



**Bryt**  
By nature

**OUR SUSTAINABILITY JOURNEY,  
OUR RESPONSIBILITY.**  
**2022**



# OUR PROMISE



Over the past year, businesses have faced a variety of acute and immediate challenges. This has inevitably drawn their focus away from sustainability and understandably many businesses are struggling to balance long- and short-term priorities. We face similar challenges – ensuring we’re still a responsible, secure, reliable supplier and supporting our stakeholders, while keeping our sustainability journey on track, has felt harder this year.

But **this is no time to let sustainability plans stall.** In fact, with the energy market so turbulent, and so many questions still to answer about how the energy crisis can be resolved, we believe that focusing on our purpose is more important than ever. We believe lasting stability can be more easily achieved if the climate crisis and energy crisis are tackled together.

## OUR PURPOSE: LEADING BRITAIN TOWARDS A NET ZERO, SUSTAINABLE ENERGY FUTURE; HAVING A POSITIVE IMPACT ON BUSINESSES, COMMUNITIES AND THE PLANET.

Since Bryt Energy’s inception in 2016, sustainability has been critical to our business strategy. As a **zero carbon, 100% renewable electricity supplier**, we have always believed that **acting sustainably is quite simply the right thing to do.** We believe that businesses have a responsibility to ensure that they have a positive impact on the world they’re operating in.

It’s the reason we launched our **Bryt by Nature** programme in 2020. We wanted to have **a positive impact on society as a whole**, ensuring we live and breathe our values to create a happy and engaged community. We’re fully documenting our journey to becoming a truly sustainable business, and being totally transparent about the opportunities (and challenges) we experience along the way. Sustainability isn’t always easy - but it’s absolutely necessary.

Our efforts so far have enabled us to achieve carbon neutral status<sup>^</sup> in 2019/2020 by measuring and offsetting our carbon emissions with the Bokhol Solar Project. But to progress and build on this positive beginning, we have since expanded our carbon reporting and this year **committed to science-based targets\*** for our business. These targets give us a clearly defined path to reduce emissions in line with the goals of the Paris Agreement, using the most up-to-date climate science with an aim to **limit global warming to 1.5°C** above pre-industrial levels.

\*Bryt Energy has committed to set near-term company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). We are proud to say that we submitted our near-term targets to the SBTi on 17th November 2022 and we expect the robust validation process to be undertaken in the first half of 2023.

But we’ve also experienced some significant setbacks. Whilst expanding our Scope 3 carbon reporting, we uncovered emissions that meant achieving **our aim of being net zero by 2025 simply isn’t possible.** It was an ambitious target, set with good intentions, however, with better insight into our value chain emissions, we recognise that many of the changes that need to be made are out of our control. And, whilst we can engage and try to influence our suppliers to make those changes, some unfortunately will not happen at a fast enough pace for us to achieve net zero by 2025.

We remain committed to our sustainability efforts and have **adapted our strategy**, focusing on our science-based targets\* to ensure we’re contributing to global action in the most effective way. We’re also working to engage with our value chain partners to plot a path forward on Scope 3 and reassess our offsetting strategy in line with our new targets.

We feel optimistic about the future and know that despite setbacks, we’re in a better place at the end of this year than at the beginning. It seems clear to us that **no one can achieve net zero alone**; only through collaboration can everyone achieve their sustainability goals. Bryt Energy will continue to be transparent and share our own journey, in the hope that by doing so we can help others have a smoother path. After all, **we’re in this together.**

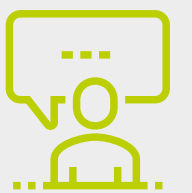
From the Bryt Energy Board

December 2022

**Bryt**Energy

**“...the best measures to solve the ongoing energy crisis are the same measures that are crucial to fighting the climate crisis.”**

Christian Rynning-Tønnesen, CEO of Statkraft.





# WHY IS SUSTAINABILITY SO IMPORTANT?

With many still feeling the impacts of the COVID-19 pandemic, it's been a challenging year for businesses of all sizes.

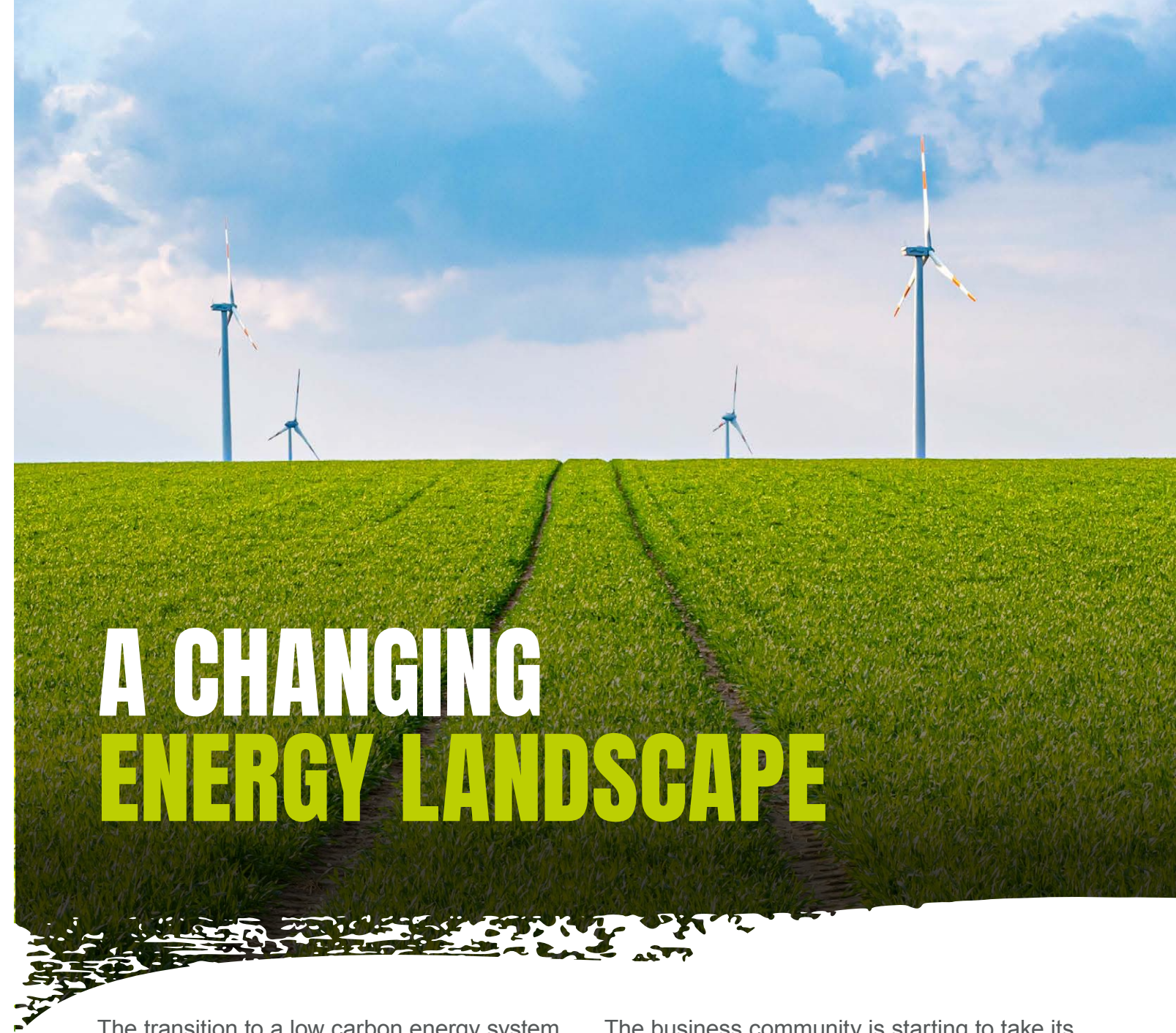
Russia's invasion of Ukraine has exacerbated an already turbulent energy market, resulting in rising energy prices. This has been set against the backdrop of a broader cost-of-living crisis, giving rise to feelings of concern over what the future might hold - and how the energy industry will help to resolve the current situation.

