Our vision to make a positive difference

May 2025

Naturally different.



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INTRODUCTION

In September 2019, we launched our vision to make a positive difference (MAPD) to our customers, our people, the environment and our local communities - and we've remained committed ever since to bringing our vision to life through effective and measurable initiatives that drive positive change.

We aligned our plan to the Business in the Community Responsible Business Map (pictured to the right), designed to help organisations assess the contribution they make to the United Nations Sustainable Development Goals. In 2023 we developed our 2023-25 Responsible Business Strategy, identifying the key objectives and commitments we wanted to take forward to achieve our vision to make a positive difference. Progress against each of these objectives is outlined in this Report.

This is our fourth Sustainability Report, highlighting the progress we've made over the past year.

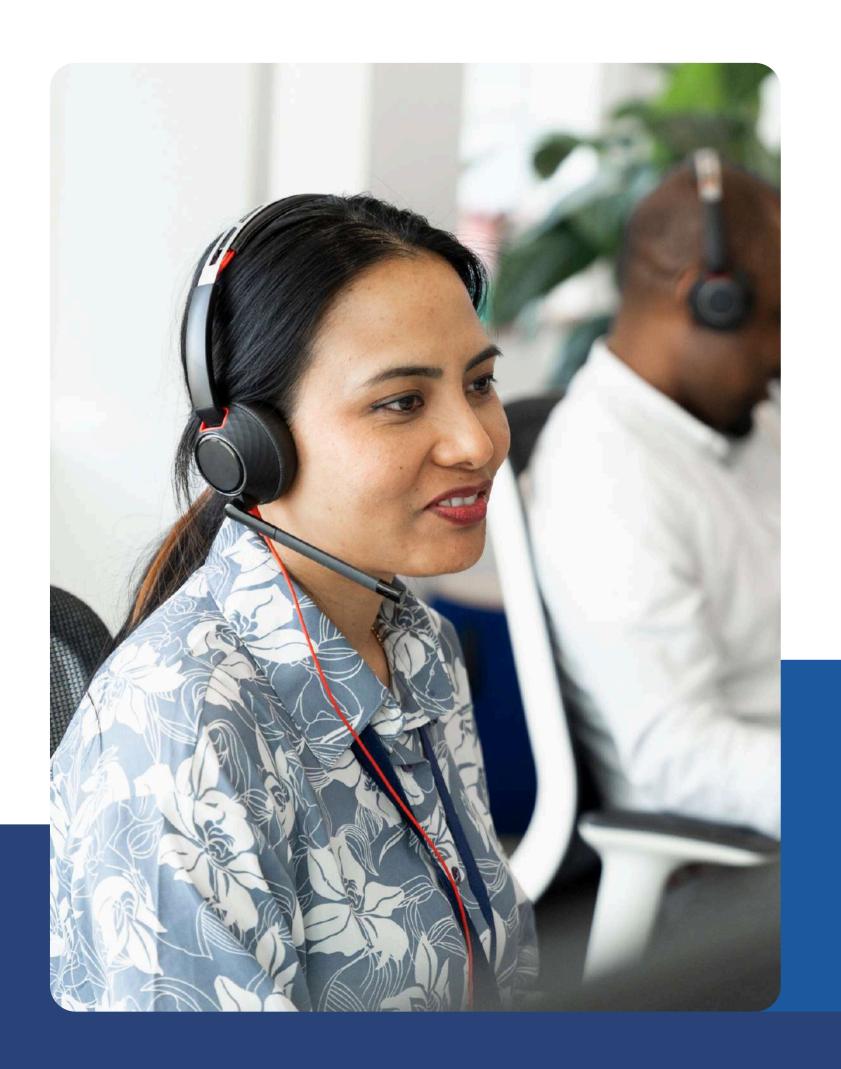
In the coming months we'll be developing our 2025-30 Environmental, Social and Governance (ESG) Strategy, which will be aligned to our five-year business plan. The Strategy will outline the objectives we'll be focusing on to help us continue to deliver our vision, supporting us to respond to the key sustainability challenges that we can directly and positively impact.





We're delighted to be sharing our fourth annual Sustainability Report, highlighting the progress we've made in the past year to support the delivery of our vision to make a positive difference. Our vision is an integral part of how we do things at Business Stream and we're really proud of the achievements we've delivered to date. I'd like to take this opportunity to thank all our colleagues and partners - we couldn't deliver our vision without your support.

Jo Dow CEO | Business Stream



OUR VALUES AND OUR VISION

Our values define how we do things at Business Stream and help shape our culture. They really reflect who we are as a business and incorporate our vision to make a positive difference. We communicate our values regularly and every colleague is asked to evidence how they live by our values in their performance reviews.

Similarly, we want our vision to reflect how we do things at Business Stream and for that ethos to underpin the key decisions we take as a business. To help us achieve this, our vision sits at the centre of our Performance Wheel, which we use to measure business performance, at both an individual and company-wide level. In addition, it strongly influences our business plan and key priorities, as evidenced in our Annual Report and Business Plan.

Dependable

We keep our promises and respond to our customers' promptly

Knowledgeable We're the water industry expe

We're the water industry experts

Purposeful

We're committed to making a positive difference

Supportive

We're helpful and focus on delivering solutions

Progressive

We're forward-thinking and innovative

ALIGNING OUR VISION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations (UN) launched their 2030 Agenda for Sustainable Development in 2015, calling for all countries to work together to tackle some of the world's most concerning issues, including the climate crisis, poverty and inequality. To support this goal, the UN developed their 17 Sustainable Development Goals (also known as the SDGs).

In July 2024, we became the first water retailer to join the United Nations Global Compact.

Launched in 2000, the UN Global Compact is the largest corporate sustainability initiative in the world, with more than 15,000 companies and 3,500 non-business signatories based in over 160 countries, and 70+ Local Networks.

