

Streamlined Energy & Carbon Reporting (SECR)

Metropolitan Thames Valley
Housing Group
FY 23/24

SECR Highlights

Metropolitan Thames Valley Housing Group

Reporting Year: 1st April 2023 – 31st March 2024

Year-on-year Changes

- Scope 1 (Natural Gas) emissions decreased by 9.01% in FY23/24 compared to FY22/23
- Scope 2 (Electricity) emissions decreased by 12.59% in FY23/24 compared to FY22/23. Both natural gas and electricity emission decreases are a consequence of MTVH’s sustainability action plan.
- Transport emissions increased by 2.12% in FY23/24 compared to FY22/23. This is due to an increase in fleet vehicle emissions, and the use of electric vehicles charged at MTVH’s sites.
- Total carbon emissions have decreased by 9.36% in FY23/24 compared to FY22/23

Energy Saving Projects: Highlights

- Openable Roof Lights Fitted
- Air-source Heat Pumps
- Removal of Centralised Hot Water System
- Tree Planting - Caritas
- Tree Planting – SG Fleet
- Collaboration with Castlefirth

Table 1: Energy Source Breakdown for Total Location-Based Emissions

| | Natural Gas | Electricity | Transport | Total |
|--|-------------|-------------|-----------|------------|
| FY23/24 Carbon & Energy Consumption | | | | |
| kWh | 33,720,952 | 19,784,170 | 4,822,351 | 58,327,473 |
| tCO ₂ e | 6,168.54 | 4,096.79 | 1,134.80 | 11,400.13 |
| FY22/23 Carbon & Energy Consumption | | | | |
| kWh | 37,139,604 | 24,236,665 | 4,666,402 | 66,042,671 |
| tCO ₂ e | 6,779.46 | 4,686.89 | 1,111.26 | 12,577.61 |
| YOY percentage change (tCO ₂ e) | -9.01% | -12.59% | +2.12% | -9.36% |

Table 2: Emission Intensity Breakdown for Total Location-Based Emissions

| | Natural Gas | Electricity | Transport | Total |
|--|-------------|-------------|-----------|---------|
| Carbon Intensity Metric | | | | |
| FY23/24 tCO ₂ e per Turnover (£m) | 14.69 | 9.75 | 2.70 | 27.14 |
| FY22/23 tCO ₂ e per Turnover (£m) | 17.43 | 12.05 | 2.86 | 32.33 |
| YOY percentage change (tCO ₂ e) | -15.72% | -19.04% | -5.42% | -16.05% |

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Executive Summary

SECR disclosures are mandatory for listed and large unlisted UK companies with reporting cycles beginning on or after 1st April 2019.

This report summarises Metropolitan Thames Valley Housing Group's (MTVH) energy usage, associated emissions, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting (SECR). This is implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. Mandatory information for compliance is detailed on pages 4, 6, 7 and 8 of this report.

The appendix (page 8) includes the methodologies utilised for all calculations related to the elements reported under energy and carbon.

Under the legislation, MTVH must disclose its energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented for all UK operations.

MTVH is a UK-incorporated business. An operational boundary has been applied for the purposes of the reporting.

A total of 21.48% of consumption data used for SECR has been estimated to achieve 100% data coverage. This includes estimations of the energy used in March 2024, which increased the total estimation for the financial year. The estimation level in FY22/23 was 10.36%.