While it's understandable that sustainability might not be front of mind for businesses right now, **the climate crisis is only becoming more urgent with each day that passes.** Global warming could exceed 2°C above pre-industrialised levels unless significant action is taken now<sup>1</sup>. Climate events close to home, such as this summer's record-breaking heatwaves, are being echoed across the globe; extreme weather events, loss of biodiversity and rising seas are warnings that we can no longer delay prioritising sustainability.

**It's time to act.**

**THE IPCC BELIEVES THAT THROUGH STRONG AND SUSTAINED REDUCTIONS IN GREENHOUSE GAS EMISSIONS, WE CAN LIMIT FURTHER IMPACT.**

<sup>1</sup><https://www.unep.org/resources/emissions-gap-report-2022>



## A CHANGING ENERGY LANDSCAPE

The transition to a low carbon energy system will be essential to reducing carbon emissions and preventing the catastrophic impacts of the climate crisis. This can be achieved by moving away from fossil fuels for electricity generation and through the decarbonisation of heat and transport. As we navigate this transition, we'll need to adapt our approach to electricity, revising behaviours and mindsets to build a more secure and resilient UK energy system, providing affordable and accessible energy for all.

The business community is starting to take its responsibility seriously, with over 4000 taking action by committing to set science-based targets that align with the Paris Agreement and with the Intergovernmental Panel on Climate Change (IPCC) recommendations. Both urge rapid action to limit global warming to 1.5°C above pre-industrial levels.

At Bryt Energy, we'll be practising what we preach. Our ongoing aim is to become a better business; better for our communities and better for the planet. But the UK can't achieve what is needed if businesses work in silos - **by sharing best practice and working collaboratively we can create real change, faster.**

**WE ARE BETTER TOGETHER,  
JOIN OUR JOURNEY.**



# BRYT BY NATURE

Our programme for being a better business consists of 4 key elements which align with our chosen Sustainable Development Goals (SDGs).



## SUSTAINABLE BY NATURE

Sustainability is in our DNA, and we've always been focused on striking a balance between people, profit, purpose and the planet. From documenting our carbon footprint to committing to science-based targets\*, we're determined to be totally transparent at every step of our journey.

**SDG 13:**  
Climate action



## TRUSTED BY NATURE

Our customers are at the heart of what we do. We know that our customers trust us to work to the highest of ethical standards, and we know that they need to be able to rely on us. So we're committed to being a safe, secure and sustainable electricity company.

**SDG 7:**  
Affordable and clean energy



## PASSIONATE BY NATURE

We're passionate about providing an excellent service that benefits both our customers and the environment. Without our amazing team, we wouldn't be able to deliver our purpose - so we're also enthusiastic about making Bryt Energy a positive, diverse and inclusive place to work.

**SDG 3:**  
Good health and wellbeing



## PIONEERING BY NATURE

Our innovative products are helping customers optimise energy use and support the renewable electricity transition. Through optimisation we can build a better energy industry for the businesses that operate within it and the customers that rely on it.

**SDG 12:**  
Responsible consumption  
and production





# OUR PROGRESS SO FAR...



Let's take a look at the progress we have made on our Bryt by Nature elements and the associated SDGs:

## SUSTAINABLE BY NATURE

Energy supply continues to be one of the biggest sources of UK carbon emissions, contributing almost **24%** of the UK's overall emissions in 2021<sup>2</sup>. Bryt Energy has a key role to play in this sector, so we've been leading the way by only supplying our customers with **zero carbon, 100% renewable electricity**.

In line with our commitment to **SDG 13: Climate Action**, we choose only **solar, wind and hydro** electricity sources for our fuel mix. We believe these naturally occurring sources provide the most benefit to our customers and the environment. All three can be classed as zero carbon because they don't create any carbon emissions at the point of generation and are naturally replenishing.

They also complement each other well. In the winter months when there are fewer daylight hours for solar generation, for example, wind generation picks up.

And when wind speeds fall in the summer, we can rely on sunnier days and longer daylight hours to increase solar output. Wind is also available day and night, so unlike solar panels, turbines can continue to generate electricity when the sun sets. Meanwhile, hydroelectric power stations can be dispatched quickly at any time to generate electricity on demand.



