

Final Report - Carbon Reduction Plan FY 23/24

October 2024

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Commitment to achieving Net Zero

Behavioural Insights Limited, trading as The Behavioural Insights Team ("BIT"), is committed to achieving Net Zero emissions by 2045. In addition to BIT's commitment to Net Zero, BIT has also targeted a reduction in carbon emissions of 10% by FY25/26, from its baseline FY19/20.

Note about our 2023-2024 Report

Over the past two financial years, BIT underwent significant organisational restructuring. During this transition period, we shared several Interim Carbon Reduction Plans to maintain transparency and accountability. Following our integration into Nesta, a social innovation charity now serving as our parent organisation, we have 1) Relocated to new premises; 2) Initiated a comprehensive process to streamline reporting procedures across the entire group. Throughout these transformative changes, we remained committed to our sustainability goals. Our interim reports outlined our ongoing progress and immediate steps towards reducing our carbon footprint.We are currently engaged in more extensive analysis and Greenhouse Gas (GHG) emission calculations with a new provider.

BIT remains wholly committed to sustainability and to understanding and mitigating our environmental impact. We look forward to sharing more comprehensive data and strategies in our upcoming reports as we continue to refine our sustainability practices in our new organisational structure.

BIT is also committed to mitigating the impacts of climate change through its work. BIT's Energy, Environment and Sustainability team work with policy makers, NGOs and private partners across all aspects of sustainability including promoting decarbonisation, building climate resilience, and protecting nature & biodiversity. Further, BIT regularly produces thought leadership on <u>Net Zero Strategy</u> and related environmental challenges aimed at enabling others to apply behavioural insights to achieve sustainability goals.

Where possible, BIT makes efforts to conserve energy and reduce waste in its offices as well as supporting its staff to make sustainable choices. BIT is a relatively small company (<230

people globally) and therefore there are limits to the carbon reduction commitments that are feasible.

Alongside a commitment to reduce its carbon emissions, BIT has committed to compensate for all of its ongoing carbon emissions, including those from travel, by investing in carbon-reduction projects. This commitment applies from 1st August 2021 onwards.

Whilst offsetting carbon is an important step in mitigating the impacts of emissions, we recognise it is not a substitute for reducing carbon emissions. BIT is therefore committed to reaching Net Zero in addition to carbon neutrality, rather than reaching Net Zero through offsets alone.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: FY19/20			
Additional Details	Additional Details relating to the Baseline Emissions calculations.		
BIT has chosen the	BIT has chosen the Financial Year 2019/2020 as its Baseline Emissions period.		
Baseline year em	Baseline year emissions: 1st April 2019 to 31st March 2020		
EMISSIONS	TOTAL (tCO ₂ e) 302.8 tCO ₂ e		
Scope 1	As a research organisation, BIT does not have any significant Scope 1 energy usage or emissions. Total = 0 tCO ₂ e		
Scope 2	To calculate its Scope 2 emissions, BIT has taken the total electricity usage figures from its office in London and added an estimate of the energy usage for staff in its office in Manchester, which has a number of workstations within a serviced office. Emissions were then calculated using the GHG Protocol tool. Total = 12 tCO ₂ e		
Scope 3 (Included Sources)	Business Travel: BIT has used the GHG Protocol tool to calculate its carbon emissions from business travel, including flights, trains, taxis and public transport, based on km travelled. Business Travel = 290.687 tCO ₂ e		
	Waste generated in operations: BIT has estimated the emissions incurred from the waste generated in its offices in London and Manchester using the GHG Protocol Tool. Waste generated in operations = $0.122 \text{ tCO}_2 \text{e}$		
	Downstream transportation and distribution: As a research organisation, BIT does not have any significant downstream transportation or distribution energy usage or emissions.		
	Upstream transportation and distribution: BIT has a number of suppliers who provide products and services to its business and at this time, BIT does not have data on their emissions.		
	Employee commuting: At this time, BIT does not collect data for employee commuting.		
	Total = 290.809 tCO ₂ e		
Total Emissions	302.8 tCO ₂ e		