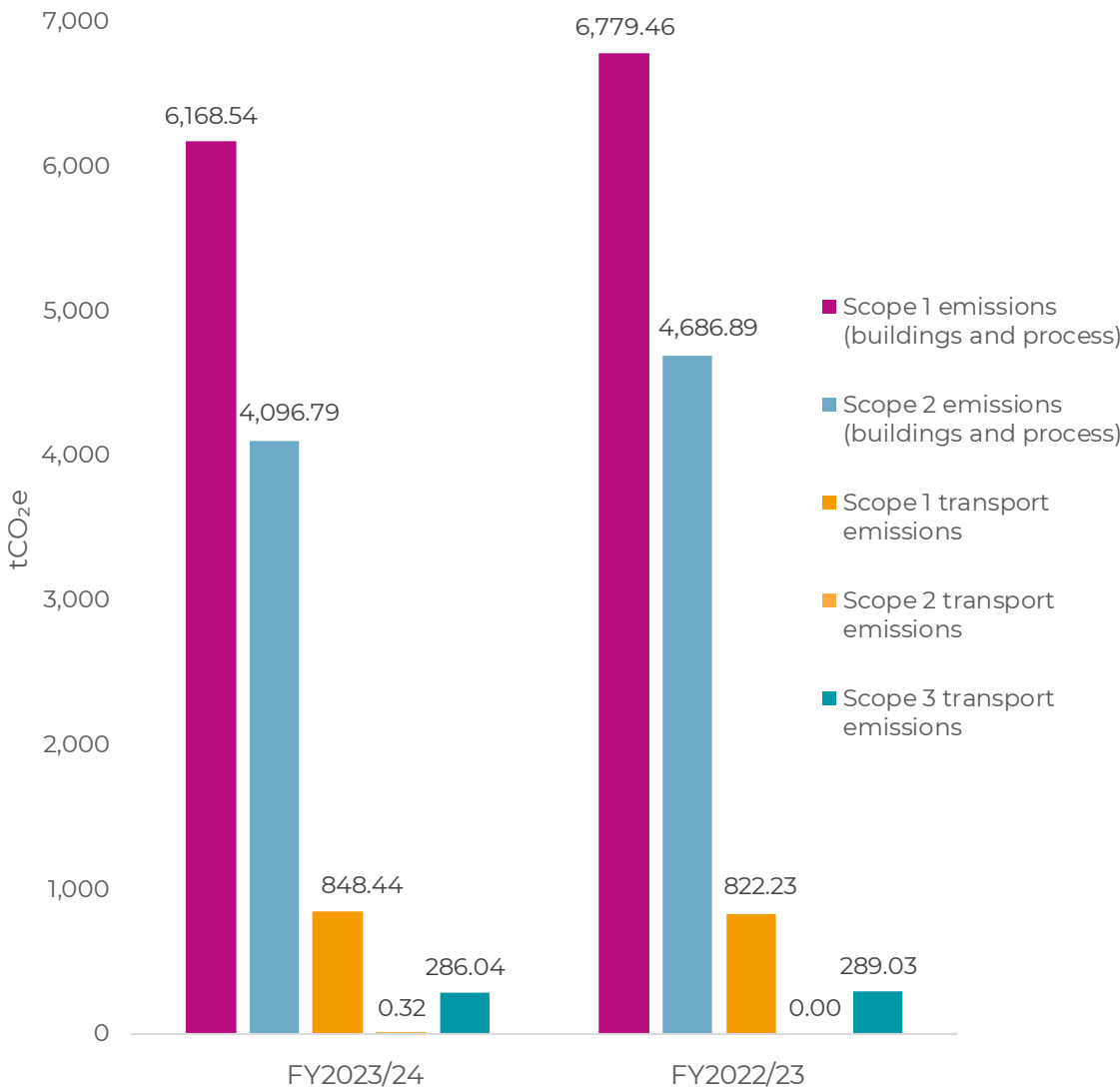
Reporting Year: April 2023 – March 2024

MTVH Scope 1 direct (combustion of natural gas and transportation fuels) and Scope 2 and Scope 3 indirect (transportation fuels) emissions for this reporting year are 7,303.34 tCO₂e, resulting from the direct combustion of 38,543,303 kWh of fuel. This represents a carbon reduction of 7.44% from last year ending March 2023 (Figure 1).

Scope 2 indirect emissions (purchased electricity) for this reporting year are 4,096.79 tCO₂e, resulting from the consumption of 19,784,170 kWh of electricity purchased and consumed in day-to-day business operations. This represents a carbon reduction of 12.59% from last year ending March 2023 (Figure 1).

MTVH's operations have an intensity metric of 27.14 tCO₂ per £m revenue for this reporting year. This represents a reduction in the operational carbon intensity of 16.05% from last year ending March 2023.

Figure 1: Scope 1, 2* and 3 emissions (tCO₂e): This reporting period vs the previous reporting period.



*Scope 2 Transport emissions captured this year due to the use of electric vehicles charged on MTVH sites.

Annual Reporting Figures: Consumption and Location-Based Emissions

The following tables show the consumption and associated emissions for the financial years ending March 2024 and March 2023 for all operations.

Total consumption and location-based emissions are reported in Tables 4 and 5.

Scope 1 consumption and emissions include direct combustion of natural gas, and fuels utilised for transportation operations, for example, company vehicle fleets.

Scope 2 consumption and emissions cover indirect emissions related to the consumption of purchased electricity in day-to-day business operations.