## KEY ACTIVITIES



We've updated the way we calculate our carbon footprint, expanding our reporting to include the full 15 categories of **Scope 3 emissions** from our whole value chain.



We've committed to setting robust carbon reduction targets with the Science Based Target initiative (SBTi)\*, a globally recognised initiative that helps businesses set clear goals and remain accountable for achieving them.



We joined the UN Global Compact<sup>3</sup>, the world's largest corporate sustainability initiative helping businesses to support the **UN Sustainable Development Goals (SDGs)** and shape a sustainable future.



Prior to the pandemic, a lot of our emissions were transport-based, and as we now move from home working to hybrid working, we know that our commuting emissions will increase. To counteract this, we have taken steps to encourage **low-carbon commuting** and received our Bronze Modeshift STARS<sup>4</sup> accreditation this year, recognising our efforts to support sustainable travel options.



We've also launched our new commuting policy, which offers employees a range of incentives to promote **sustainable travel**. These include the Cycle to Work and electric vehicle salary sacrifice scheme, along with a new initiative in partnership with National Express: Bryt Energy employees can now travel at reduced rates on the bus, train, and metro within the West Midlands.



Following the success of our sustainability placement student from a local university, we recognised the need for a full-time employee to support the Sustainability Team in all our initiatives, so we now have a new permanent Sustainability Administrator role in our Sustainability and Marketing team.

**"From documenting our carbon footprint to setting realistic carbon reduction targets, we're determined to be totally transparent on our own sustainability journey. We're proud of the progress we've made on that journey in 2022 – but we know there's much more to do. I'm optimistic about the progress we'll be able to make in 2023."**

**JOS MISTER, SUSTAINABILITY MANAGER AT BRYT ENERGY**

<sup>2</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1064923/2021-provisional-emissions-statistics-report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1064923/2021-provisional-emissions-statistics-report.pdf)

<sup>3</sup><https://www.unglobalcompact.org/>

<sup>4</sup><https://modeshiftstars.org/>





# PIONEERING BY NATURE

As a supplier, we play a key role in the energy industry. We want to use our influence to help energy customers use electricity more intelligently and sustainably, and to support the energy system in making the transition to net zero.

To enable this transition, every business will need to play their part, acting as **'good grid citizens'** to embrace a system that works for all of us. We'll need to think and act differently - not just about how much electricity we use, but how and when we consume it. The more that consumers can harmonise their energy usage with renewable generators, the easier it will be to support a system powered on renewables alone.

We're constantly innovating to offer cutting-edge products and services that complement and optimise customers' sustainable energy activities and enable them to seize new opportunities as they arise. For those eager to accelerate their net zero progress and practise good grid citizenship, our optimisation solutions

**OUR VISION IS FOR A NET ZERO ENERGY FUTURE, IN WHICH CONSUMERS ARE EMPOWERED TO ACTIVELY ENGAGE WITH, SUPPORT AND BENEFIT FROM A SUSTAINABLE ENERGY SYSTEM.**



adjust customer consumption in line with system needs, empowering businesses to maximise the value of their electricity supply contracts and play their part in our evolving energy system.

Over 2022, we grew our optimisation platform ten-fold, contracting over 10 MW of customer capacity including batteries and industrial machinery. During this turbulent time in the energy markets, these assets were able to provide much needed flexibility to the system, contributing over £100k in added system value and offsetting much of the customers' energy costs (in one case 60% of their monthly bill).

In this way, we're enabling businesses to contribute towards a secure, affordable and efficient energy system - and demonstrating our commitment to **SDG 12 - Responsible Consumption and Production**.

We're also supporting our customers as they navigate a challenging energy market by working with them to reduce their energy risk. And by working closely alongside our sister company Mer, a European electric vehicle charging company also owned by Statkraft, we can even help businesses electrify their fleets and provide their employees and customers with on-site charging supplied by our renewable electricity.

## GOOD GRID CITIZENSHIP

As a society, we've become used to being able to use electricity how and when we want - ours is a consumer-led culture where we expect power to be available 'on tap'. In a net zero future, balancing the system will be more challenging and it will be up to all of us to play our part.

To do so, we'll need to become **'Good Grid Citizens'**. This is about changing our mindsets from that of a **'consumer'** to a **'citizen'** - an engaged participant rather than simply taking what we want. It involves using the electricity network responsibly and contributing to the reliable and affordable operation of the grid so that it works for everyone.

**"For us, being pioneering by nature is about continuously looking forwards, and working to create an energy system that works for everyone. We believe a better energy future is within our collective grasp and as a supplier we know we're in a position to play a key role in achieving it. But we recognise that to do so, we need to take risks – something which is inherent in being a pioneer."**

**DAVID TAYLOR, SALES AND MARKETING DIRECTOR  
AT BRYT ENERGY**







# TRUSTED BY NATURE

Our sustainability roots run deep. Our parent company, **Statkraft**, has **over 125 years of renewable energy experience** and were passionate about embedding these values throughout Bryt Energy from the start. We've only ever supplied our customers with **zero carbon, 100% renewable electricity**, making **SDG 7 - Affordable and Clean Energy** - a natural choice for us to commit to.

Founded in Norway, Statkraft is a leading international hydropower company and **Europe's largest generator of renewable energy**.

Their expertise - and their **A-credit rating** - means Bryt Energy is a **secure, trusted and reliable electricity company** that our customers can rely on, now and in the future.

We're always working hard to increase the positive impact we have on our customers' businesses, and the value of our efforts is reflected in a **4.6 out of 5 average customer satisfaction rating for 2022\*\***.

\*\*based upon responses to all routine satisfaction surveys undertaken by Bryt Energy between October 2021 - September 2022.



## RESPONSIBLE MARKETING

We know that our customers believe that transparency and accountability is important - and we agree. We welcomed the **Green Claims Code**, published by the **Competition and Markets Authority (CMA)** earlier this year. We hope it will encourage greater transparency and accuracy in sustainability marketing and make it easier for customers to understand how to make better choices. Improved marketing practices will not only enhance consumer trust but also drive the open conversation and collaboration needed for meaningful action.

