



Carbon Reduction Plan

Supplier name: North East Business and Innovation Centre Limited

Publication Date: 19th December 2022

Contents

| | |
|---|---|
| 1. Introduction | 2 |
| 2. Commitment to Achieving Net Zero | 2 |
| 3. Baseline Emissions | 2 |
| 4. Additional Details Relating to the Baseline Emissions Calculations | 3 |
| 5. Normative Business Carbon Calculator | 3 |
| 6. Current Emissions Reporting | 3 |
| 7. Emissions Reduction Targets | 4 |
| 8. Carbon Reduction Projects | 4 |
| 9. Future Carbon Reduction Initiatives | 4 |
| 10. Declaration and Sign Off | 5 |
| | |
| Annex A: Key Terminology | 6 |
| Annex B: Basis of Reporting | 6 |
| Annex C: Cautionary Note About Climate Metrics | 6 |



1. Introduction

North East Business and Innovation Centre Limited (BIC), is a not-for-profit organisation to help SME's start up and grow. It has been highly successful as set out on its [website](#) and is recognised by the National Enterprise Network's Sustainability in Enterprise Award.

BIC is publishing its carbon reduction plan (the 'Carbon Reduction Plan'). This plan relates to the Sunderland site only. Within this Carbon Reduction Plan, we cover our scope 1, 2 and 3 carbon foot-print relating to our own operations activities within the UK. Our reporting is in tonnes of carbon dioxide equivalent (tCO₂e) and therefore covers all relevant greenhouse gases compliant with the Greenhouse Gas Protocol methodology requirements.

2. Commitment to Achieving Net Zero

The BIC has been on this journey since 2011/12 when it set up its internal Working Environment Group (WEG) to look at its usage of electricity, gas and waste, setting itself a target of a reduction of 5% for electricity per annum and 1% per annum for gas, and the aim of having no waste on site being sent to landfill.

As a landlord we provide all of the gas to over 200 tenant units across our site. Whilst we also provide all of the electricity to tenant's they control their own usage and are metered accordingly. We therefore have minimal influence over individual usage although as shown below we have undertaken various initiatives to reduce usage in our own and tenant's premises which have had significant effects.

During the period of volatile energy costs in the market BIC has cushioned tenant costs of energy with a one-time reduction in charges.

Linking in with Cop26 ambitions we have had an ambition to halve emissions from our operational value chain by 2030 and by 90% by 2050.

While there was previously no standard definition of Net Zero, as part of COP26, in October 2021 the SBTi released the 'SBTi Corporate Net Zero Standard', the world's first Net Zero Framework which encapsulates the full value chain of Scope 3 and deep decarbonisation targets. To support the BIC's public commitments to Net Zero our board formalised and approved our strategy and commitment in 2022 and widened our scope to suppliers. We aim to halve our own direct operational carbon footprint by 2025 and set stretching targets for the wider operational value chain to halve by 2030, with minimum 90% decarbonisation by 2050 for all emissions. We intend to neutralise the remaining 10% of emissions with high quality internationally recognised carbon credits to achieve Net Zero. We plan to continue making significant emission reductions within our own operations, and will investigate investments to mitigate GHG emissions through carbon removal projects, programs and solutions that provide benefits to climate, especially those that generate additional co-benefits for people and nature, in line with SBTi guidance.

North East BIC is therefore committed to achieving Net Zero carbon by 2050.

3. Baseline Emissions

Baseline emissions are a record of the greenhouse gases that have been produced in the past prior to the introduction of any formal strategies by the BIC to reduce its greenhouse gas emissions. Baseline emissions are the reference point against which emissions reduction can be measured. The BIC defines the baseline year as 2011/12 when we introduced our Working Environment Group.



| Baseline Year – 2011/12 | |
|--|---------------------------------|
| Greenhouse Gas (GHG) Emissions | Total (tCO₂e) |
| Scope 1 | 279 |
| Scope 2 (Own usage) | 67.5 |
| Scope 2 (tenant usage) | 476.5 |
| Scope 3 (waste generated in operations; business travel; employee commuting; upstream transportation and distribution; downstream transportation and distribution) | 25.1 |
| Total Emissions | 848.10 |

Table 1 Baseline greenhouse gas emissions covering the period between April 2011 – March 2012

4. Additional Details Relating to the Baseline Emissions Calculations

Emissions reported have been calculated using the Greenhouse Gas Protocol Corporate Standard and associated guidance and include all greenhouse gases, reported in tonnes of carbon dioxide equivalent (CO₂e) and global warming potential values, which cover UK operations for:

- Scope 1 Direct Emissions from the combustion of fuel in assets generated by the BIC such as fuel emissions from company owned vehicles, diesel generators, gas boilers
- Scope 2 Indirect Emissions from the generation of energy purchased from a utility provider such as heating, cooling and electricity used by the BIC in its occupied areas and public areas at its premises
- Scope 2 Indirect Emissions from the generation of energy purchased from a utility provider such as heating, cooling and electricity used by tenants in their premises
- Scope 3 Emissions associated with waste generated in operations, business travel, employee commuting, upstream transportation and distribution, downstream transportation and distribution using business expenses as part of the calculation

5. Normative Business Carbon Calculator

We have used the Normative Business carbon calculator software to provide us with the Tco₂e figures used in our calculations.

