

# Carbon Reduction Plan

Supplier name: E.ON UK Plc

Publication date: 18/07/2023

## Introductory Note

Procurement Policy Note – Taking Account of Carbon Reduction Plans in the procurement of major government contracts (Action Note PPN 06/21, published 05/06/2021) states

*The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a CRP covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard and Guidance, and all of the following criteria are met:*

- *The bidding entity is wholly owned by the parent;*
- *The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;*
- *The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and*
- *The CRP is published on the bidding entity's website.*

The guidance goes on to state that

*'Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion'*

E.ON UK Plc has multiple fully owned subsidiaries which include an Energy Solutions business established to offer a comprehensive suite of low carbon solutions in support of our journey toward net-zero. Low carbon solutions from EV charging points, energy from waste and biomass, district heating schemes, solar installations, and from small scale domestic energy efficiency solutions right through to whole city solutions, our energy solutions are helping to pave the way to net-zero. Within our Energy Solutions business, we may bid for work in the name of different legal entities to optimise the service to the client depending on the solution being offered. At the same time, within our matrix organisation, activities from multiple legal entities from within the Energy Solutions business may support the bidding entity in delivering the contract. For these reasons, the Energy Solutions business have decided the best approach to meeting PPN 06/21 requirements is to publish a single CRP in the name of our UK parent company and to expressly state the legal entities that the plan includes.



In accordance with the guidance relating to the adoption of a CRP in the name of a parent organisation to include the bidding entity, this plan meets the detailed requirements of the Technical Standard and Guidance.

## Introduction

We are E.ON and we're leading the energy transition. Providing smart, sustainable and personalised solutions for customers at home, in business and across entire towns and cities.

We make sure everything we do is focused on our customers, helping them with the major changes that are happening today and creating a new energy world that is decentralised, green, and interconnected. We've been a driving force behind the UK's renewable revolution for more than 25 years and, as the UK's largest electricity supplier, we provide all our customers' homes with electricity backed by 100% renewable sources as standard and at no extra cost.

Climate change is a global issue and E.ON are taking a global approach to tackling it coordinated through our parent organisation, E.ON SE. For 2022, we published our first group-wide Integrated Annual Report, fully aligning our financial and non-financial reporting outputs and achieving independent reasonable assurance of our carbon accounts.

The EON group continues to perform well against external ESG rating agencies. CDP is one of the largest international associations of investors that independently assess the transparency and quality of companies' climate reporting. E.ON has reported data on its carbon emissions to CDP since 2004. In 2022 CDP again gave E.ON an A rating for tackling climate change: this rating recognizes the Company's leading role in climate protection. E.ON is therefore among the best 286 that achieved an A rating out of nearly 15,000 that were assessed. E.ON's demonstrable actions have made it one of the world's leading companies in environmental ambition, action, and transparency. In addition, in 2021 (published in 2022) CDP recognized E.ON once more as a Supplier Engagement Leader. E.ON is thus among the top 2 percent assessed for supplier engagement on climate change.

## Scope

The E.ON UK CRP includes the following legal entities

- E.ON UK Plc
- E.ON UK Infrastructure Services Ltd
- E.ON UK Stevens Croft Ltd
- E.ON UK CHP Ltd
- Citigen (London) Ltd
- E.ON Energy Solutions Ltd
- E.ON Connecting Energies Ltd
- E.ON UK Heat Ltd
- E.ON Energy Installation Services Ltd



## Commitment to achieving Net Zero

E.ON UK Plc is committed to achieving Net Zero emissions by 2050.

This commitment applies to each of the named subsidiaries above.