By joining the network, we are required to meet annual reporting requirements to demonstrate how we're supporting the delivery of the UN's Sustainable Development Goals.

SUSTAINABLE GOALS





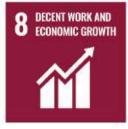
































Our vision contributes to supporting 12 of these goals:

For our customers





































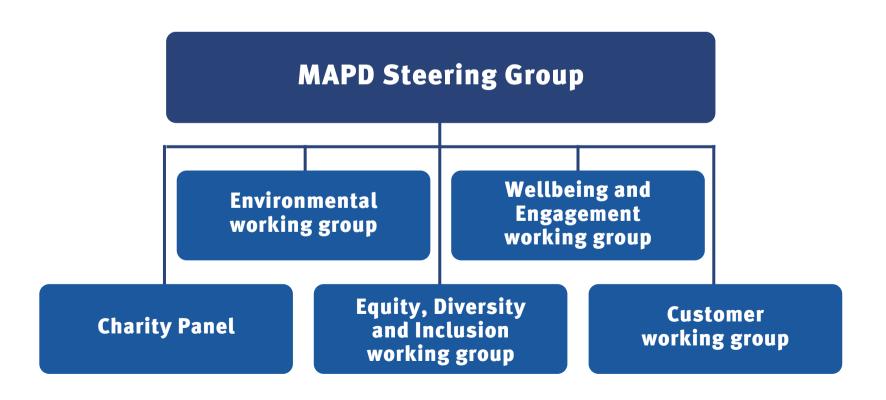
Joining the UN Global Compact marks another milestone for us in our commitment to delivering our vision to make a positive difference. This membership is enabling us to better align our activities to supporting the UN Sustainable Development Goals, as well as providing opportunities for us to collaborate with others on key sustainability issues.

Sophia Goring Head of ESG | Business Stream

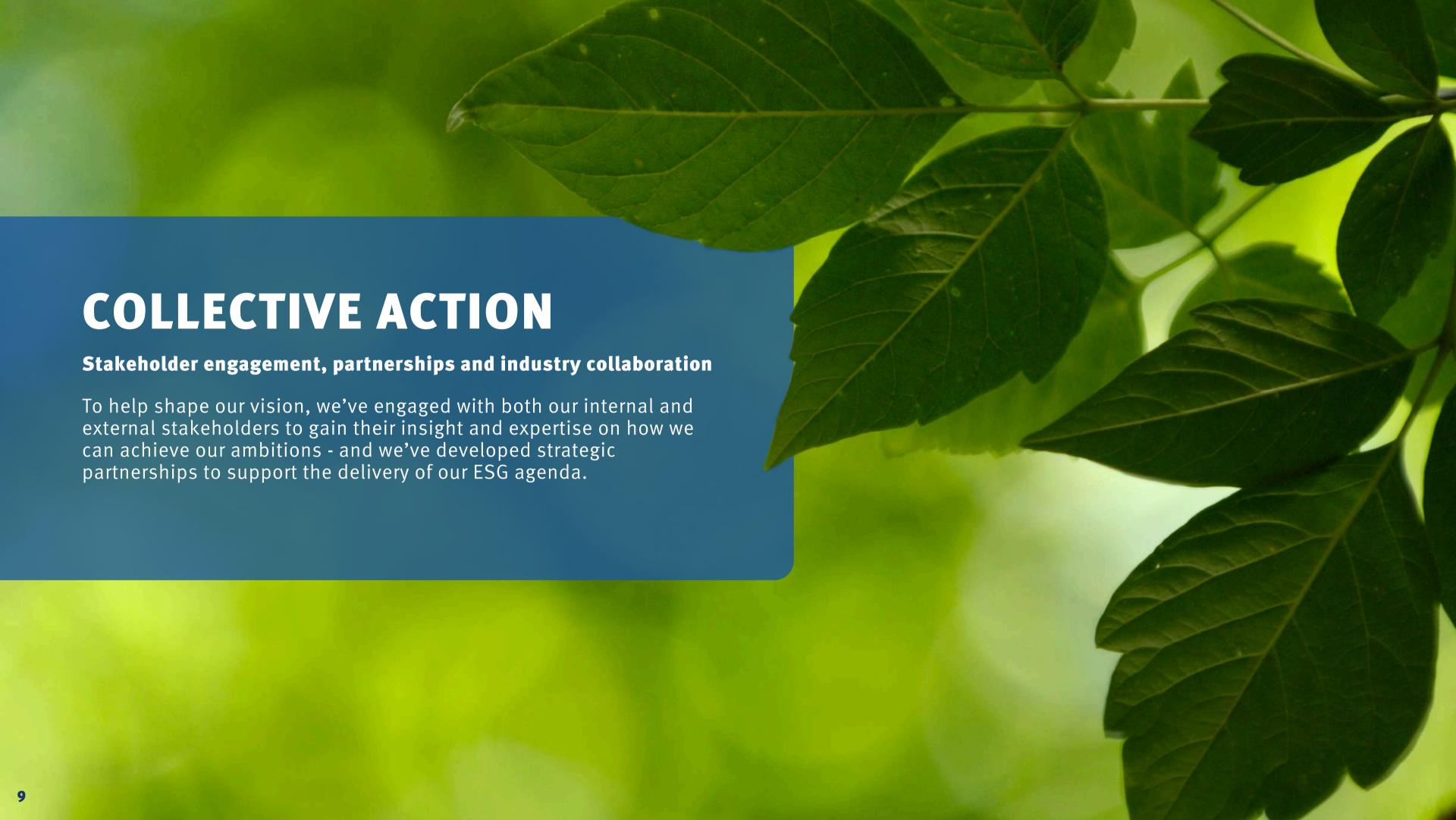
GOVERNANCE

Responsibility for delivering our vision sits with our MAPD Steering Group, which is chaired by our CEO and supported by our Head of ESG. The Group includes representatives from across the business.

