

02 January 2024

A letter from our CEO

Our company purpose is to empower, educate and enable everyone to make better, greener energy choices and transition to net zero. That includes ourselves and our own strategic approach to help tackle climate change through our Environmental, Social and Governance (ESG) plans and initiatives.

Firstly, I'd like to acknowledge the importance of ESG for the SmartestEnergy Group, we have taken strides in developing our corporate ESG strategy with a view to setting metrics and targets and deliver against climate commitments at a global level.

Our ESG progress so far

Last year, we conducted a comprehensive materiality assessment in collaboration with PwC to understand the significance of ESG topics to our key stakeholder groups. The assessment involved extensive research, employee surveys, stakeholder interviews and senior management workshops.

The insights gleaned identified two key ESG priorities for SmartestEnergy:

- Carbon Emissions and Renewable Technologies
- Diversity, Equality and Inclusion (DE&I)

We are now on course to develop our ESG strategy and determine target setting aligned with these priorities. The Governance Framework we are putting in place will align our actions and goals with stakeholder ambitions and our ESG strategy will effectively communicate our goals with a clear agenda and roadmap to deliver against our targets.

Our Sustainability Highlights to date

We have already achieved some key sustainability milestones as we work towards our vision to lead the way to a 100% renewable energy system that delivers a better future for all.

In 2015, we launched our certified renewable electricity product in the UK and we are now driving change through product development as we look to the future of renewables and the deep green landscape with plans to launch a new product later this year.

In 2015/16 we began reporting our carbon footprint with verification from The Carbon Trust on Scope 1, 2 and 3 emissions. Over the last couple of years, we have extended our footprint and SECR reporting to include our offices in the US and Australia. In addition to purchasing renewable electricity for our offices and purchasing renewable certificates to overcome any residual volumes (Scope 2), we have purchased carbon offsets to overcome Scope 1 & 3 emissions to achieve a carbon-neutral status. We also achieved carbon neutral certification from Climate Active on Australia in 2023.

Most recently, we have launched our global tree planting initiative with Ecologi, supporting reforestation projects with regular donations to fund the planting of trees in our virtual SmartestEnergy Group Forest. So far, we have funded over 29,000 trees and supported 4 climate projects all over the world, collectively avoiding 147 tCO2e, that's the equivalent of 113 long haul flights!

In 2020 we created 'SmartestBalance', our Diversity, Equality and Inclusion (DE&I) programme and hired dedicated resource to oversee delivery of the programme in 2022. In our mission to better understand our strengths and weaknesses, we launched our DE&I employee-focused assessment in 2023 to gather the diverse perspectives of our employees and provide us with clarity to progress our DE&I goals and actions.

What's next?

By 2025/26, we're committed to delivering against our short-term ESG roadmap spanning: global climate initiatives, delivering financial reports against the Task Force on Climate related Financial Disclosures (TCFD) reporting standards, launching a Sustainability Taskforce for employees, and publishing our Group Net Positive Strategy underpinned by our organisational footprint targets.

We support our parent company, Marubeni and their long-term commitment to climate change, aiming for net zero greenhouse gas emissions by 2050, reducing GHG emissions aligned with 1.5°C goals.

Our dedicated ESG resource and champion will ensure the delivery of our Governance framework and overall ESG strategy, whilst leading our Global Executive Committee members on our Group's 'ESG and Net Zero Ambition'.

Kind Regards

Robert Groves
CEO, SmartestEnergy Limited