We continually assess all our communications and marketing activities to ensure they adhere to this code.



**"We want to ensure we have a positive impact on the world around us, and we know that the way we communicate our sustainability values and credentials is important. It's one of the reasons we took the unique move to combine our sustainability and marketing departments because as subject matter experts in electricity and sustainability, our marketing can influence customers' decisions and opinions. So, it is vital that we're communicating in a way that is responsible, clear and accurate to ignite better conversations, propagate a better understanding of sustainability issues and encourage others to undertake purpose-led actions."**

**KAT WILTON, HEAD OF MARKETING AND SUSTAINABILITY AT BRYT ENERGY**



# PASSIONATE BY NATURE



Without our incredible team, we wouldn't be able to stay true to our purpose.

That's why we're always looking for new and engaging ways to make Bryt Energy a **positive, diverse and inclusive place to work** - whether that's at home or in the office.

To help us get it right, and identify areas for improvement, we conduct an annual employee satisfaction survey. Recent survey results show that **98% of our employees are proud to work for Bryt Energy and 95% would recommend Bryt Energy as a great place to work**<sup>5</sup>.

We also run an anonymous annual **Equality, Diversity and Inclusion (EDI) survey**. The survey helps us build on our understanding of employees' lived experiences and is now in its second year. We hope this will help us to

better understand where more support may be needed.

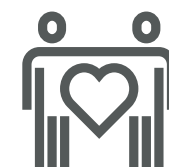
We also recognise that recent events including the COVID-19 pandemic, the ongoing cost-of-living crisis and the conflict in Ukraine will have had an impact on the wellbeing of our employees, so we've been working to ensure they have the support they need, mentally and practically.

<sup>5</sup>Figure based on 90% of our staff responding to our annual survey in May 2022.

## OUR NEW INITIATIVES



We've now moved to **hybrid-working** to empower our employees to choose how, where and when to best get the job done. However, this has come with some challenges so to be sure we're properly supporting our teams, we've created a working group with representatives from across the business. This will help us put policies in place that keep us connected and maintain our community culture.



To promote equality and give every employee a voice, we've been working to make our **3 employee groups** more connected. We've implemented a calendar of programmes and activities, including visits from external EDI speakers, volunteering opportunities and a monthly Walk and Talk session. We also provide training for new **Mental Health First Aiders**<sup>7</sup>.



This year we celebrated the 1st anniversary of our **Living Wage accreditation**<sup>6</sup>, meaning everyone receives fair pay, including all of our third party contracted staff. We also benchmark all roles to ensure pay is in line with industry levels.



Alongside these new initiatives, we continue to offer all employees a **health cash plan** and the opportunity to benefit from a number of sustainable travel schemes. We also provide **Climate Perks**<sup>8</sup>; a scheme which allows employees to take up to two paid 'journey days' per year if they choose to travel on holiday by train, coach or boat rather than flying - so they can travel sustainably without using up their annual leave.



<sup>6</sup><https://www.livingwage.org.uk/accredited-living-wage-employers>

<sup>7</sup><https://mhfaengland.org/>

<sup>8</sup><https://www.climateperks.com/>

"Rather than flying on my recent trip to Orkney, I chose lower carbon forms of transport, including train, ferry and a shared car journey. Thanks to our Climate Perks employee benefits, the extra time it took me to travel sustainably didn't eat into my annual leave. Additionally, we made the journey part of the holiday so we managed to see sights we wouldn't otherwise have been able to."

**DIGITAL & CONTENT MARKETER AT BRYT ENERGY**



# CALCULATING OUR CARBON FOOTPRINT



We calculated and reported our carbon footprint for the first time in 2019, back to our inception in 2016, and have since done this annually with each year audited by our independent climate consultants, **EcoAct**, an Atos Company (EcoAct).

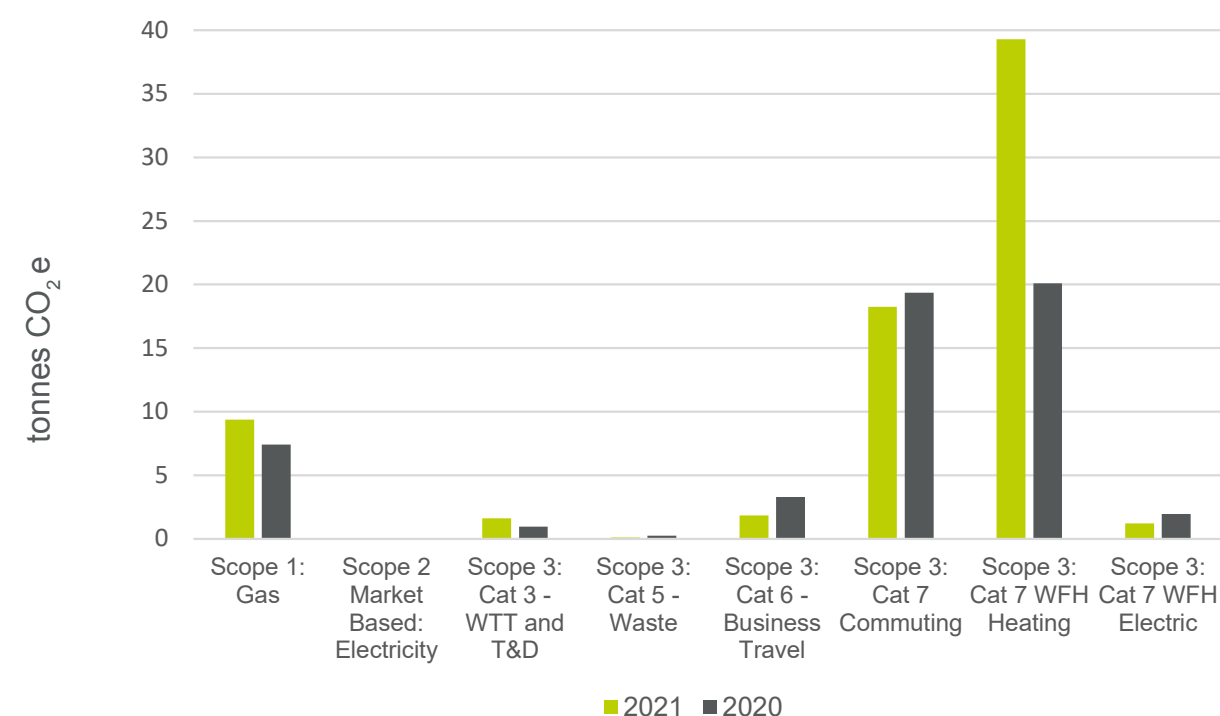
In the last year (our 2021 carbon footprint) we have expanded our carbon reporting to include **the full 15 categories of Scope 3** for the first time. This means that our carbon emissions reporting now covers many areas that are outside of our direct control.