To help support on the delivery of all our MAPD initiatives, we have also established a number of sub-groups. This includes our Customer working group, Environmental working group, Wellbeing and Engagement working group, Equity, Diversity and Inclusion (ED&I) working group, and Charity Panel. These groups provide our people with a real opportunity to drive forward our ambitions by contributing ideas and working together to help deliver initiatives that support our MAPD objectives.







COLLECTIVE ACTION

Internal stakeholders

In addition to involvement through our various MAPD groups, we have incorporated questions around our vision in our annual employee engagement survey to help ensure every colleague is given an opportunity to reflect on our commitment to our vision and strategy. We also regularly seek feedback and views on our MAPD initiatives.

External stakeholders and partners

We recognise the breadth of our vision and know that we can achieve even more by adopting an expert partnership-led approach. By gaining knowledge, supporting initiatives and developing our network, we're better placed to address the key environmental and social issues impacting us all today.

To help gauge our customers views on our vision and strategy, we've incorporated questions within our annual customer survey, which provides us with an opportunity to measure awareness levels around our vision and identify where there is scope to make further improvements. And we've run customer forums, providing an opportunity for our customers to meet us in person and discuss issues, share feedback and identify opportunities.

Industry engagement

As a water retailer, a core focus for us is to use our experience and expertise to help shape the Scottish and English retail water markets to deliver greater benefits for customers. To support this goal we take our role as customer advocates seriously and are members of various stakeholder and policy groups established to make positive changes to the market and wider industry, including:

- Member of the Strategic Panel, the senior industry group in the England & Wales market, providing strategic direction to improve non-household customer outcomes
- Member of the Senior Stakeholder Group in Scotland
- Non-Executive Director of the Central Market Authority (CMA) in Scotland
- Member of the Strategic Metering Committee
- Member of the Retailer-Wholesaler Water Efficiency Group (RWG), and
- Members of a range of working groups addressing market developments including the roll out of smart metering and market performance reform.

In late 2024, we undertook a targeted internal and external stakeholder consultation with 12 key stakeholders to support the development of our new 2025-30 Responsible Business Strategy. The consultation process provided an opportunity to gain insights from colleagues, customers, suppliers, partners and regulatory bodies on what they believe our sustainability priorities should be and how we should be responding to them. This input will help shape our future objectives and commitments to ensure we are well placed to continue to deliver our vision.



KEY PARTNERS

Business in the Community (BiTC)

The UK's largest member organisation dedicated to supporting businesses to operate responsibly and sustainably. Our CEO is a member of the BiTC Scotland Advisory Board and we support BiTC's programmes on a UK-wide basis.

Waterwise

The UK's largest NGO focused on water conservation and water efficiency. We were the first water retailer to partner with the organisation.

Ecologi

UK-based global climate action specialists. We've partnered with the company to support our goals to become certified as a carbon neutral company and to develop environmentally-led customer propositions supporting biodiversity within the UK.

Women's Utilities Network (WUN)

Established to drive inclusion in the utilities industry, supporting women to join, stay and thrive within the sector. We became a partner of WUN in 2024 and are continuing to support the network's strategic goals.

Scotland's Towns Partnership (STP)

Scotland's national towns' collective and responsible for Scotland's Improvement Districts. We've partnered with STP to broaden our commitment to supporting local communities across Scotland by supporting STP's goals to build inspiring and sustainable towns and cities.



Career Ready

The UK's leading social mobility charity. We work with the charity to deliver mentoring support and paid work experience placements to young people. To further support the charity we're also represented on Career Ready's Edinburgh, Mid-Lothian and East Lothian Board and facilitate some of the programme's Skills for Success masterclasses.

Developing the Young Workforce (DYW)

Supporting the Scottish Government's Young Person's Guarantee by linking young people to businesses to provide workplace opportunities. We became the first water retailer to gain DYW Young Persons Employer guarantee status in 2023 in recognition of our efforts and future commitments to support young people. In 2024 we launched a formal partnership with our local school, Forrester High School, to deliver a skills programme for their fifth year group, with support from DYW.

Powering Futures

Social enterprise company established in 2020 to empower the young and future workforce with the skills, critical thinking, and enthusiasm to support businesses' to transition to net zero. We've partnered with them to task pupils with tackling a real-life sustainability problem, enabling them to earn an SCQF Level 6 qualification on completion.

Scottish Action for Mental Health (SAMH)

Scotland's national mental health charity and sister charity to Mind. We've become a strategic partner of the charity to help deliver vital funds and provide information, resources and support to colleagues to help protect their mental health, as well as aid the charity's goals to support people with mental health challenges across Scotland.

National Support Network (NSN)

UK-based social enterprise providing national support and external signposting services covering a broad range of topics. We've partnered with them to support the delivery of our customer vulnerability framework.

In addition, we informally support the work of other organisations including Macmillan Cancer Support and the Marine Conservation Society through our charities programme.









ecovadis

ECOVADIS

EcoVadis helps over 150,000 companies in over 200 industries assess their sustainability credentials. The assessment is based on international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact and ISO 26000 certification. In addition to assessing environmental credentials, EcoVadis measures companies' commitment to labour and human rights, ethics and sustainable procurement.

In August 2022, we took part in the assessment process for the first time and achieved a Gold rating (70). We were reassessed in 2023 and increased our score to 74 - and we then increased our score to 80 when we were assessed in late 2024.

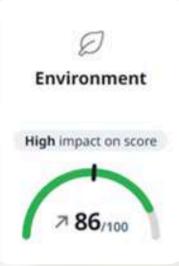
This year, we improved our scores in each area, including increasing our environment score from 80 to 86, demonstrating our commitment to continuous improvement.

In addition, we gained an 'Advanced' level rating for our carbon management reporting.

Overall score

Percentile **98th**

80/100

















UNITED NATIONS GLOBAL COMPACT

In July 2024, we became the first in our sector to join the United Nations Global Compact. By joining the network, we are required to meet annual reporting requirements to demonstrate how we're supporting the delivery of the UNs Sustainable Development Goals. We'll be submitting our response, in line with reporting timelines, in July 2025.