6. Current Emissions Reporting

Overall, we have reduced our location based emissions from our 2011/12 baseline by 37% by 2022 with the majority being in our tenant let premises which is the largest part of our operation. This has been primarily achieved through major investment in LED and PV panels.



Progress on tCO₂e in the last 10 years

| UK and Offshore ¹³ Emissions | 2011/12 tCO ₂ e | 2021/22 tCO ₂ e | YoY |
|--|-------------------------------|-------------------------------|-------------|
| Scope 1 | 279 | 246 | -11.8 |
| Scope 2 (own usage) | 67.5 | 44.6 | -33.9% |
| Scope 2 (tenant usage) | 476.5 | 220.4 | --53.7% |
| Scope 3 (waste generated in operations; business travel; employee commuting; upstream transportation and distribution; downstream transportation and distribution) | 25.1 | 24.6 | -2% |
| Total Location-Based | 848.1 | 535.6 | -37% |

7. Emissions Reduction Targets

From our baseline position in 2011/12 it can be seen that we have already reduced our carbon emissions by 37%. It is our ambition that by 2030 we will have reduced our emissions by a minimum of 424 tonnes which will meet our 50% target.

8. Carbon Reduction Projects

The following environmental management measures and projects have been completed or implemented since the 2011/12 baseline. The carbon emissions reduction achieved by these schemes equate a 37% reduction for our direct own operations and tenant fuel usage within our let premises in the UK as outlined in the table above.

1. The investment of £170k in Photovoltaic panels across the site which has so far produced a total of 841,631 kwh of electricity and saved 425.92 tonnes of carbon emissions
2. The investment in LED lighting in our communal / BIC occupied areas which has taken us from 0% LED to 15%
3. Replacement of all external lighting across the 13-acre site with LED lighting
4. Replacement of tenant occupied lighting with LED from 0% level to 21%
5. Replacement of x number of our 52 Combi boilers on site with more efficient models
6. Waste – we now have 40% more waste recycled and nil going into landfill
7. Photocopiers, we have reduced the number of photocopiers from 12 to 5 and usage from 350k to 220k per annum
8. Created a Pollinator Park onsite
9. Replacing all company vehicles to electric / hybrid
10. Installing 12 electric vehicle points on site to encourage tenant conversion to electric vehicles prior to 2030 and beyond



11. Replacement of all of our external seating and furniture with renewable sourced products in the last 5 years

9. Future Carbon Reduction Initiatives

By Sept 2023 the board, via the Working Environment Group have agreed to initially investigate or implement further measures such as:

1. The board have recently agreed to invest in the further installation of 700 LED light fittings in our communal areas at a cost of £50k which will bring the total % of LED lighting in BIC occupied and communal areas to near 50%
2. The board have agreed to provide a 25% subsidy to tenants to upgrade to LED lighting in their units
3. Replace 2 Combi boilers that are 28 years old with new more efficient boilers
4. Investigate the further installation of PV panels (currently restricted by capacity of the local substation which we believe is to be upgraded in the next year)
5. Investigate battery storage
6. Investigate local heat networks
7. Replace all kettles and hot water boilers in BIC and tenant communal kitchen areas with a boiling water tap system
8. Provide a statement in all subcontractor contracts that we would like to have confirmation that they have a carbon reduction plan of their own, or intend to produce one, within 3 years

10. Declaration and sign off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol Corporate Standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

This Carbon Reduction Plan has been reviewed and signed off by:

Paul McEldon, Chief Executive and Director on behalf of the Board

Date:



Annex A: Key Terminology

| Technical Terminology | NatWest Definition |
|-------------------------|---|
| Greenhouse Gas Protocol | A corporate carbon accounting and reporting standard widely adopted, with methodology available publicly online. Defines carbon emissions into 3 Scopes. https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf . |
| Acronyms | |
| WEG | Working Environment Group |
| North East BIC | North East Business and Innovation Centre |
| GHG | Greenhouse Gas. |
| SBTi | Science-Based Targets Initiative. |
| tCO2e | Tonnes of Carbon Dioxide Equivalent. |

Annex B: Basis of Reporting

The Carbon Reduction Plan includes calculations and projections of carbon emissions pertaining to the BIC. As part of these calculations, assumptions have been made, these are detailed below:

Assumptions within emission projections:

1. We achieve our target of a 50% emission reduction for direct own operations and tenant usage from our let premises by 2030 from a 2011/12 baseline
2. Our reporting scope remains as Direct Own Operations, covering Scopes 1, 2 and 3 (water, paper, waste, business travel, commuting and working from home).
3. Our progress will be monitored on an annual basis via our Working Environment Group and ultimately to our board

Annex C: Important Information

Cautionary note about climate metrics

This Carbon Reduction Plan includes climate metrics, particularly targets, projections, forecasts and other forward-looking climate metrics which merit special caution about their usefulness as they are more uncertain than historical financial information.

There are many significant uncertainties, assumptions and judgements underlying climate metrics that limit the extent to which these metrics are useful for decision – making. The most important are these:

- Lack of reliable emissions and other important data
- Quality of historical (emission) data



- Lack of standardisation, transparency and comparability of climate-related forward-looking methodologies
- Reliance on assumptions and future uncertainty (calculations of forward-looking metrics are complex and require methodological choices and assumptions)
- Variation in approaches and outcomes
- Limitations of climate scenario analysis and the models that analyse them