While this was absolutely the right thing to do, it has revealed some aspects of our value chain that we weren't aware of and has changed our carbon footprint significantly, making it difficult to compare the overall footprint like for like, year on year.

However, it is possible to make a direct comparison of the areas we've reported on previously and we will do that to show any changes.

## KEY FINDINGS: A DIRECT COMPARISON

The carbon emissions we reported on in 2020 were across **Scopes 1, 2 and 3** for the categories of **gas, electricity, water, waste, business travel including hotel stays, employee commuting and working from home (WFH)**. Here's how our carbon footprint looked in 2021 as a direct comparison to 2020.



2020 graph data has been restated to include Well to Tank emissions in line with updated SBTi guidance to allow for direct comparison with 2021 data.

## EXPANDING OUR SCOPE 3 COMMITMENT

In **8 of the 15 Scope 3 categories**, carbon emissions were identified and calculated. The **remaining 7 were found to be not applicable** to our operations – for example we do not have any leased assets, and nor do we have any franchises.

The new **Scope 3 categories** we've expanded our reporting to include are:

### Category 1 - Purchased Goods and Services

The goods and services that Bryt Energy procure to run our business, e.g. web hosting or software services.

### Category 2 - Capital Goods

The physical equipment and products we purchase and use in the course of our business operations, e.g. computing equipment or office furniture.

### Category 4 - Upstream Transportation and Distribution

For Bryt Energy this is the logistics for the supply of electricity, e.g. meter installation and reading.

### Category 9 - Downstream Transportation and Distribution

For Bryt Energy this is the transportation and distribution of renewable electricity between generators and our customers using the National Grid.

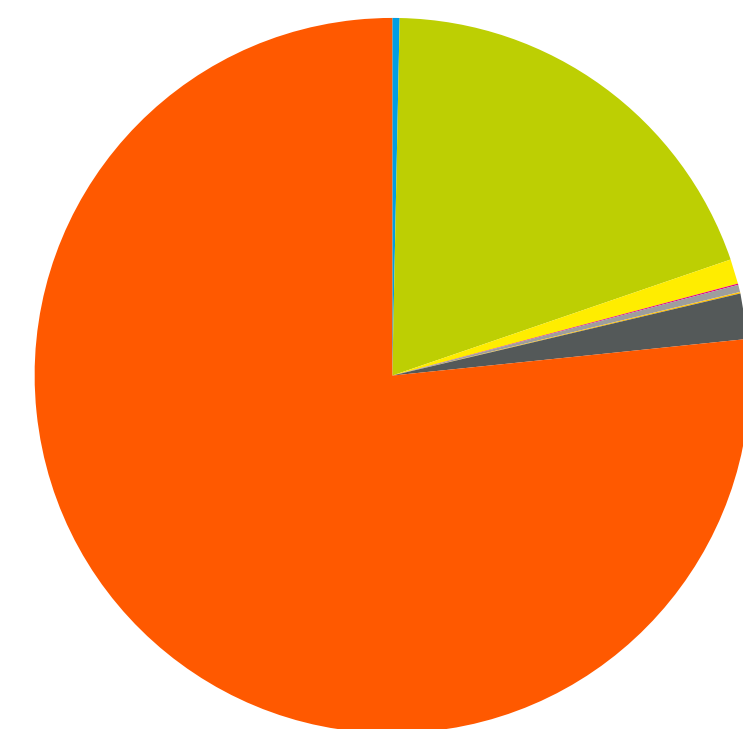
We expected Categories 1 and 2 to be our primary focus, with the biggest opportunities for emission reductions.

We calculated our **Scope 3 Category 1 and 2 emissions** based on our financial spend and using the **CEDA database**<sup>9</sup>. This database provides average carbon data for industries, activities and categories. However, we'd like our future reporting to be more accurate and are working to make this possible, with the help of our newly appointed Sustainability Administrator.

<sup>9</sup><https://vitalmetrics.com/environmental-databases>



Here's our full emissions breakdown, including the full 15 Scope 3 categories:



2,862.78 tonnes CO<sub>2</sub>e gross emissions (market based method)

Scope 1: Gas	9.37
Scope 2 Market Based: Electricity	0
Scope 3: Cat 1 - Purchased Goods and Services	555.74
Scope 3: Cat 2 - Capital Goods	32.10
Scope 3: Cat 3 - WTT and T&D	1.60
Scope 3: Cat 4 - Upstream Transportation & Distribution	9.37
Scope 3: Cat 5 - Waste	0.11
Scope 3: Cat 6 - Business Travel	1.85
Scope 3: Cat 7 - Employee Commuting (including WFH)	58.75
Scope 3: Cat 8 - Upstream Leased Assets	Not applicable
Scope 3: Cat 9 - Downstream Transportation & Distribution	2,193.89
Scope 3: Cat 10 - Processing of Sold Products	Not applicable
Scope 3: Cat 11 - Use of Sold Products	Not applicable
Scope 3: Cat 12 - End-of-Life Treatment of Sold Products	Not applicable
Scope 3: Cat 13 - Downstream Leased Assets	Not applicable
Scope 3: Cat 14 - Franchises	Not applicable
Scope 3: Cat 15 - Investments	Not applicable



# OUR LEARNINGS



## Trends in business travel

Our 2021 emissions from business travel were just 1.85 tonnes, reflecting the impact the COVID-19 pandemic continued to have on attendance of in-person meetings, conferences and events in 2021.