Current Emissions Reporting

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Reporting Year: FY23/24	
Current year emissions: 1st April 2023 to 31st March 2024	
EMISSIONS	TOTAL 533.5 (tCO ₂ e) in the UK
Scope 1	As a research organisation, BIT does not have any significant Scope 1 energy usage or emissions. Total = $0 \text{ tCO}_2 e$
Scope 2	To calculate its Scope 2 emissions, BIT has taken the total electricity and heat usage figures from its office in London and added an estimate of the energy usage for staff in its office in Manchester, which has a number of workstations within a serviced office. Emissions were then calculated using the GHG Protocol tool. The renewable energy figure for Electricity for our UK offices was 100%, meaning there would be no market-based electricity emissions. Total = 14.94 tCO ₂ e
Scope 3 (Included Sources)	Purchased goods and services: This includes all upstream (i.e., cradle-to-gate) emissions from the production of products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products). Purchased goods and services: 341.23 tCO ₂ e
	Business Travel: BIT has used the GHG Protocol tool to calculate its carbon emissions from business travel, including flights, trains, taxis and public transport, based on km travelled. This is where most emissions were reduced. Business Travel = 76.06 tCO ₂ e
	Capital goods: This includes emissions from the production of capital goods purchased or acquired by BIT in the reporting year. Capital goods = $66.65 \text{ tCO}_2 \text{e}$
	Employee commuting : BIT collected data for employee commuting by using a survey to identify employee commuting details including: number of days employees commute and distance travelled per mode of transport. Employee commuting = 19.3 tCO ₂ e
	Fuel and energy-related activities: These include activities such as the extraction, production, and transportation of fuels and energy purchased or acquired by BIT, not already accounted for in Scope 1 or Scope 2. Fuel and energy related activities: 12.09 tCO ₂ e
	Upstream transportation and distribution: BIT has a number of suppliers who provide products and services to its business. We use spend data to calculate upstream transportation and distribution. Upstream transportation and distribution: 3.09 tCO ₂ e
	Waste generated in operations: This includes estimates from a waste audit completed by mid-2024 accounting for types of waste (non-hazardous industrial, mixed recyclate, food, recyclate, cardboard etc. Waste generated in operations = $0.09 \text{ tCO}_2 e$

	Downstream transportation and distribution: As a research organisation, BIT does not have any significant downstream transportation or distribution energy usage or emissions.
	Total = 518.51 tCO ₂ e
Total Emissions	533.5 tCO ₂ e

Previous Emissions Footprint

Reporting Year: FY22/23			
Current year emis	Current year emissions: 1st April 2022 to 31st March 2023		
EMISSIONS	TOTAL 112.745 (tCO ₂ e) in the UK		
Scope 1	As a research organisation, BIT does not have any significant Scope 1 energy usage or emissions. Total = $0 \text{ tCO}_2 e$		
Scope 2	To calculate its Scope 2 emissions, BIT has taken the total electricity usage figures from its office in London (NB we have moved office locations this FY) and added an estimate of the energy usage for staff in its office in Manchester, which has a number of workstations within a serviced office. Emissions were then calculated using the GHG Protocol tool. Total = 12.770 tCO ₂ e		
Scope 3 (Included Sources)	Business Travel: BIT has used the GHG Protocol tool to calculate its carbon emissions from business travel, including flights, trains, taxis and public transport, based on km travelled. This is where most emissions were reduced.		
	Business Travel = 99.976 tCO2e		
	Waste generated in operations: BIT will be reporting using a new method alongside Nesta's process and therefore calculations are still in process. This will likely include estimates from a waste audit completed by mid 2024 and be included in the 2023 - 2024 reporting year.		
	Waste generated in operations = this will be calculated using a new method from the year 2023 - 2024.		
	Downstream transportation and distribution: As a research organisation, BIT does not have any significant downstream transportation or distribution energy usage or emissions.		
	Upstream transportation and distribution: BIT has a number of suppliers who provide products and services to its business and at present BIT does not have data on their emissions. Going forward where possible we will aim to use spend data to calculate upstream transportation and distribution.		
	Employee commuting: BIT has begun collecting data for employee commuting. We aim to report employee commuting going forward by using a survey to identify employee commuting details including: number of days		

	employees commute and distance travelled per mode of transport. We may use a representative sample of employees to calculate this. These will be reported starting this year, e.g. 2023-2024. This includes sending out an employee survey to calculate employee commuting and spend data to calculate upstream transportation and distribution.
	Total = 99.976 tCO ₂ e
Total Emissions	112.745 tCO ₂ e

