Responsible business continued

TCFD continued

Our 2023 Scope 1 and 2 emissions represent 3.6% of our total Group emissions, with our 2023 Scope 3 emissions representing 96.4%.

Scope 1, 2 and 3 emissions

Table 7: Group emissions from 2019 to 2023 and reduction target

Emissions Scope	2023 Gross emissions (tCO ₂ e)	2022 Gross emissions 2 (tCO ₂ e) re-stated	2021 Gross emissions ¹ (tCO ₂ e) re-stated	2020 Gross emissions (tCO ₂ e)	2019 Gross emissions (tCO ₂ e)	Interim target	Net zero target year
Scope 1	1,155	1,336	1,193			50%	2035
Scope 2	2,556	2,903	2,533	3,535	4,580	reduction by 2030	2035
Scope 3	100,531	176,299	155,636	130,820	not fully captured	-	2045
Total	104,242	180,538	159,362	134,355	_	_	_

¹ We have re-stated our 2021 Scope 1 and Scope 2 figures which were previously 1,456 and 2,524 tCO₂e, respectively. These restatements are due to recalibration of our natural gas and electricity emissions. This has resulted in a slight increase in our overall emissions for 2021. Our Scope 3 emissions were also restated as improved business travel data was collected. Previously, the total was 154.550 tCO2e.

The marginal increase in Scope 1 and 2 emissions between 2021 and 2022 was due to new businesses being acquired late in 2021 (Savage and AUDIX). Removing these would show a decrease. A further decrease took place in 2023, due to the impact of several energy saving schemes, and consolidation of several sites. The above Scope 2 information is provided under the location basis; using the market-based approach, the reduction is much steeper which is due to the majority of large sites having entered into renewable energy contracts. Similar contracts will be entered into in 2024, which will be a key instrument to achieve carbon neutrality.

In terms of the Scope 3 emissions, the significant decline in 2023 is principally due to reduced activity caused by the macroeconomic headwinds facing the business.

Streamlined Energy and Carbon Reporting

This report summarises the energy usage, associated emissions, energy efficiency action and energy performance for the Group, under the government policy Streamlined Energy and Carbon Reporting ("SECR"), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Table 8: Total consumption (kWh) figures for energy supplies reportable by the Group:

Utility and Scope	UK (kWh) 2023	UK (kWh) 2022	UK (kWh) 2021	Global (excluding UK) (kWh) 2023	Global (excluding UK) (kWh) 2022 re-stated	Global excluding UK) (kWh) 2021 re-stated	Total kWh 2023	Total kWh 2022 ¹	Total kWh 2021 ¹
Scope 1 – gaseous and other fuels (voluntary)	783,283	872,109	945,124	4,624,549	5,112,471	4,053,757	5,407,832	5,984,580	4,998,881
Scope 1 – transport (Company fleet)	195,019	275,041	236,608	506,567	669,388	1,093,729	701,585	944,428	1,330,337
Scope 2 – electricity	1,208,408	1,322,599	1,716,613	7,506,194	8,940,700	8,709,990	8,714,602	10,263,299	10,426,603
Scope 2 – transport (Company fleet)	19,857	5,448	6,473	-	1,727	-	19,857	7,175	6,473
Scope 2 – purchased heat, steam and cooling	2,475	2,675	9,148	-	_	_	2,475	2,675	9,148
Scope 3 – grey fleet²	124,765	35,880	51,642	63,154	69,097	49,342	187,919	104,977	100,984
Total energy use – all Scopes	2,333,807	2,513,752	2,965,608	12,700,464	14,793,383	13,906,818	15,034,270	17,307,134	16,872,426

¹ We have restated our UK and Global kWh figures across 2021 and 2022 as improved data quality has become available. These changes align with the restated emissions in Table 7.

² We have re-stated our 2022 Scope 1 and Scope 2 figures which were previously 1,467 and 2,773 tCO₂e, respectively. These restatements were due to recalibration of our natural gas and electricity emissions. Scope 3 emissions were also restated as improved business travel data was collected. The previous total was 173,148 tCO₂e.

² Grey fleet are the use of employees' personal vehicles for business purposes, as opposed to belonging to the Company.

Streamlined Energy and Carbon Reporting continued

Table 9: The Total Carbon Emissions (tCO₂e) figures for Group

Location-based

Hallian and Conn	UK (tCO₂e) 2023	UK (tCO₂e) 2022	UK (tCO₂e) 2021	Global (excluding UK) (tCO₂e) 2023	Global (excluding UK) (tCO₂e) 2022 re-stated	Global (excluding UK) (tCO ₂ e) 2021	Total (tCO₂e) 2023	Total (tCO₂e) 2022	Total (tCO₂e) 2021
Utility and Scope						re-stated			
Scope 1 total	189	224	228	966	1,112	1,002	1,155	1,336	1,231
Scope 1 – gaseous and other fuels	143	159	173	847	938	745	990	1,097	919
Scope 1 – transport (Company fleet)	46	65	55	119	159	257	165	224	312
Scope 1 – refrigerants	-	-	-	-	15	-	-	15	-
Scope 2 total	255	258	367	2,301	2,645	2,167	2,556	2,903	2,535
Scope 2 – electricity	250	256	364	2,301	2,645	2,167	2,551	2,901	2,532
Scope 2 – transport (Company fleet)	4	1	1	-	0.33	_	4	1	1
Scope 2 – purchased heat, steam and cooling	1	1	2	-	_	_	1	1	2
Scope 3 total (grey fleet)	29	8	12	15	16	12	43	25	24
Total emissions – all Scopes	473	490	607	3,282	3,773	3,181	3,754	4,264 ¹	3,790 ¹

¹ We have restated our 2021 and 2022 emissions totals to incorporate improved data quality. Previous totals equalled 4,265 and 4,005 tCO2e for 2022 and 2021, respectively.

The following table shows the intensity metric of tCO_2e per £million turnover applied for the annual total consumption.

Intensity Metric	UK Intensity Metric 2023	UK Intensity Metric 2022	UK Intensity Metric 2021 ¹	Global (excluding UK) Intensity Metric 2023	Global (excluding UK) Intensity Metric 2022	Global (excluding UK) Intensity Metric 2021 ¹	Total Global Intensity Metric 2023	Total Global Intensity Metric 2022	Total Global Intensity Metric 2021
tCO₂e/£m T/O	4.55	3.71	4.79	16.17	11.82	11.89	12.23	9.45	9.61

¹ We have re-stated our 2021 intensity metrics as a result of now applying a UK only specific £m revenue value to UK only emissions. This methodology has also been applied to global (excluding UK) intensity metric calculations. i.e., applying a global (excluding UK) only £m revenue value to global (excluding UK) emissions.