

Streamlined Energy & Carbon Reporting Summary 2020/2021





Sustainability is one of the key values for Newable and the efforts to minimise the effect on the environment are helping to contribute towards the UK Net Zero 2050 target and a greener future for our customers and consumers.

Newable have prepared an Energy & Carbon Report for the 2020-2021 financial year in accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. This report contributes to our understanding of the risks associated with climate change. Through measuring and reporting our environmental performance, we better understand efficiency, focus on reducing energy consumption and resource costs, while driving Newable to be a leading sustainability business within the industry.

The report for 2020-2021 reflects the total portfolio performance in addition to a reflection of the 'Main Site' performance compared to the 2019-2020 performance.

It is important to note that this report reflects the first-year impact of Covid19 and the net effects of lock-downs and subsequent hybrid working. Whilst this has had a material effect on emissions, the drive to sustainable energy procurement will combat the risk of increased emissions from office utilisation going forward.

There have been closures and acquisitions of sites during the year and the gross floor space has increased by 136% to 62,484 m2.

The total energy consumption of the business for this financial year was 17,022 MWh which resulted in the total gross carbon emissions being 2,854 tCO2e. Through green utility tariffs, the net carbon emissions were 2,022 tCO2e, a 29% reduction of the gross emissions. This reflects the work undertaken to drive both the purchase of green electricity and green gas, plus the business' focus on energy efficiency measures over 2020-21 to achieve greater sustainability and energy efficiency.

When comparing the performance of the 'Main Sites' of the business against the performance of last year, new acquisitions have been excluded. The normalised gross emissions against the floorspace of the 'Main Sites' of the business has decreased by 28% since 2019/20, demonstrating that the performance of Newable's main sites is improving. Also, a significant number of Newable's offices are exceeding the 'Good Practice' benchmark which indicates that the sustainability of the business as a whole is increasing.





Newable CO2 emissions and energy use data for period 01 April 2020 to 31 March 2021

| Parameter | Units | All Sites Reporting Year 01/04/20 - 31/03/21 | All Sites Reporting Year 01/04/19 - 31/03/20 |
|--|-------------------|--|--|
| Combustion fuels consumed | kWh | 8,107,973 | 0 |
| Grid electricity consumed | kWh | 4,714,430 | 0 |
| Transport fuels consumed | kWh | 4,199,836 | 0 |
| Total energy consumption used to calculate emissions | kWh | 17,022,240 | 0 |
| Emissions from combustion of fuels (scope 1) | tCO2e | 752 | 0 |
| Emissions from purchased electricity (scope 2) | tCO2e | 1,099 | 0 |
| Emissions from business travel in vehicles owned or operated by 3rd parties (scope 3) | tCO2e | 1,002 | 0 |
| Total gross carbon emissions | tCO2e | 2,854 | 0 |
| | | | |
| Carbon reduction through green tariff | tCO2e | 832 | 0 |
| Total net carbon emissions | tCO2e | 2,022 | 0 |
| | | | |
| Intensity ratio: Total gross emissions / total office floorspace | tCO2e / m2 | 0.046 | 0.000 |
| Intensity ratio: Total gross emissions / number of employees | tCO2e / person | 1.806 | 0.000 |
| | | | |



This report has been prepared following the GHG Reporting Protocol – Corporate Standard and using the guidance set out in Environmental Reporting Guidelines, including the Streamlined Energy and Carbon Reporting guidance – HM Government (March 2019).

Energy consumption data has been sourced from utility

tracker documents, or where this is not available the data is calculated by extrapolating the available data. Due to the limitation of data, assumptions have been made for sites without consumption that no carbon is attributable.

The comparison to the previous year has been completed using original Main Site data. Going forward, all site data should be available to compare total business impact year on year.

Conversion from energy to emissions was completed by application of the relevant emissions factors from UK Government GHG Conversion Factors for Company Reporting for the appropriate year.

There are implemented energy efficiency measures at the newly acquired sites in Durham (JCA which is coffin manufacturing business). Its three sites have been equipped with biomass boilers since 2006 which in 2020-2121 provided 4,381 MWh of heat replacing the equivalent gas, from FSC sourced feed stock.

JCA also installed in 2014 solar PV at one of the sites which generated 133 MWh of electricity, i.e. 11% of the total electricity used on-site.

In addition to these, JCA also installed inverters to all motorised machines and low energy LED lighting in 2014. These improvements saw the business's emissions being reduced absolutely year-on-year by around 38%, and relatively (per coffin) by more than 50%.

Alongside these energy efficiency measures; the business has been heavily focused on purchasing green energy from the grid for each site where feasible. It also works towards reducing other GHGs: JCA now increasingly uses low-impact water-based paints, reducing its Volatile Organic Compounds (VOCs) emissions by 70%.