Scope 3 consumption and emissions cover emissions resulting from sources not directly owned by MTVH i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Table 3: Metropolitan Thames Valley Housing Group Total Emissions Intensity Metric(s)

| Intensity Metrics | Location-based tCO ₂ e | | Market-based * tCO ₂ | |
|---|--------------------------------------|---------|------------------------------------|---------|
| | FY23/24 | FY22/23 | FY23/24 | FY22/23 |
| Total Turnover (£m) | 420 | 389 | 420 | 389 |
| All Scopes tCO ₂ e per Turnover (£m) | 27.14 | 32.33 | 22.03 | N/A* |
| Percentage change | -16.05% | | N/A* | |
| EBITDA (£m) | 156 | 155 | 156 | 155 |
| All Scopes tCO ₂ e per EBITDA (£m) | 73.08 | 81.15 | 59.32 | N/A* |
| Percentage change | -9.94% | | N/A* | |
| FTE | 2,007 | 1,931 | 2,007 | 1,931 |
| All Scopes tCO ₂ e per FTE | 5.68 | 6.51 | 4.61 | N/A* |
| Percentage change | -12.79% | | N/A* | |

Table 4: Metropolitan Thames Valley Housing Group FY23/24 Total Energy Consumption (kWh)

| Utility and Scope | FY23/24 Consumption kWh | FY22/23 Consumption kWh |
|---|-------------------------|-------------------------|
| Scope 1 Total | 37,269,922 | 40,552,916 |
| Residential Natural Gas and Other Fuels (Scope 1) | 32,905,169 | 36,519,498 |
| Office Natural Gas and Other Fuels (Scope 1) | 815,783 | 620,106 |
| Transportation (Scope 1) | 3,548,971 | 3,413,313 |
| Scope 2 Total | 19,785,712 | 24,236,665 |
| Residential Grid-Supplied Electricity (Scope 2) | 19,234,569 | 23,353,815 |
| Office Grid-Supplied Electricity (Scope 2) | 549,601 | 882,850 |
| Transportation (Scope 2) | 1,542** | 0 |
| Scope 3 Total | 1,271,839 | 1,253,090 |
| Transportation (Scope 3) | 1,271,839 | 1,253,090 |
| Total | 58,327,473 | 66,042,671 |

Table 5: Metropolitan Thames Valley Housing Group FY23/24 Total Location-based Emissions (tCO₂e)

| Utility and Scope | FY23/24 Consumption tCO ₂ e | FY22/23 Consumption tCO ₂ e |
|---|--|--|
| Scope 1 Total | 7,016.98 | 7,601.70 |
| Residential Natural Gas and Other Fuels (Scope 1) | 6,019.31 | 6,666.27 |
| Office Natural Gas and Other Fuels (Scope 1) | 149.23 | 113.19 |
| Transportation (Scope 1) | 848.44 | 822.23 |
| Scope 2 Total | 4,097.11 | 4,686.89 |
| Residential Grid-Supplied Electricity (Scope 2) | 3,982.98 | 4,516.16 |
| Office Grid-Supplied Electricity (Scope 2) | 113.81 | 170.73 |
| Transportation (Scope 2) | 0.32** | 0 |
| Scope 3 Total | 286.04 | 289.03 |
| Transportation(Scope 3) | 286.04 | 289.03 |
| Total | 11,400.13 | 12,577.61 |

*Market-based emissions were not calculated in FY22/23. As such, there are no figures available for comparison

**Scope 2 Transport emissions captured this year due to using electric vehicles charged on MTVH sites.

Annual Reporting Figures: Year-on-Year Changes

- Scope 1 (Natural Gas) emissions decreased by 9.01% in FY23/24 compared to FY22/23. This change is due to the ongoing energy initiatives that MTVH have in place and will be continuing to roll out according to their sustainability action plan
- Scope 2 (Electricity) emissions decreased by 12.59% in FY23/24 compared to FY22/23. This change is also attributable to the energy initiatives that MTVH established in accordance with their sustainability action plan.
- Transport emissions increased by 2.12% in FY23/24 compared to FY22/23. This is due to an increase in fleet vehicle emissions, and the use of electric vehicles charged on MTVH sites, giving rise to Scope 2 Transport emissions.
- Total carbon emissions have decreased by 9.36% in FY23/24 compared to FY22/23. This change is due to the ongoing energy initiatives that MTVH have in place and will be continuing to roll out according to their sustainability action plan

Annual Reporting Figures: Voluntary Market-Based Emissions

MTVH dual-report on location-based and market-based emissions factors. Market-based emissions demonstrate the carbon reduction achieved by renewable electricity procurement, FY2023/24 is the first year that MTVH has reported on market-based emissions. See the appendix for market-based methodology. Total market-based emissions are reported in Table 6.