The Ten Principles of the United Nations Global Compact are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.



ISO CERTIFICATIONS

We hold three ISO certifications:

- ISO 14001 recognising high standards for our environmental management and performance
- ISO 45001 recognising our commitment to having in place a robust occupational health and safety management system (Solutions team certified), and
- ISO 9001 the international standard that demonstrates our ability to consistently provide products and services that meet customer and regulatory requirements (Solutions team certified).







ISO 9001

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ISO 45001

QUALITY MANAGEMENT ENVIRONMENTAL MANAGEMENT

HEALTH & SAFETY MANAGEMENT

BITC RESPONSIBLE BUSINESS TRACKER

The Responsible Business Tracker® is a measurement tool which enables an assessment of a company's performance as a responsible business. It tracks progress against Business in the Community's (BITC) Responsible Business Map which was built on the United Nation's Global Goals.

We took part in the tracker assessment in June 2022 and achieved an overall rating of 63% against an average score of 47% (average score taken across 91 businesses participating in the same cohort).

While the tracker assessment has been paused by BiTC, in July 2024 we were re-assessed across two of the BiTC Responsible Business map areas — health and wellbeing and employment and good work — to help us benchmark our progress in two areas we've invested in significantly since 2022.

Our health and wellbeing overall score was 83% (a rise from 60% in 2022)

Our inclusive employment and skills overall score was 90% (we scored 73% in 2022). In 2022, the cohort average was 52% and the maximum score was 94%.

Health and Wellbeing Score 2024

	Overall (%)	Governance (%)	Strategy & risk (%)	Disclosure (%)	Action (%)
Business Stream	83	83	85	100	91
2022 Business Stream results	60	75	31	60	91
2022 cohort average	55	69	55	44	70
2022 cohort maximum	93	100	92	100	100



MAKING A POSITIVE DIFFERENCE TO THE ENVIRONMENT

Our goal

To help protect the planet by working towards our net zero target and by supporting our customers and supply chain to achieve environmental efficiencies.

As a water retailer and responsible business, we're passionate about the environment and recognise that we have a responsibility to improve our environmental performance and work towards our net zero goal, while also supporting our customers and supply chain to do the same.

Since launching our vision our priority has been to understand our own carbon use and set and achieve ambitious reduction targets. Alongside this, we're committed to supporting our customers and supply chain to achieve environmental efficiencies, so we can have an even bigger impact on protecting the planet.

Key objectives



To work towards our 2030 net zero target.



To support our customers and suppliers to achieve their environmental goals, promote their progress and build climate resilience.









OBJECTIVE 1: WORKING TOWARDS OUR NET ZERO GOAL

The climate crisis is one of the biggest challenges facing us all and it's really important to us that as a responsible business we take a pro-active approach in reducing our environmental impact.

Emissions reduction targets for the Scottish Public Sector are set out in the Climate Change (Scotland) Act 2009. The ultimate target is for net zero by 2045.

We've set an ambitious target of achieving net zero for our operations by 2030 – 15 years ahead of the Scottish Government target and 20 years ahead of the UK Government target.

While we've been working hard in recent years to reduce our emissions — they did spike last year as a result of a smouldering cable in our old office that caused fugitive gases to be released. Since then, we've moved to our new Head Office and continued to make progress against our carbon management plan, helping us achieve our annual reduction targets. In the past year, we've achieved:

- an 89% reduction in our Scope 1 emissions
- a 66% reduction in Scope 2 emissions, and
- an 11% reduction in Scope 3 emissions.

For further details of our progress towards net zero please refer to Appendix 1 to read our full carbon management plan.



OBJECTIVE 1: WORKING TOWARDS OUR NET ZERO GOAL

In addition to the carbon reductions we've achieved this year, we've also continued to identify opportunities to support our goals through additional activities, including:

- developing an environmental awareness pack for every colleague
- creating a specific environmental awareness session as part of our induction programme for new starts
- continuing to donate the vast majority of our unused IT equipment to charities, local communities or to colleagues in exchange for a charitable donation, and
- investing in nature-based projects to offset our carbon emissions as we work towards net zero.



Achieving carbon neutrality as we work towards our net zero target

In October 2023, we launched a new partnership with Ecologi, to offset our carbon emissions on an annual basis by investing in nature-based projects that enable us to be certified as carbon neutral as we work towards our net zero goal.

In 2023-24 we supported the following two projects:

- A nature-based project to protect the Mataven Forest in Colombia which covers 1.86 million hectares and is home to more than 40,000 plant species, and
- A society-based project contributing more than 380,000 cookstoves in Kenya, which will help avoid 4.3 million tonnes of CO₂ emissions and support the creation of over 1,000 jobs for the local community.

Currently we're supporting the Macaúbas Landfill Gas Project in the state of Minas Gerais in Brazil, which has recently become one of the first-ever CCP-Approved projects. The project involves installing new active landfill gas (LFG) extraction, flaring, and electricity generation systems to prevent methane gas emissions entering into the atmosphere and export electricity to the grid from the landfill site. In its current monitoring phase, the facility has so far achieved total emission reductions of 102,580 tCO2e. Our investment of £4,243 is the equivalent of our scope one and scope two emissions for 2023/24, consisting of electricity usage as well as gas and fugitive emissions.

Ecologi enables its community of over 20,000 businesses to fund and support high impact climate action projects. So far, its programme has yielded funding responsible for the planting of 83 million trees as well as successfully preventing 3.2 million tonnes of CO2e emissions from entering the atmosphere.









We are proud to be working with **Business Stream to support them in** the delivery of projects that contribute to the United Nations Sustainable **Development Goals. This partnership** is a great example of how businesses can take meaningful climate action. Not only is the company committed to improving its climate impact, but it also has a broader commitment towards achieving net zero.