## 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.

<b>Baseline Year: 2019</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
As a multinational energy solutions business, E.ON has long recognised the threat of climate change and have measured, reported on and managed our full scope 1, scope 2 and scope 3 emissions at a corporate level for many years. E.ON was one of the first energy companies to sign-up to a net zero carbon reduction target, having long shared our data with the Carbon Disclosure Project (CDP), and more recently having signed up to the Science Based Targets Initiative (SBTI).	
All emissions have been calculated using Defra emission factors and align with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol) and the PPN 06/21 guidelines.	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	327,250
<b>Scope 2</b>	14,358
<b>Scope 3</b> (Included Sources)	85,171 Waste, Business Travel, Employee Commuting, Upstream Transportation and Distribution and Downstream Transportation and Distribution
<b>Total Emissions</b>	<b>426,779</b>

## Current Emissions Reporting

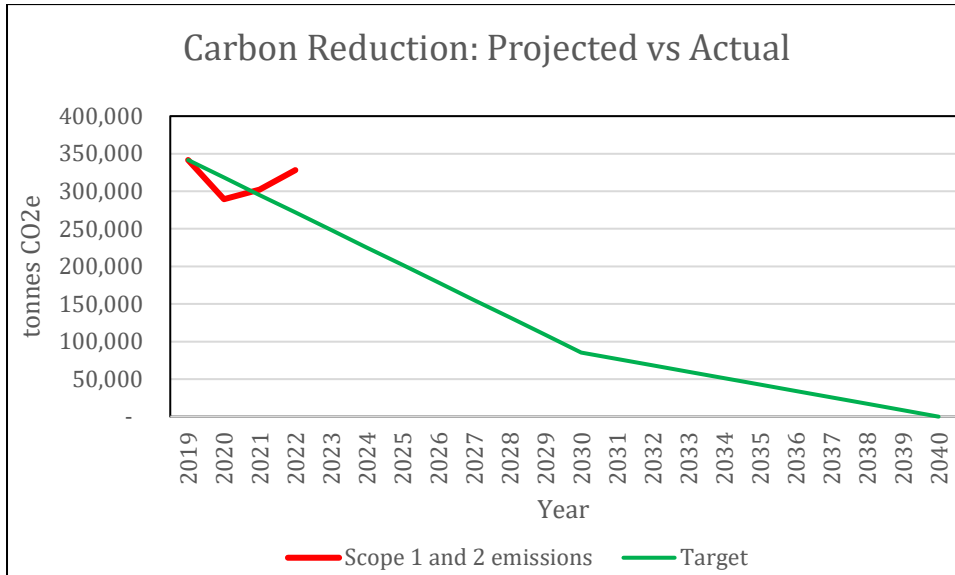
Reporting Year: 2022	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	324,934
Scope 2	3,201
Scope 3 (Included Sources)	206,404 Waste, Business Travel, Employee Commuting, Upstream Transportation and Distribution and Downstream Transportation and Distribution
<b>Total Emissions</b>	<b>534,539</b>

## Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

- We will reduce our scope 1 and 2 emissions by 75% by 2030 and by 100% by 2040 (vs. 2019)
- We aim to reduce our scope 3 emissions by 50% by 2030 and by 100% by 2050 (vs 2019)
- Carbon neutral buildings by 2030
- Electrified fleet by 2030

Progress against our targets within the scope of this carbon reduction plan can be seen in the graph below. This includes all of our scope 1 and 2 emissions but excludes scope 3 emissions as the categories of scope 3 emissions included in the specification of the carbon reduction plan requirements do not align with the scope 3 categories that are material to our organisation and are therefore not within scope of our scope 3 targets.



\*the Covid pandemic (starting March 2020) resulted in artificially low emissions in 2020.

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

In 2022, we have helped pave the way to net-zero by installing

- 535,000 smart meters
- 5,141 boilers
- 1,302 able to pay solar solutions
- 8,781 green energy solutions
- 2,251 EV charging installations

This programme of work has generated £249 million ECO3 lifetime energy bill savings for our customers.

We have continued to electrify our vehicle fleet; 15% of our vehicle fleet are now all electric and all company cars supplied are 100% electric. We also purchase 100% renewable backed electricity for our primary locations and the wider E.ON business supplies 100% renewable backed electricity to all our domestic customers as standard and at no extra cost.

We continue to invest in new technologies and have installed a geothermal heat solution at our Citigen plant in central London designed to reduce carbon emissions by c.40%.

We are also developing new technologies and are exploring the potential to develop a Hydrogen production facility at our Blackburn Meadows Biomass plant in Sheffield.

## 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<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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) Standard<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

### Signed on behalf of the Supplier:



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Date: ...18/07/2023.....

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

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

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