Methodology

Energy Efficiency Action



| Comparison to previous year (excluding new acquisitions) | | | | |
|--|-------------------|---|---|--|
| Parameter | Units | Main Sites Reporting Year 01/04/20 - 31/03/21 | Main Sites Reporting Year 01/04/19 - 31/03/20 | |
| Combustion fuels consumed | kWh | 6,664 | 5,556 | |
| Grid electricity consumed | kWh | 423,184 | 479,849 | |
| Transport fuels consumed | kWh | 37,240 | 238,139 | |
| Total energy consumption used to calculate emissions | kWh | 467,088 | 723,544 | |
| | :000 | | | |
| Emissions from combustion of fuels (scope 1) | tCO2e | 1 | 1 | |
| Emissions from purchased electricity (scope 2) | tCO2e | 99 | 123 | |
| Emissions from business travel in vehicles owned or operated by 3rd parties (scope 3) | tCO2e | 9 | 56 | |
| Total gross carbon emissions | tCO2e | 108 | 180 | |
| Carbon reduction through green electricity tariff | tCO2e | 100 | 0 | |
| Total net carbon emissions | tCO2e | 9 | 180 | |
| Intensity ratio: Total gross emissions / total office floorspace | tCO2e / m2 | 0.022 | 0.030 | |
| Intensity ratio: Total gross emissions / number of employees | tCO2e / person | 0.437 | 0.572 | |

Prepared in line with guidance from: Environmental Reporting Guidelines, including Streamlined Energy and Carbon Reporting guidance - HM Government, March 2019.



Data breakdown & Analysis

CO₂ emissions

Figure 1 shows the gross carbon impact by location for the business. Durham (JCA) makes up the largest proportion at 36%, with all other locations contributing less than 7% each. This reflects a greater level of data visibility versus last year where only main sites were represented.

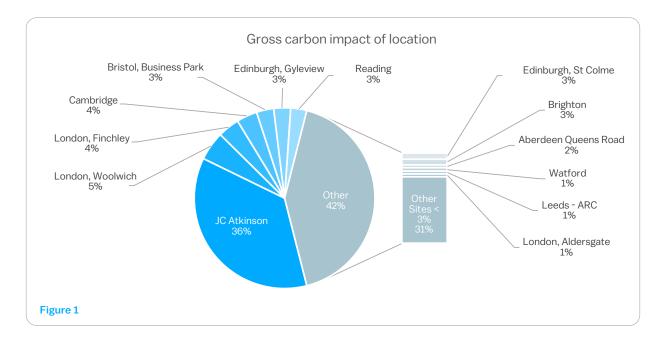


Figure 2 demonstrates the gross carbon impact of each business area of Newable, summarising what is shown in Figure 1. For the year 2020-2021, 36 sites have been taken into account for Newflex which make up the largest proportion of gross carbon emissions of the group with 49.11%. The 'Core Newable' business area includes the Aldersgate and Whiteley sites, contributing to around 2% of the total.

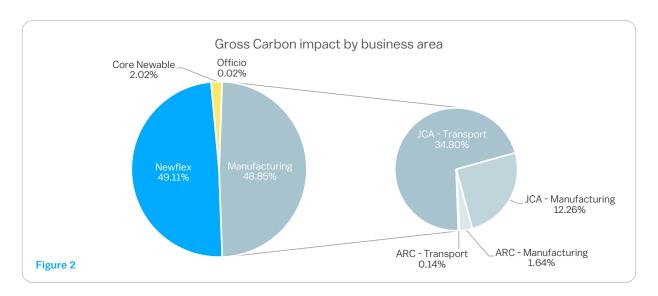




Figure 3 demonstrates the energy consumption and the related gross carbon emissions of each resource used within the locations of the business. Electricity makes up 28% of the energy consumed with combustion fuels making up the largest proportion, 47%. However, due to JCA utilising biomass instead of natural gas, the impact of combustion fuels on gross carbon impact is much lower than its energy consumption, making up around 26% of the total gross carbon impact of the business. The carbon intensity of electricity continues to reduce with more renewable sources being supplied to the national grid each year. The carbon intensity of natural gas is not likely to fall significantly.

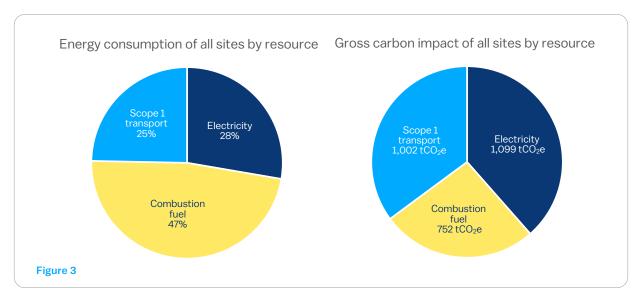
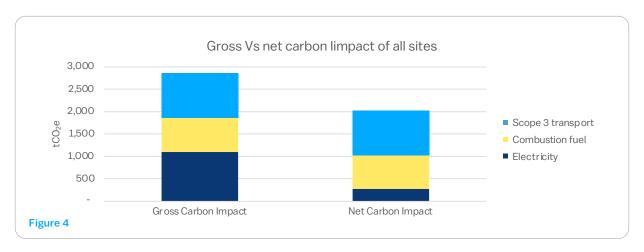