Sean Earp Associate Account Director

As a water retailer, we know we have an important role - and are well placed - to contribute to our customers' environmental goals. We know that we're already facing water shortages within the UK as a direct consequence of population growth and climate change and this is only set to worsen if we don't change the way we use water.

By supporting our customers to use less water, we can help them not only drive down costs but also deliver environmental efficiencies and reduce their carbon footprint.

We've developed a suite of innovative services and solutions that can help businesses to achieve water efficiencies across their sites and develop long-term, effective water management strategies.



We're directly contributing to large customers' sustainability programmes.

In partnership with Yorkshire Water and 20Fifty, we were awarded funding through the Strategic Panel's Market Improvement Fund to deliver our second water stewardship programme, providing comprehensive water efficiency training and an accreditation to some of our biggest customers.

Commenting on the impact of the programme, Liz Payne, Head of Environment at Greencore, said:

"It's been brilliant to see the impact it's had."







As well as providing well needed training, this is a platform for businesses to share knowledge, develop meaningful strategies, and achieve tangible improvements in water management. We've successfully been delivering this programme in Ireland for several years to over 600 large water users and we're delighted to now be working with Business Stream and Yorkshire Water to support UK-based businesses to achieve water efficiencies across their estates.

Ken Stockil CEO | 20FIFTY Partners

Our water stewardship programme, supported by 20FIFTY Partners, has been developed to provide businesses with a clear framework to understand their water usage across their estate and identify and deliver savings. By adopting better water management practices, organisations can reduce risks, support their sustainability goals, and achieve long-term operational and financial benefits.

Stephen Sheridan Head of Account Management | Business Stream

CASE STUDY WATER STEWARDSHIP PROGRAMME

With the UK Government anticipating that demand for water will outstrip supply in some regions by 2050, we, in partnership with sustainability partners, 20FIFTY Partners, have developed a 12-week certified water stewardship programme to help businesses reduce usage and the environmental footprint associated with water treatment.

An initial programme, run between January-March 2025, was supported by Yorkshire Water and funded through the Strategic Panel's Market Improvement Fund, which supports innovative projects designed to deliver market improvements for business customers.

The programme includes five online group sessions, self-paced learning, and 121 mentoring support, with participants committing a total of 10–15 hours over a 12-week period. During the course, participants learn technical skills in water mapping, conservation, and action planning, with a focus on creating site-specific strategies for continuous improvement. On completion, all participating businesses receive a certification and a verifiable digital badge to demonstrate their commitment to taking steps to adopt responsible business practices.





We're delivering direct funding to public sector organisations to achieve their water efficiency goals.

This year we doubled our annual water efficiency fund from £50,000 to £100,000 in response to demand, with most projects delivering £1,000s of water savings. In 2024, funding was awarded to 13 public sector organisations spanning 16 water efficiency projects.

This year's beneficiaries include National Museums Scotland, who will use their £12,500 award to conduct water conservation audits across five of their sites.

Other organisations benefiting from the fund include NHS Forth Valley, who will use their funding to install water efficient urinals and taps at seven locations and West Lothian Council, who plan to reduce water usage in the region's schools.

We're delighted to have invested an additional £50,000 into our annual Water Efficiency Fund. By funding water efficiency projects, we can help public sector bodies across the country to save money and water, while also reducing their environmental impact.

Jo Dow Chief Executive | Business Stream





We're absolutely delighted to have received funding from Business Stream which will help us better understand our water use so we can identify savings and work towards our sustainability goals."

Mark Drysdale
Building Services and Energy Manager | National Museums Scotland



We're working in partnership with water wholesalers to provide water efficiency support to businesses.

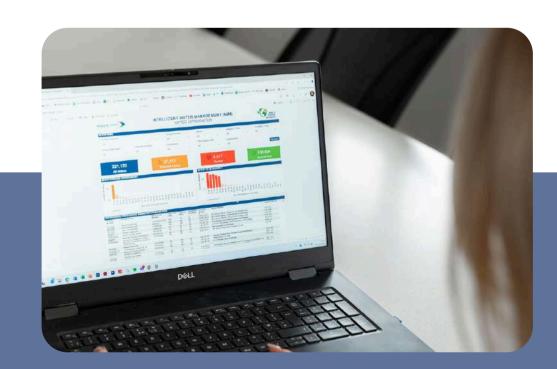
We have a dedicated colleague group that meet monthly to identify and explore partnership opportunities. Recent examples include supporting Severn Trent's green recovery programme by undertaking free water efficiency audits for businesses in the Midlands.



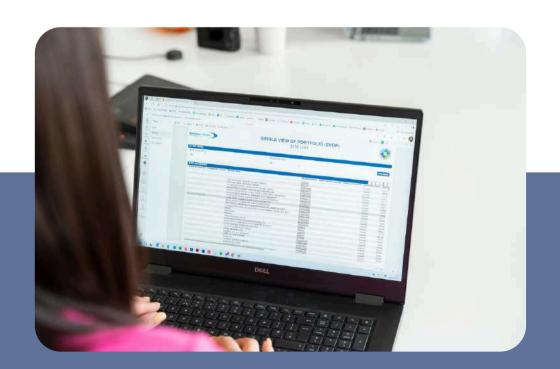
We're empowering our customers with state-of-the-art water insights.

We've invested in a new PowerBI reporting suite for our customers to help them take ownership of their water use and spend, in ways they've never been able to before.

This includes our new Intelligent Water Management (IWM) solution which enables customers to analyse consumption data, receive high consumption alerts, report on the carbon impact of water use, benchmark consumption across sites, and spot opportunities for water efficiency and meter rightsizing savings on a site-by-site basis. In response to customer feedback, we've added additional information to aid benchmarking, including patient and pupil numbers for public sector organisations and store footfall for retail customers.