Table 6: Metropolitan Thames Valley Housing Group Total Market-Based* Emissions (tCO₂)

| Utility and Scope | FY23/34 Consumption tCO ₂ | FY22/23 Consumption tCO ₂ |
|---|--------------------------------------|--------------------------------------|
| Residential Grid-Supplied Electricity (Scope 2) | 1,927.29 | N/A** |
| Office Grid-Supplied Electricity (Scope 2) | 24.05 | N/A** |
| Total Scope 2 | 1,951.34 | N/A** |

*Market-based emissions are reported in tCO₂ only, and reflect the specific emissions associated with a supplier-specific fuel mix / residual grid factor. Please see the Methodology in the appendix for further details.
** Market-based emissions were not calculated in FY22/23. As such there are no figures available for comparison

Energy Efficiency Narrative

Energy Efficiency Improvements

MTVH is committed to year-on-year improvements in its operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures in the next five years.

Measures ongoing and undertaken through FY23/24:

Openable Roof Lights Fitted

MTVH inaugurated two new office spaces equipped with openable rooftop lights, thereby reducing reliance on artificial lighting when weather conditions permit. Additionally, the offices feature LED light fixtures and Passive Infrared (PIR) sensors to optimize energy efficiency and lighting management.

Air-source Heat Pumps

MTVH launched two new office spaces equipped with an air-source heat pump heating system. All employees at this site have received training on the operation of the heating and cooling system, including the recommended optimum temperature settings to minimize wasted heat generation. This initiative aims to enhance energy efficiency and promote a more sustainable workplace environment.

Removal of Centralised Hot Water System

At the new office space at Dover Court, MTVH has replaced the centralized hot water system with multiple point-of-use hot water systems. Additionally, lockable heating controls have been installed to prevent tampering and ensure efficient use of heating resources. These upgrades reflect MTVH's commitment to energy conservation and responsible facility management at Dover Court.

Tree Planting - Caritas

MTVH is collaborating with Caritas as part of its environmental commitments. Through this partnership, Caritas has planted 2,558 trees in alignment with MTVH's sustainability efforts. MTVH's partnership with Caritas underscores its dedication to environmental stewardship and sustainable practices, making a tangible difference in reducing carbon footprints and promoting ecological conservation.

Tree Planting – SG Fleet

MTVH has partnered with SG Fleet Solutions UK to supply branded vehicles to deliver the Networks repairs service. As a part of this sustainability initiative, MTVH has planted 500 trees, contributing to environmental conservation efforts. This tree planting initiative reflects MTVH's dedication to reducing carbon emissions associated with their operations and promoting eco-friendly practices in their service delivery. The collaboration with SG Fleet Solutions UK underscores MTVH's commitment to incorporating environmental considerations into their business practices, striving for a more sustainable future.

Collaboration with Castlefirth

MTVH is collaborating with consultants at Castlefirth to engage in tree planting initiatives through Onetreeplanter.org. This partnership reflects MTVH's ongoing cultural shift towards embedding sustainability into their contracts and operations. By integrating tree planting into their projects and contracts, MTVH aims to reduce CO2 emissions and enhance carbon capture, contributing to a more environmentally conscious approach to business practices.

Energy Efficiency Narrative

Measures prioritised for implementation in FY24/25

Continued rollout and implementation

MTVH will continuously roll out pre-existing energy-saving initiatives and continue to work toward their 2023 action plan, which includes:

- Work with landlords to introduce direct metering for office estates to understand consumption patterns better.
- Target a more dynamic energy procurement strategy to better deliver VfM in terms of Scope 1 and 2 consumption and cost-effective purchases from green and renewable suppliers.
- Sustainable supply chain
- Decarbonisation of our properties

Scope 3 Emissions

MTVH is actively engaged in addressing Scope 3 emissions with support from Equipoise, utilizing a Spend-based methodology to calculate emissions. Once we have identified the suppliers in our supply chain generating the highest CO2 emissions, we will collaborate with them to understand their current emission reduction initiatives and explore opportunities for further improvement. This underscores their commitment to reducing their environmental impact across our operations and supply chain.

