between home and office working for each team member for the 2021-2022 reporting period. To reduce these emissions Secretariat staff will be encouraged to move onto a green tariff, and the Group will explore other opportunities to bring these emissions down.

As with collecting accurate data from the TOG, it has been difficult to obtain specific details about home energy consumption. Each energy provider has its own data portal which presents usage data in a unique way, and some staff have smart meters which breakdown their usage on a monthly basis, while others simply provide annual estimates. Only three staff were able to give data on their actual usage, used in the calculations.

For those staff who could not, Typical Domestic Consumption Values (TDCVs) calculated by Ofgem were used. These were last updated in 2020 and do not reflect the changes to home working which resulted from the pandemic, so may be an underestimate of the average usage during this reporting period. Similarly, TDCVs are offered in three tiers which are based on the number of bedrooms in the property, rather than square footage, and they do not reflect the property's energy efficiency rating. Therefore, as with the emissions for the office, the estimate should only be used for benchmarking.

It is worth noting the number of staff in the Secretariat changed significantly throughout the year, and on average increased from five to six full time employees, based on the number of months worked. As such the home working-related emissions may increase in the next reporting period, subject to the split of hybrid working which is adopted post-pandemic.

Scope 3 emissions

The Aldersgate Group has continued to closely monitor Scope 3 emissions, as historically this has been the sole area where we have consistently held accountability in terms of the impact of our actions on emissions. However, with the TOG Sustainability Coordinator being placed on furlough and then made redundant during the reporting period, we have been unable to secure data on waste and water consumption from TOG for the second year in a row.

We have made some changes to reporting of our Scope 3 emissions in this period. Although we have included home working energy consumption data in Scopes 1 & 2, in recognition of changes to working practices resulting from the COVID-19 pandemic, we have not been able to include home-related waste and water consumption due to a lack of data availability. As recommended as part of our new pledge to reduce our emissions in line with our new Science-Based Target – as outlined in the Background section of this report – we have included the product carbon footprints of computer equipment (such as monitors and business laptops) for the first time. All other Scope 3 emissions have been monitored as before.

The Secretariat's Scope 3 emissions decreased by 28.96%, despite the inclusion of emissions relating to embodied carbon in computer equipment. This was largely due to changes in travel resulting from the COVID-19 pandemic. The Group saw a **98% drop in**

² Almost all members of the Aldersgate Group Secretariat are on green tariffs for their home energy. However, because the Group reports on location-based greenhouse gases, rather than market-based, we have calculated Scope 2 emissions for both office and home working using the Defra conversion factors. This more accurately reflects the carbon-intensity of the grid. It was not possible to reflect the timing of consumption, as energy consumption figures are based on estimates across periods longer than days.

commuting emissions as staff worked from home for almost all of the year, and **flight, train and car-travel and overnight hotel stays decreased by 100% this year**, as no business travel took place during the reporting period, with all meetings taking place online due to the ongoing pandemic.

Data storage emissions increased this year by 48.89%. This can be explained by the need for increased online storage for both Dropbox and individual email accounts hosted with Zoho, due to the growth of the team. The team migrated away from Dropbox and Zoho during the second half of the year, and now hosts all systems with Microsoft, which reports significantly lower data usage than the other hosting sites.³ The need to keep emails in the inboxes of previous staff members for a certain number of years (e.g. for audit reasons relating to past projects) means email hosting emissions may remain high for the foreseeable future, but we should see a drop in emissions as a result of operating with Microsoft.

Crucially, it was not possible to source information about data use from Zoom, despite the high volume of meetings and webinars conducted using the video conferencing application during this reporting period. It is the hope that Zoom will begin to provide this information in the future, so this will need to be explored in future reporting periods.

Estimated emissions associated with use of paper decreased by 100%. At the start of the pandemic a conscious decision was made to move away from printing reports and briefings to producing online-only materials, with the view to re-introducing printed materials as and when in-person meetings and events began to take place again. An effort had already been made pre-pandemic to begin distributing reports and briefings digitally, and we will aim to continue this practice as things begin to return to usual under the pandemic.