In addition to focusing our efforts on reducing our customers' water consumption, we've also identified ways to support their wider environmental targets:



Our MAPD propositions to support businesses' environmental and social goals

In 2025, we launched our new 'feelgood' tariffs to Scottish customers, with plans to expand the programme over the coming months to our customer base in England, helping to raise significant sums for good causes.

Early response to an initial three-month pilot last year was promising, with 65 business sites who renewed in Scotland already signed up, highlighting a growing trend among companies to align their purchasing decisions with broader ethical considerations.

These tariffs enable customers to redirect a 2% tariff discount to support local food waste projects to charities with FareShare or landscape rewilding with Ecologi, with us matching this contribution.

In collaboration with FareShare, the 'Naturally Share' tariff directs funds to redistribute surplus food to those in need within the local area, while also helping to reduce food waste.

The 'Naturally Care' tariff, in partnership with Ecologi, supports the regeneration of UK woodlands, helping to combat biodiversity loss. This option complements the partnership we have already developed with the climate action specialists to invest in nature-based projects. Ecologi's UK based rewilding projects include restoration of peatlands, heathland, woodland and wildflower meadows.





Nature restoration and forest protection plays a crucial role in tackling biodiversity loss, so it's fantastic to see Business Stream empowering their customers to make a real impact. By redirecting tariff discounts to support vital rewilding and habitat restoration projects, they are directly contributing to the restoration of the UK's natural landscapes. This includes protecting wetlands, woodlands and wildflower meadows which are critical for both biodiversity and carbon storage.

This initiative not only improves local ecosystems but also sets a powerful example to the utilities sector, demonstrating how businesses can incorporate reforestation and restoration initiatives as a meaningful part of their sustainability efforts. We're excited to be a part of this journey and look forward to seeing the positive change it brings.

Dimitri Theocharis CEO | Ecologi





We are so grateful to Business Stream for their support for FareShare. Donations through the "Naturally Share" tariff will help us get good-to-eat food to the people who need it rather than going to waste. Every day, the food we redistribute to a network of over 8,000 charities in every region helps to strengthen communities. From homelessness shelters and afterschool clubs to refuges and older people's lunch clubs, these groups are all working harder than ever.

The generous support of Business Stream and their customers is instrumental in helping charities unite more people through food to form connections and access essential support services. Thank you for helping FareShare make the food go further.

Kirsty Ford Head of Fundraising | FareShare

MAKING A POSITIVE DIFFERENCE TO OUR CUSTOMERS



Our goal

To be a trusted supplier that is committed to delivering financial savings and environmental benefits to our customers.

We're committed to going over and above for our customers and we're continually investing in our people, processes and technology to ensure we can meet our customers' needs and deliver an excellent customer experience.

What sets us apart from many businesses is our commitment to helping our customers use less of the product we sell. We're committed to helping our customers use water efficiently in order to save money (on both water and energy bills) and support their sustainability goals, as outlined in the section above.

In addition, over the past year we've launched new initiatives to enhance the support we provide to customers in need and drive stronger transparency around our service delivery.

Key objectives



To deliver financial and environmental savings to our customers



To provide customers with levels of service that exceed their needs and expectations.











OBJECTIVE 1: TO DELIVER FINANCIAL AND ENVIRONMENTAL SAVINGS TO OUR CUSTOMERS

Since 2020, we've helped our customers to save:







Savings in public sector make a multi-million-pound splash



We secured the Scottish Government's Water and Waste Water Services Framework contract, worth in excess of £240million, for a further three years in March 2024 and remain committed to delivering financial and environmental savings.

We've helped Scotland's public sector save more than £8.9million through water efficiency savings over the last four years.

Organisations such as the National Health Service, the Scottish Fire and Rescue Service, Police Scotland, and the Scottish Government have saved more than 5.6million cubic metres of water over that period of time.

5.9billion litres of water

Business Stream has continued to work with the Public Sector over the last year to pro-actively identify water efficiency opportunities, reduce water consumption and carbon impact, and deliver financial savings for public sector customers on the Water and Waste Water Framework – helping to support Scotland's green economic recovery and journey to net zero.

Spokesperson
Scottish Procurement and Property Directorate utilities team

OBJECTIVE 1: TO DELIVER FINANCIAL AND ENVIRONMENTAL SAVINGS TO OUR CUSTOMERS



Embarked on a digital transformation journey

Our digital transformation programme, which we completed in 2023 has enabled us to enhance our performance across a series of metrics, including billing accuracy, customer satisfaction and market performance.

In the past year we've:

- increased our customer experience rating from 89% to over 90%, and
- maintained our position as one of the highest-rated water retailers on Trustpilot (4.7/5.0), with over 5,000 five-star reviews.





OBJECTIVE 2: TO PROVIDE CUSTOMERS WITH LEVELS OF SERVICE THAT EXCEED THEIR NEEDS AND EXPECTATIONS

Our Customer Care Charter

In May 2025, developed in response to colleague and customer feedback, we launched our Customer Care Charter setting out 12 commitments that we're committed to delivering to meet and exceed our customers' needs.

The Customer Care Charter focuses on four key areas: Simple and Easy, Trust, Experience and Expertise, and Care. Each pillar, which has been informed by customer research and insight, is backed by clear, measurable actions that exceed business-as-usual expectations.

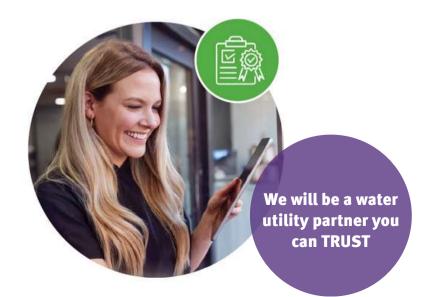
Commitments include longer opening hours, a new live chat service, faster call response times and tailored support for vulnerable customers. Other commitments include maintaining high satisfaction and Trustpilot ratings, further investment in water efficiency services, solutions and data analytics, and meeting environmental and social value targets.