Figure 4 compares the gross and the net carbon impact of each resource within Newable. Gross carbon impact represents the emissions for all the energy consumption of the company, where the net carbon impact accounts for the carbon reduction associated with energy that is certified as green and renewable, originating from a zero-carbon method of generation. Approximately 65% of the electricity consumed by the company is green (certified by Renewable Energy Guarantee of Origin certificates (REGOs)), with solar PV also providing 13% of JCA's electricity. These are not included in the net carbon emissions, decreasing the final value significantly. In addition, natural gas used by the Leeds (ARC) site is 100% green, reducing the carbon impact of the combustion fuels of the business, resulting in net carbon emissions of 2,022 tCO2e. The net carbon impact of the company is 29% lower than the gross carbon impact.





Office carbon intensity benchmarking

Figure 5 compares the normalised net emissions of Newable's offices to the benchmarks for the carbon impact of air-conditioned offices set out by the Chartered Institution of Building Services Engineers (CIBSE) within Guide F. The average carbon impact of the Newable offices for this financial year is better than the 'Good practice' benchmark from the CIBSE Guide F, demonstrating that the offices are leading sustainability within the industry through lowering emissions and increasing energy efficiency each year. It should be noted that transport fuels are excluded from this data analysis.

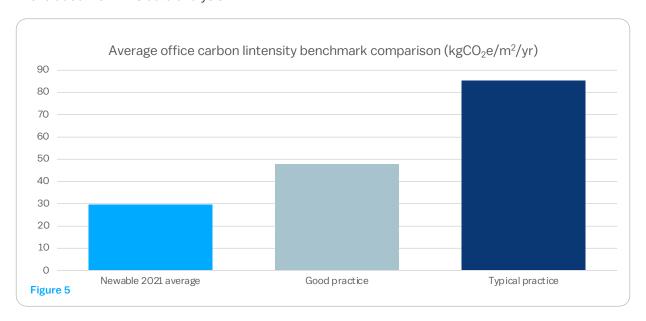
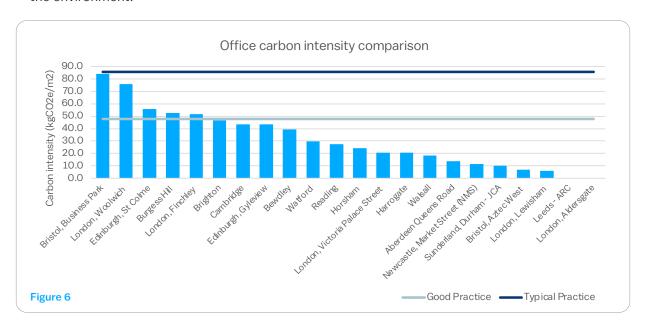


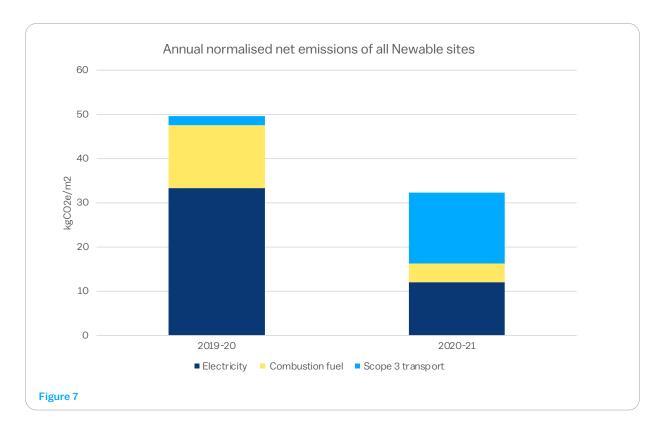
Figure 6 shows the carbon intensity of our sites, comparing them with the benchmarks set out by CIBSE in Guide F. Every site falls below the 'Typical practice' for offices while the majority of offices are below the 'Good practice' benchmark, demonstrating that the business as a whole is improving its energy efficiency every year with many sites having minimal impact on the environment.





Annual benchmarking

Figure 7 demonstrates the normalised net emissions of Newable over the past two years. Although there have been site closures and acquisitions, overall floorspace has increased, more green energy has been purchased and the effect of Covid19 and homeworking have all contributed to a decrease of normalised net emissions by 35% in this financial year when compared to the previous year.



Looking forwards, the normalised net emissions of the business will be influenced by the net effect of hybrid working versus returning to offices.