Reporting Year: F	Reporting Year: FY21/22		
Current year emis	Current year emissions: 1st April 2021 to 31st March 2022		
EMISSIONS	TOTAL 32.52 (tCO₂e) in the UK <i>NB this took place during covid which impacted business operations significantly.</i>		
Scope 1	As a research organisation, BIT does not have any significant Scope 1 energy usage or emissions. Total = $0 \text{ tCO}_2 e$		
Scope 2	To calculate its Scope 2 emissions, BIT has taken the total electricity usage figures from its office in London and added an estimate of the energy usage for staff in its office in Manchester, which has a number of workstations within a serviced office. Emissions were then calculated using the GHG Protocol tool. Total = 17.90 tCO ₂ e		
Scope 3 (Included Sources) Business Travel: BIT has used the GHG Protocol tool to calculate carbon emissions from business travel, including flights, trains, tal public transport, based on km travelled. Business Travel = 14.57 tCO ₂ e			
	Waste generated in operations: BIT has estimated the emissions incurred from the waste generated in its offices in London and Manchester using the GHG Protocol Tool. Waste generated in operations = 0.055 tCO ₂ e		
	Downstream transportation and distribution: As a research organisation, BIT does not have any significant downstream transportation or distribution energy usage or emissions.		
	Upstream transportation and distribution: BIT has a number of suppliers who provide products and services to its business and at present BIT does not have data on their emissions.		
	Employee commuting: At present BIT does not collect data for employee commuting.		
	Total = 14.62 tCO ₂ e		
Total Emissions	32.52 tCO₂e		

Emissions reduction targets

Context of our interim report

This is our *interim* report and so we will be constructing our emission reduction targets and details on carbon reduction projects when we release our final report as it is likely that our figures will change as we aim to include other Scope 3 emissions like employee commuting. We are currently redeveloping our reduction target and plan.

Please note that our total emissions from this reporting period (112.745 tCO2e) is currently lower than our FY25/26 target (263 tCO2e). This is due to a much lower number of flights in the current reporting year than our baseline year.

Through our recent partnership with the carbon accounting engine, *Normative*, we are reviewing this target and will adjust it accordingly if our total emissions remain lower than our baseline year.

Below are our carbon reduction methods from our FY21/22 report. Text in red indicates actions we will take once our final report is released.

Carbon Reduction Projects

Carbon Offsetting

Since 1st August 2021, BIT has committed to compensate for all of its ongoing carbon emissions, including those from travel, through investing in carbon-reduction projects. The two organisations BIT has chosen are:

- ACES, which protects blue carbon ecosystems in Southern Kenya.
- Tradewater, which identifies and destroys refrigerants.

These providers were chosen based on two criteria:

- 1. Good evidence of impact (additionality).
- 2. Evidence of "co-benefits" benefits to the environment and/or local community above and beyond the reduction in CO2e.

We are still committed to compensate for all of our ongoing carbon emissions.

Other continuous measures

In the FY 2022/2023, we moved offices to a location which is more energy efficient and we have been deliberate about reducing travel for work.

Conserving resources and reducing of waste

BIT is committed to using energy and water efficiently and reducing the amount of waste sent to landfill sites. This is put into practice by:

- Using energy efficient and motion-sensor lighting where possible;
- Supporting and empowering staff to be energy conscious, using behavioural interventions to encourage switching off equipment when not needed and minimising water use by, for example, the use of eco wash settings for dishwashers and washing machines;
- Ensuring all refrigeration and air-conditioning units are properly maintained and regularly serviced;
- Recycling and using recycled products where possible;
- Installing new bins with clearly labelled compartments for 'general', 'recycling' and 'organic' waste;
- Encouraging staff to minimise the use of single-use plastics and requesting suppliers not to use single-use plastics where possible;
- Operating a 'digital by default' office, including external communications; and
- Setting photocopiers and printers to double-sided and black and white printing by default.

Supporting sustainable choices

BIT is committed to supporting and enabling staff to make sustainable choices. This is put into practice by:

- Deliberate extra considerations to only travelling by air when needed, co-scheduling work, if possible
- Encouraging staff to use public transport, cycle or walk wherever possible;
- Offering and encouraging use of the Cycle to Work Scheme and having cycle storage and changing facilities at the office;
- External meetings are remote by default a shift from previously defaulting to in-person unless organised otherwise
- Encouraging staff to work remotely where business need does not require them to be in the office; and
- Offering staff vegetarian or vegan options for staff lunches and work events.

We are still committed to these 'Other continuous measures'.

Declaration and Sign Off

This interim Carbon Reduction Plan has been completed to the best of our current abilities in accordance with PPN 06/21 and associated guidance and reporting standards 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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Interim Carbon Reduction Plan has been reviewed and signed off by BIT's Leadership Team.

Signed on behalf of the Supplier:

Naomi Crowther, Finance Director

Date: 8 October 2024

¹ <u>https://ghgprotocol.org/corporate-standard</u>

² https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

³ <u>https://ghgprotocol.org/standards/scope-3-standard</u>