We saw some of our new sustainable travel initiatives being used for the first time and staff began to claim 'enhanced' mileage expenses when car sharing for business trips. As we return to more face-to-face meetings and events, our business travel emissions are likely to increase again. However with our new policy in place, we're tracking and encouraging sustainable business travel practices to counteract this.



## Trends in commuting

Over 80% of colleagues are now commuting to work sustainably - either walking, taking public transport or car sharing, supported by our sustainable travel initiatives. With hybrid working in place across our businesses, our staff are commuting into the office less than they did pre-pandemic, but we do now have more employees travelling further commuting distances into the office. Our commuting policy promotes sustainable travel but our approach to hybrid working also means that office days should be planned and productive to keep travel essential and thought out.



## Trends in modes of working

In 2021, the combined emissions from staff working from home (electricity use and heating) was 40.5 tonnes. These emissions were higher than 2020 (19.4 tonnes) because the share of time that staff worked from home was greater during Jan-March and Oct-Dec 2021. In 2021, we launched a scheme to support staff to switch to a home renewable electricity supply contract, and it's been positive to see the number of staff on this type of contract has increased to 75% from 50% in 2020.



## Increase in Scope 1 emissions

In 2021 our Scope 1 emissions from gas heating of our offices rose from 8.3 tonnes to 9.4 tonnes. This increase was inevitable as staff returned to the office after the COVID-19 pandemic. However, the 9.4 tonne figure is still down from the 2019 figure of 10.8 tonnes when we were in the office full time. As we are in a serviced office, we are unfortunately not in direct control of our heating, however we are now engaging with our building management to better understand the current system, as well as future plans for the building's heat and efficiency strategies.



# SPOTLIGHT ON CATEGORY 9 AND SF6

During the complex task of mapping our Scope 3 emissions in 2021, we uncovered high levels of carbon emissions we hadn't anticipated, specifically within Scope 3 Category 9: **Downstream Transportation and Distribution**.

A key contributor to our carbon footprint under this category is the greenhouse gas **sulphur hexafluoride (SF<sub>6</sub>)** used by **National Grid** to **transport and distribute the electricity** we supply to our customers. In fact, the SF<sub>6</sub> from **the transmission network represents over 75% of our total emissions**.

SF<sub>6</sub> is used in the electricity industry to insulate live electrical parts, and keep networks running safely. It is valued for its stability and for being non-toxic, non-flammable and electronegative. Historically, it's also been used in a variety of applications including the filling of double-glazing panels, but today its primary use is in the electricity transmission sector - **around 80% of the SF<sub>6</sub> used globally is in electricity transmission and distribution**<sup>10</sup>.

Unfortunately, SF<sub>6</sub> has a global warming potential (GWP) **23,500**<sup>11</sup> **times greater than CO<sub>2</sub>** and therefore it's one of the most potent greenhouse gases we know of. As the energy sector works towards a net zero future, this powerful greenhouse gas provides a difficult obstacle for our industry as a whole to overcome.

"At National Grid we are working closely with our suppliers and manufacturers to progressively develop the market, and implement SF<sub>6</sub> alternatives when they are commercially and technically viable.

A range of SF<sub>6</sub> alternatives are already commercially available at lower transmission voltages (e.g. 132kV) and are already being used within our energy system. We are leading in the development and piloting of SF<sub>6</sub> alternatives at higher voltages (e.g. 400kV) and we are on track to make our substation construction and renewal programme at all voltages virtually SF<sub>6</sub>-free within the next 4-5 years." - **Mark Waldron – SF<sub>6</sub> Technical Leader, National Grid Electricity Transmission**.

National Grid Electricity Transmission have set their own science-based targets under the SBTi, committing to reduce their emissions 50% by 2030. We will rely on National Grid's annual SF<sub>6</sub> data when calculating our own Category 9 emissions and will track their reduction journey.

As we all use the same National Grid network, SF<sub>6</sub> affects all electricity suppliers when reporting on their full Scope 3 emissions.

We're determined to understand our entire carbon footprint and to be transparent even as we uncover challenges.



## CHANGING OUR APPROACH

We are proud to have achieved carbon neutral status<sup>^</sup> over the last 5 years, by calculating our known emissions and offsetting them through purchasing carbon credits in the **Bokhol Solar Project**. This enabled us to invest in more renewable energy globally, as well as support communities and our chosen SDGs.

However, now that we have delved deeper, mapping our full value chain emissions for 2021 and are committed to submitting SBTi targets for validation\*, we realised the need for **a different approach**, and to move away from 'carbon neutral'. This therefore means reassessing our offsetting strategy with the following considerations:

- **SBTi do not recognise offsetting** as a way to meet targets until companies have reduced their emissions by **90%** vs their baseline year, so reduction needs to be our priority.
- We knew that expanding our reporting to include the full 15 categories of Scope 3 would increase our footprint approximately tenfold, but we also then **uncovered the unexpected SF<sub>6</sub> emissions** (over 75% of our total 2021 emissions). As a result, our carbon footprint has **increased by over 5000% since 2020** (more information on page 12), and consequently so has the offsetting cost. We need to consider if investment would be better spent on initiatives to reduce our own carbon emissions.
- 'Carbon neutral' as a term is often misunderstood and used in many different ways. We do not want to (even unintentionally) mislead our community in terms of our emissions or our sustainability journey, so our priority is transparency and accuracy, aligning with the CMA green code.
- Whilst carbon offsetting has a place for many more benefits that just environmental, to give the global community the best chance of reaching the **1.5°C** goal, we are investigating sequestration projects which will remove carbon from the atmosphere. We will also seek to identify projects which align with our SDG values.

<sup>10</sup><https://www.nationalgrid.com/stories/energy-explained/what-is-sf6-sulphur-hexafluoride-explained#:~:text=Sulphur%20hexafluoride%20%E2%80%93%20also%20known%20as,climate%20change%20for%20many%20years>

<sup>11</sup><https://www.ipcc.ch/report/ar5/syr>



# SETTING NEW TARGETS

In 2020, we set an ambitious target to be **net zero by 2025** but unfortunately we now know **this isn't possible**.