We'll be reporting annually on our progress, as we want to be transparent and build trust around our commitment to this Charter. And we'll regularly review our commitments to ensure they continue to reflect what matters most to our customers and colleagues.

As a customer-centric business, we're passionate about delivering a great service to our customers, every day. This initiative was born out of a desire across the company to always be transparent, to use customer insight to help shape our service delivery and to hold ourselves to account.

Jo Mayes Customer Services Director | Business Stream









OBJECTIVE 2: TO PROVIDE CUSTOMERS WITH LEVELS OF SERVICE THAT EXCEED THEIR NEEDS AND EXPECTATIONS



Our customer vulnerability framework

Within the utilities sector and beyond, customer vulnerability has historically been focused on household customers. However, we have a strong belief at Business Stream that at their core, businesses are made up of people, some of which, at times, will find themselves in a vulnerable situation. We recognise that the last few years have been particularly challenging for businesses given the impact of the COVID-19 pandemic, followed almost immediately by the cost-of-living crisis — which is why we decided in 2024 to develop and launch our customer vulnerability framework.

Since launching our programme we've:

- developed our Vulnerability Policy
- partnered with specialist training providers, BPA Quality, to roll out vulnerability training to our frontline colleagues
- established our Vulnerability Advocates
- partnered with the National Support Network (NSN) to provide external signposting support to our customers and colleagues, and
- aligned our delivery plan to the consumer vulnerability ISO standard ISO 22458 to ensure our approach meets best practice guidance









Business Stream are clearly very committed to this agenda, and we're delighted to be working in partnership with them to support their customers. Vulnerability is a complex and vast subject so by working with us, Business Stream can signpost customers to ensure they're getting the best possible help when needed.

Cat Divers Chief Executive Officer | National Support Network

MAKING A POSITIVE DIFFERENCE TO OUR LOCAL COMMUNITIES



Our goal

To make a positive contribution to our local communities and support our charity partners.

We wanted our vision to incorporate our local communities to enable us to directly give back to others. To do this effectively we've developed our education programme to encourage the next generation to use water wisely; we've established partnerships to support social mobility and provide opportunities for young people; and we've partnered with charitable organisations whose values are closely aligned to our own.

Key objectives



To deliver an education programme designed to teach the next generation about the importance of using water wisely.



To provide social mobility, career opportunities and support the provision of Just Transition skills to high school students and school leavers.



To provide fundraising and volunteering support to our chosen charities.





OBJECTIVE 1: TO DELIVER AN EDUCATION PROGRAMME DESIGNED TO TEACH THE NEXT GENERATION ABOUT THE IMPORTANCE OF USING WATER WISELY.



Teaching primary school aged children to use water wisely

To deliver our aim to teach primary school aged children about the importance of saving water, we've continued to roll out our primary school programme. This has been delivered through:

- Our continued partnership with education consultant, James Tindell, who supports our session with an interactive Enterprise Challenge designed to teach children about the world of work.
- Developing the Young Workforce (DYW) Live virtual sessions to deliver online lessons to children based in more remote parts of the country.
- Our water saving education pack, which includes fun facts, information on the climate crisis, a quiz, poster challenge and detailed teacher guidance notes.

It has been a privilege to work with Business Stream over the last 10 years. It's refreshing to see a committed strategy and long-term support for schools who are under ever growing time and resource constraints.

James Tindell | Education Consultant





What a wonderful experience! The pupils thoroughly enjoyed working as a team and learning how to run a business. They showed great enthusiasm and learned to co-operate with their colleagues to meet the desired goal! A super activity!

Gillian Mackay-Moen Murrayburn Primary School

OBJECTIVE 2: TO PROVIDE SOCIAL MOBILITY, CAREER OPPORTUNITIES AND SUPPORT THE PROVISION OF JUST TRANSITION SKILLS TO HIGH SCHOOL STUDENTS AND SCHOOL LEAVERS.



Inspiring the future generations

Our partnership-led Future Experts Education Programme has been designed to inspire the next generation and to help create a skilled workforce for the future.

With a focus on giving young people social mobility opportunities, including Just Transition skills training, work experience and qualifications, our programme is helping young people to develop their skills, grow in confidence and feel inspired about their futures.

For a business of only 300 employees, in the past year we've delivered over 1,000 education-based community support hours to support over 500 young people.

To maximise our impact, we've joined forces with leading education-led organisations to support young people across different ages and stages.

In 2024 alone, our Future Experts Education Programme delivered:



an opportunity for 500+ young people to engage in learning including on the job training and skills sessions.



1,000+ community support hours



10 paid internships to young people



85% of our Modern Apprentices (MAs) offered permanent roles



a strong partnership-led approach to turn our ambitions into inspired young starts, including

establishing partnerships with leading charitable and education-led organisations including Developing Young Workforce, Career Ready and Powering Futures.



and, contributed to Career Ready's impact report

where 98.6% of their 2024 alumni are in higher/further education or an apprenticeship 12 months after the programme.

OBJECTIVE 2: TO PROVIDE SOCIAL MOBILITY, CAREER OPPORTUNITIES AND SUPPORT THE PROVISION OF JUST TRANSITION SKILLS TO HIGH SCHOOL STUDENTS AND SCHOOL LEAVERS.



Supporting green skills training

With Powering Futures, we support a rural school in Aberdeenshire, allowing students to gain an SCQF qualification (equivalent to a Higher) while tackling a real-life sustainability challenge.

The students are tasked, with our coaching support, to develop solutions to current sustainability issues - with the aim of developing a future workforce that is attracted to and have the skills to embrace green jobs.



Helping young people feel valued, inspired and supported

Since 2019, with Career Ready, we've provided mentoring and paid work experience placements to 32 students. During their month-long internship, they learn a huge amount about the water industry and the wide range of roles within the sector.