Finally, the Aldersgate Group is for the first time reporting emissions from computer and home working items purchased to facilitate the shift in working practices, such as monitors, keyboards and office chairs. The emissions are included based on a five year life cycle, and come to 659.44kg of CO₂-equivalents for equipment purchased during the 2020-2021 financial year, and annual emissions of 516kg of CO₂-equivalents for equipment purchased within the past five years.

This has been calculated using estimates for equivalent products online, as data on product carbon footprints for the specific products purchased for use by the Secretariat was not available. This is likely to be an underestimate as some products – such as headsets and webcams – currently have no product carbon footprints equivalents available online and so could not be included in the estimate. In 2020-2021, due to growth of the Secretariat, two new laptops were purchased for the expanding team. It will be important for all office equipment purchased by the organisation – in particular laptops and monitors, which made up the bulk of the estimated emissions – to be recycled by future employees given their high carbon emissions and to ensure that all items are used for their full five year life cycle. It will also be necessary to check annually for laptops and other computer equipment which has finished their five year life cycles and will no longer to be included in the emissions calculations.

FUTURE EFFORTS

The Secretariat continued to struggle with consistency of emissions measurement data from suppliers. In the year ahead, we will aim to improve:

³ The Aldersgate Group has looked into why Microsoft's data hosting is significantly lower than Zoho's but could not find a clear explanation online.

1. **Supplier engagement:** Once disruptions caused by COVID-19 and furloughed members of staff return, we will resume engaging with The Office Group to access a full data set for Scope 1 and 2 emissions. We will also continue to monitor overall waste and recycling volumes. However, there is still some uncertainty over future work arrangements, as it is likely hybrid-working will continue post-pandemic but the exact split is unclear. This will require some thinking over how best to measure Scope 1 and 2 emissions for the following financial year (see point 3 below).
2. **Scope 3 emissions:** The Secretariat will continue to monitor and endeavour to limit Scope 3 emissions, by continuing to use low carbon transport methods as far as possible, combining as many meetings as possible when travelling and – in particular – continuing to use online platforms for meetings where these would be just as appropriate, given the effectiveness of the transition to web-based meetings during the course of the pandemic.
3. **Measuring emissions from home-based working:** There are still a number of uncertainties around future work arrangements, as although there has been a gradual reopening of the economy and a return to the office, the Secretariat continues to largely work from home as of August 2021, and hybrid working is set to continue for the foreseeable future. The Secretariat will therefore consider how best to measure Scope 1, 2 and 3 emissions in this scenario and consider what measures it needs to take to support staff in reducing home-based emissions. In the coming months, we will engage with other organisations who will be facing the same challenges to identify solutions.

The Aldersgate Group's long term aim is to produce zero net emissions as a result of its activities and the Group recently joined the Pledge to Net Zero coalition and, in May 2021, set its science-based emissions reduction targets as part of this. The Group has committed to **reducing its scope 1 & 2 emissions by 42%** by 2030 against its baseline of 2019-2020 and its **scope 3 emissions by 46.2%** by 2030. This would be around 4.6% reduction per year, but as the first reporting period has seen an increase of 34%, the reductions in future reporting periods will need to be higher.

It is worth noting that while setting its science-based target, the Group anticipated an initial rise in emissions due to changes to working practices resulting from the pandemic (such as the inclusion of home energy consumption) and the subsequent return to "normal" after lockdown, as well as the increase in size of the Secretariat. As such, the Group anticipates that the reporting period for 2021-2022 could see a further increase.

The Group has already identified priority areas for emissions reduction as: (i) choice of office tenancy; (ii) active engagement with office managers; (iii) travel and commuting; (iv) use of paper; (v) data management; and (vi) overnight hotel stays. A further two emissions reductions targets should be considered in light of this year's environmental impact report: (vii) reducing home working emissions and (viii) reducing emissions associated with office equipment. The Group will work with experts and our suppliers to identify opportunities for delivering these reductions as swiftly as possible, including producing a net zero transition plan in May 2022 as part of our Pledge to Net Zero commitments.