

Our operations

Our approach to managing our environmental footprint

The Group's Property function is responsible for driving efficiency in terms of our space and energy use. In line with the Group's operational net zero target, we set year-on-year improvement targets for our footprint markets.

Our goals and targets

- We aim to achieve net zero in our operations by 2025. We have measured and reduced our Scope 1 and 2 GHG emissions since 2008 and have been targeting a 90 per cent reduction in these emissions since 2018.
- The Group joined RE100 in 2022, a global corporate renewable energy initiative bringing together businesses that are committed to 100 per cent renewable electricity.
- In terms of waste, we aim to achieve 90 per cent avoidance of landfill by 2030.

Operational emissions

We reduced our Scope 1 and 2 emissions by 30 per cent to 34,734 tonnes during 2023. Our measured real estate decreased by 7 per cent during this time. 66 per cent of electricity came from renewable sources across our portfolio. We were able to achieve this by:

- continuing to optimise our office and branch network by retiring unused or inefficient space and creating a working environment that matches office- and hybrid-working patterns of our workforce;
- having a rolling asset replacement strategy for major plant and lighting in our offices. The Group installs LED and circadian lighting, and energy efficient materials throughout all new projects;
- launching a large-scale initiative in 2023 to simplify our technology estate, decommissioning underutilised or inefficient systems and their servers;
- actively seeking to increase the proportion of our electricity usage that comes from renewable sources. These can take the form of power purchase agreements, clean energy contracts, on-site solar installations and renewable energy certificates; and
- purchasing and retiring carbon credits for our residual operational Scope 1 and 2 emissions.

Waste

In 2023, we reduced our overall waste by 37 per cent and achieved 52 per cent avoidance of landfill (up from 31 per cent). We were able to achieve this by:

- commencing the externally verified True Zero Waste (TZW) programme and seeing the first results in India and Poland, both achieving TZW Platinum certification;
- self-certifying 313 buildings across our portfolio being free of single-use plastic in 2023. We aim to continue this programme and promote more sustainable waste management practices; and
- minimising electronic waste by prolonging the lifespan of our technology assets through partnerships with third parties.

Water

We retained a water efficiency metric of less than 0.5 kilolitre per square metre in 2023 despite an increase in the proportion of our employees returning to the office. While water availability is a growing challenge in many of our markets, we did not face any issues sourcing potable water in 2023. We continue to take a responsible approach to managing water use across the Group.



For detailed environmental performance data see [page 505](#) or our ESG data pack at sc.com/esg-data-pack



Read the principles and methodology for measuring our environment data at sc.com/environmentcriteria



Read the independent assurance statement related to Scope 1 and 2 GHG emissions at sc.com/environmentalassurance