Electric Vehicles

The increased use of EV by colleagues presents new CO2 challenges for the organisation and we will prioritise a reduction in travel emissions

I: Compliance Responsibility

This report has been prepared by the ESG division of Inspired PLC for Metropolitan Thames Valley Housing Group by means of interpreting the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 as they apply to information supplied by Metropolitan Thames Valley Housing Group and its energy suppliers.

Metropolitan Thames Valley Housing Group's registered CEO and CFO are responsible for complying with the Regulations. They must be satisfied that, to the best of their knowledge, all relevant information concerning Metropolitan Thames Valley Housing Group's organisation structure, properties, activities and energy supplies has been provided to Inspired PLC.

This includes details of any complex ownership structures (for example, private equity funds, franchises for private finance initiatives) and electricity/gas usage that is covered by the EU Emissions Trading Scheme (ETS) or Climate Change Agreements (CCA) scheme generated on-site (including Combined Heat and Power (CHP)) or supplied to/from a third party (i.e. not a licenced energy supplier or a landlord/tenant).

II: Reporting Methodology

This report (including the Scope 1, 2 and 3 consumption and CO₂e emissions data) has been developed and calculated using the *GHG Protocol – A Corporate Accounting and Reporting Standard* (World Resources Institute and World Business Council for Sustainable Development, 2004); *Greenhouse Gas Protocol – Scope 2 Guidance* (World Resources Institute, 2015); *ISO 14064-1 and ISO 14064-2* (ISO, 2018; ISO, 2019); *Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance* (HM Government, 2019).

Government Emissions Factor Database 2023 version 1.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for the reporting period 01/04/2023 – 31/03/2024.

Estimations were undertaken to cover missing billing periods for properties directly invoiced to Metropolitan Thames Valley Housing Group. These were calculated on a kWh/day pro-rata basis at the meter level.

- For properties where Metropolitan Thames Valley Housing Group is indirectly responsible for utilities (i.e. via a landlord or service charge) or no data is available for the meter, the median consumption for properties, with similar operations was calculated at meter level and applied to the properties with no available data.

These full-year estimations were applied to 122 electricity supplies and 16 gas supplies. The final month of FY23/24 (March 2024) has been estimated, which increased the total estimation for the financial year. All estimations equated to 21.48% of reported consumption. Future SECR reporting will place greater emphasis on data completeness for reporting accuracy and clarity by coordinating with Inspired Energy's Assurance Services and MTVH's energy suppliers well in advance of MTVH's scheduled delivery of their SECR reporting.

For the first time in FY23/24, market-based emissions have been included. For the market-based reporting methodology, it was taken into account that the electricity supplied to Metropolitan Thames Valley Housing Group by multiple suppliers from April to March 2024 was made up of a supplier-specific fuel mix, including some renewables. Supplier-specific emission factors have been applied to these electricity supplies.

Scope 2 Transport emissions captured this year due to the use of electric vehicles charged on MTVH sites.

Intensity metrics have been calculated using total tCO₂e figures and the selected performance indicators agreed with Metropolitan Thames Valley Housing Group for the relevant report period:

- | | |
|--|----------------------|
| • Total turnover (£m) FY23/24 (FY22/23) | £420m (£389m) |
| • Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) FY23/24 (FY22/23) | £156m (£155m) |
| • Full-time equivalents (FTE) FY23/24 (FY22/23) | 2,007 (1,931) |

III: Glossary

Scope 1: Emissions associated with gas usage and transportation fuels (under the company's control).

Scope 2: Emissions associated with the consumption of purchased electricity are presented on both a location-based (using country average electricity emission factors) and market-based (taking into account any purchased renewable generated electricity) approach.

Scope 3: Company's value chain emissions, divided into 15 categories, as established by the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard. Under SECR this is limited to emissions resulting from sources not directly owned by the Company, i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Location-based emissions: Methodology to calculate Scope 1 and 2 emissions using the average grid emissions factor of a region.

Market-based emissions: Methodology to calculate Scope 1 and 2 emissions using emissions factors specific to the contractual instruments in place.

tCO₂: Tonnes of carbon dioxide gas released into the atmosphere. This metric is often used when reporting electricity market-based emissions factors.

tCO₂e: Greenhouse gases have different global warming potentials and are converted to a carbon dioxide equivalent to ease comparison and reporting.



IV: Quality Review

Prepared for: Metropolitan Thames Valley Housing Group

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Reviewer: Dr Christine Doherty

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| 2 | 01/05/2024 | Nicholas Goodale | Addition to Narrative |
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