When we began, this seemed like a challenging but realistic goal for our business; one that would help to make progress at pace and set an example for others in our industry to follow. It was a goal we set with the best intentions - but as our understanding of the net zero journey has grown, we have come to realise that this will not be possible for us. There is a depth of work required which we had not fully comprehended and a pace of change that is putting even the most seasoned climate leaders to the test.

As the net zero conversation continues to evolve we intend to remain a part of it; to hold ourselves accountable and keep pushing boundaries - shaping a new strategy and setting new targets. **We're not going back on our promise, simply looking forward through wiser eyes.** And while this last year has been a challenge, we believe that sharing the ups and downs of our sustainability journey with our community has its own value - so here it is...

**\*Bryt Energy has committed to set near-term company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). We are proud to say that we submitted our near-term targets to the SBTi on 17th November 2022 and we expect the robust validation process to be undertaken in the first half of 2023.**

**Our proposed targets are in line with the Paris Agreement and the action required to limit global warming to 1.5°C above pre-industrial levels. In addition, the targets cover all three Scopes of carbon emissions across our entire operations.**

# THE CURVEBALLS

Gathering the necessary data to confidently map an organisation's carbon footprint is a long-term and continuous process.

In our experience, the closer you get the more detail is uncovered, providing new layers of insight and context. In late 2021, we were proud to have **fully mapped our carbon footprint** based on 2020 data, including all of our Scope 1, 2 and 3 emissions, working with our independent climate consultants, **EcoAct**.

This was a significant milestone and something that many organisations are still striving to achieve.

We had already decided to pursue science-based targets and our carbon mapping was designed to meet the criteria for the SBTi. However, while we were producing our map, the SBTi released the **Science Based Targets initiative Net-Zero Standard**, which changed the definition of net zero and had two implications.

1. Firstly, our original plan to reduce our relatively small carbon footprint to an absolute minimum and offset the remaining emissions to become net zero by 2025 was no longer achievable for us under the new guidance.

The new rules state that to be net zero, companies must reduce their emissions by **at least 90%** from their baseline year and only offset the remaining maximum **10%**. Our baseline year was 2020 and our footprint was lean, making a 90% reduction by 2025 impossible.

2. The inclusions for **Scope 3** reporting also changed. As a result, we now needed to include a wider set of upstream and downstream activity, which incorporated transmission network emissions. **This is applicable to all electricity suppliers** (as we all use the same National Grid network to transmit electricity from generator to consumer), but previously was not required to be included in reporting. Including these transmission network emissions meant including the SF<sub>6</sub> gas used within the network, and as a result **our 2021 carbon footprint that would have been c. 670 tonnes** (the total for all scopes not including Category 9) **went up to 2800 tonnes**. In fact, the SF<sub>6</sub> from the transmission network represents **over 75% of our total emissions**, yet we cannot directly act as a business to reduce that.





# ONE INDUSTRY IN IT TOGETHER



The inclusion of SF<sub>6</sub> from National Grid's transmission within our Scope 3 footprint is a reminder that we are one energy industry with a collective goal to reduce our impact on the environment.

**Our value chains are inextricably linked and we must work together to make a net zero future our reality.**

Sadly, as an electricity supplier **we cannot directly influence a reduction** in the use of SF<sub>6</sub>. In fact, the more customers we supply electricity to or the more they consume, the more SF<sub>6</sub> will be part of our carbon footprint.

So instead, we have focused on working with National Grid, engaging with their Sustainability Manager to understand more about SF<sub>6</sub>, and any opportunity we might have to influence a reduction in its use. National Grid has been immensely helpful in talking us through their own plans and targets when it comes to SF<sub>6</sub> reduction. They've also highlighted the forums we can participate in to raise awareness and advocate for research into SF<sub>6</sub> alternatives, and we are reassured that finding a cleaner alternative to SF<sub>6</sub> is high on National Grid's agenda.

In the meantime, we see our role as one of informing, sharing and lending our voice to support trials that National Grid has planned to achieve its carbon reduction targets. We also know we need to be advocates of energy efficiency and optimisation, encouraging our customers to practise 'Good Grid Citizenship', to ensure a net zero system that works for everyone.

While this increase in our carbon footprint is not what we had hoped to report in our 2022 report, it's more important that we remain transparent. We're proud of our pioneering values and recognise that as you break new ground, you may discover unexpected surprises. By discovering learnings that we can share with our peers and our customers, we can work together to confidently identify positive steps forward on the journey to net zero. In fact, our motto of "better together, join our journey" has never felt more apt.

"We'd like to thank Bryt Energy for their proactive approach in reaching out about SF<sub>6</sub>. It demonstrates the importance of energy companies throughout the value chain working together to decarbonise our energy system.

**STEVE THOMPSON - UK SUSTAINABILITY MANAGER, NATIONAL GRID**

## NEXT STEPS



The clock is ticking in the battle against the climate crisis, and making net zero a reality will require us all to pull together.



Only through open conversation and collaboration can we achieve a sustainable net zero energy system that works for everyone.

We will be working with partners and customers to share knowledge and work together for a better energy future.



Bryt Energy will continue to work to reduce our carbon emissions in line with our SBTi targets, using our enhanced understanding of the issues and challenges to shape our own journey and help others on theirs.

We're hopeful that our SBTi targets will be validated in 2023.



Over the year ahead, our primary focus will be on Scope 3 and reducing carbon emissions across our value chain. We'll be engaging with our suppliers to better understand and more accurately report on carbon emissions from the products and services they supply us with.



Alongside our new approach and SBTi targets we will also be looking at if, when and how carbon offsetting or sequestration projects fit into our new emissions reduction pathway.



We'll maintain our position as a responsible employer, putting new and enhanced policies in place for sustainable practices in the office and for low-carbon hybrid working. We know we need better data on this and we'll keep looking for ways to improve it.

These are our big areas of focus for the next few years, and there are a lot of actions that we need to define and set objectives for - there is a lot of work left to do.

However, to get to this point, with our SBTi targets submitted and awaiting validation, is a big milestone - so thank you to all involved.

We're now looking forward to ensuring we deliver on our commitments and grow our positive impact across our communities. Whilst sustainability is led by the board, it's implemented by the whole team, so we need to empower our employees to drive the change necessary.

As always, we're better together.

**IAN BROTHWELL, MANAGING DIRECTOR AT BRYT ENERGY**



# APPENDIX WITH DATA



Type of emissions	Activity	Emissions 2021 (tCO <sub>2</sub> e)
Scope 1 (Direct emissions)	Fuels	9.37
	Refrigerants	Not applicable**
	Subtotal	9.37
Scope 2 (Indirect emissions) Location-Based	Electricity	7.99
	Subtotal	7.99
Scope 2 (Indirect emissions) Market-Based	Electricity	0.00
	Subtotal	0.00
Scope 3 (Other Indirect emissions)	Cat 1 - Purchased Goods and Services	555.74
	Cat 2 - Capital Goods	32.10
	Cat 3 - Well to Tank and Transmission and Distribution (WTT and T&D)	1.60
	Cat 4 - Upstream Transportation & Distribution	9.37
	Cat 5 - Waste	0.11
	Cat 6 - Business Travel	1.85
	Cat 7 - Employee Commuting and Working from Home	58.75
	Cat 8 - Upstream Leased Assets	Not applicable**
	Cat 9 - Downstream Transportation & Distribution	2,193.89
	Cat 10 - Processing of Sold Products	0*
	Cat 11 - Use of Sold Products	0*
	Cat 12 - End-of-Life Treatment of Sold Products	0*
	Cat 13 - Downstream Leased Assets	Not applicable**
	Cat 14 - Franchises	Not applicable**
	Cat 15 - Investments	Not applicable**
	Subtotal	2,853.41
	BRYT ENERGY GROSS EMISSIONS (Location-Based)	2,870.77
	BRYT ENERGY GROSS EMISSIONS (Market-Based)	2,862.78

\*assessed as zero as Bryt Energy’s sold product is 100% renewable electricity

\*\*assessed as not relevant for Bryt Energy

# GLOSSARY

## CLEAR DEFINITIONS, CLEAR TARGETS



**SBTi** Science Based Target initiative  
**SDG** Sustainable Development Goals  
**SF<sub>6</sub>** Sulphur Hexafluoride  
**CO<sub>2</sub>e** Carbon dioxide equivalent

**Value Chain** We use the term value chain in relation to Scope 3 emissions. It covers a company’s upstream impact (e.g. supply chain) as well as its downstream impact (e.g. product use phase).

**A Scope 2 location-based method** reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data)<sup>12</sup>.

**A Scope 2 market-based method** reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims<sup>13</sup>.

**Scope 1** covers direct emissions under our control, e.g. our gas usage.

**Scope 2** covers indirect emissions from the generation of purchased electricity.

**Scope 3** covers emissions over which we do not have direct control, but that we can influence, for instance through our supply chain or the stakeholders we work with.

\*Bryt Energy has committed to set near-term company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). We are proud to say that we submitted our near-term targets to the SBTi on 17th November 2022 and we expect the robust validation process to be undertaken in the first half of 2023.

^Carbon neutral was previously defined for 2020 as Scope 1, 2 and 3 for the categories of gas, electricity, water, waste, business travel including hotel stays, employee commuting and working from home. The Scope 1, 2 and 3 carbon emissions for 2020 were 43.8 tonnes (excluding WTT restatement made in 2022) and therefore 50 tonnes of carbon credits from the Bokhol Solar project were retired on behalf of Bryt Energy by EcoAct in August 2021.

For 2016-2019 Carbon neutral was defined by Bryt Energy as Scope 1, 2 & 3 for the categories of gas, electricity, water, waste and business travel. The scope 1, 2 & 3 carbon emissions for 2016-2019 were 106.64 tonnes and therefore 110 tonnes of carbon credits from Bokhol Solar project were retired on behalf of Bryt Energy by EcoAct in August 2020.

**Carbon neutral<sup>14</sup>** was achieved under our previous reporting definition between 2016 and 2020, by calculating our emissions and taking action to offset every tonne of carbon emissions produced by our activity during that period. We are currently no longer carbon neutral and are considering our approach to offsetting for the future.

**Net zero** The SBTi Net-Zero Standard defines corporate net-zero as: Reducing scope 1, 2, and 3 emissions to zero or to a residual level that is consistent with reaching net-zero emissions at the global or sector level in eligible 1.5°C-aligned pathways.

In order for us to reach net zero, we will need to put in place a science-based, long-term target to reduce our emissions by at least 90-95%. Any residual emissions that cannot be reduced will need to be neutralised using offsetting projects which permanently remove greenhouse gases from the atmosphere<sup>14</sup>.

**We no longer have a net zero target** and are instead committed to setting near-term emission reductions in line with climate science with the SBTi\*. We feel this gives us the best opportunity to make effective change.

## SCIENCE-BASED TARGETS EXPLAINED

We’re setting our carbon reduction targets\* in line with the Science Based Targets Initiative (SBTi)<sup>15</sup>. Targets are considered ‘science-based’ if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement - limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

<sup>12</sup> [https://ghgprotocol.org/sites/default/files/Scope2\\_ExecSum\\_Final.pdf](https://ghgprotocol.org/sites/default/files/Scope2_ExecSum_Final.pdf)  
<sup>13</sup> [https://ghgprotocol.org/sites/default/files/Scope2\\_ExecSum\\_Final.pdf](https://ghgprotocol.org/sites/default/files/Scope2_ExecSum_Final.pdf)  
<sup>14</sup> <https://sciencebasedtargets.org/net-zero>  
<sup>15</sup> <https://sciencebasedtargets.org/>





# JOIN OUR JOURNEY



Our purpose is to lead Britain towards a net zero, sustainable energy future; having a positive impact on businesses, communities and the planet.

We're doing this one business at a time, so why not make sure yours is the next to benefit?

To talk to our experts about how we could help your business to reach its sustainability goals, call us on **0121 726 7575** or email **[solutions@brytenergy.co.uk](mailto:solutions@brytenergy.co.uk)**.