We know the support we give them has a positive impact on their confidence, which is sustained long after the formal programme has ended, with several students choosing to return to Business Stream for additional work experience or permanent roles.

We also facilitate Career Ready masterclasses for high school students, educating them on our industry and how skills they're already developing, like communications, problem-solving and teamwork, can be powerful in a utilities career.



Being partnered with Business Stream has added significant value to the young people. With The Gordon Schools being so rural, having a business offer advice and expertise with such enthusiasm is a huge encouragement for our students.

Russell Wood Teacher | The Gordon Schools (Powering Futures Programme)



OBJECTIVE 2: TO PROVIDE SOCIAL MOBILITY, CAREER OPPORTUNITIES AND SUPPORT THE PROVISION OF JUST TRANSITION SKILLS TO HIGH SCHOOL STUDENTS AND SCHOOL LEAVERS.



Learning on the job

Our Modern Apprenticeship and Foundation Apprenticeship programmes create opportunities for young people in further education to gain work experience and achieve a qualification. In a nurturing environment, we boost their skills, give them clarity on what they enjoy most and an advantage as they enter the world of work.

Since 2018, we've supported 36 Modern Apprenticeships and 85% were offered permanent placements. Our Foundation Apprenticeship (FA) programme, which we've introduced this year, is supporting eight high school students across the next four years. Our first two FAs completed their programme in April 2025.



Investing in our local school

With the Scottish Government backed Developing Young Workforce (DYW), we have developed a formal partnership with our local high school, Forrester High School. We deliver an annual skills training programme that includes CV writing workshops, interview skills, communications, mock interviews and the opportunity to visit our offices.

In pre and post session surveys (63 students) with the students at Forrester High School, confidence levels increased as follows:

- Pre-CV writing session 28 felt unconfident / Post-session – 2 felt unconfident
- Pre-Interview skills session 36 felt unconfident / Post-session – 5 felt unconfident





Supporting the Business in the Community (BiTC) Job Coaching programme

In 2024, we joined other businesses in supporting the BiTC job coaching programme. The programme works with businesses across the UK, training colleagues, across all levels within organisations, to become job coaches to support jobseekers in finding employment through a series of coaching sessions. Eight of our colleagues have become qualified job coaches this year.



It is incredibly fulfilling to be involved in the programme. It's been so fantastic to see my first job seeker successfully transition into employment and then my second making such great strides.

Julia Russell Business Contact Adviser and Volunteer BiTC Job Coach

OBJECTIVE 3: TO PROVIDE FUNDRAISING AND VOLUNTEERING SUPPORT TO OUR CHOSEN CHARITIES

Our Charity Panel was established in 2019 and supports charities whose values are closely aligned to our own. The three charities we've been supporting since 2020 are Marine Conservation Society (our environmental charity), Scottish Action for Mental Health (our wellbeing charity) and Macmillan Cancer Support (our colleague choice charity).

Over the past year we've continued to run a wide range of events to help raise vital funds for our charities, including bake sales, quizzes and participating in sports events to raise money including the Edinburgh Marathon Festival and Kiltwalk. We also offer a salary sacrifice option that colleagues can choose to opt into.

Since launching our Charity Panel we've raised just under £40,000 for our charities.

In addition to raising money for each charity, we've identified opportunities to work more closely with our charities, including:

Parid

developing a strategic partnership with Scottish Action for Mental Health and working with them to roll out mental health training to our People Managers.



supporting Marine Conservation Society's Restoration Forth project,

which is a community-inspired marine restoration project that aims to reintroduce 40,000 European flat oysters and restore seagrass meadows to the Firth of Forth, Scotland. Our Green Champions have been supporting the project team - including spending a day with them to help trial methods for restoring both oysters and seagrass to the area.



promoting the charities' campaigns and resources internally and through our social media channels.

£8,209 raised for our charities in 2024.







MAKING A POSITIVE DIFFERENCE TO OUR PEOPLE

Our goal

To provide a great place to work where our people feel trusted, valued, supported and empowered, irrespective of their background or role. We're committed to providing an inclusive workplace that welcomes and promotes diversity and provides equal opportunities for all.

To help achieve this goal, we've introduced a wide range of initiatives to enhance our colleagues' health and wellbeing; to provide an inclusive environment that recognises the Equity, Diversity & Inclusion (ED&I) issues that matter to our colleagues; and to support our colleagues' learning and development goals.

Key objectives



To pro-actively support and enhance our colleagues' wellbeing across the four wellbeing pillars.



To build diverse teams that are representative of our local demographic and ensuring our approach to ED&I is reflected at all stages of a colleague's journey with us.



To give colleagues the opportunity to learn and develop through supporting their professional goals.











OBJECTIVE 1: TO PRO-ACTIVELY SUPPORT AND ENHANCE OUR COLLEAGUES' WELLBEING ACROSS THE FOUR WELLBEING PILLARS.



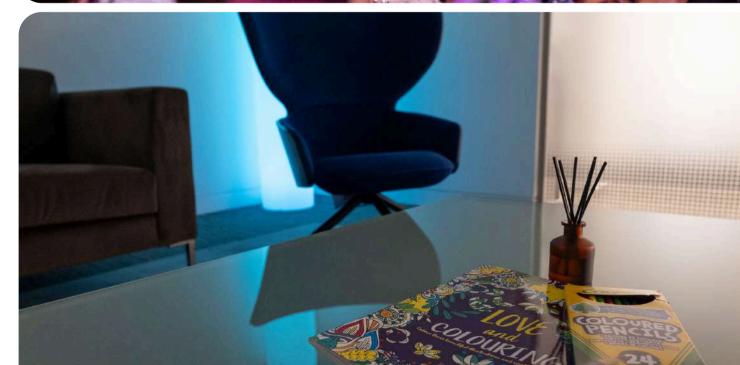
Supporting the health and wellbeing of our colleagues

We're committed to supporting the health and wellbeing of our colleagues across the four wellbeing pillars (physical health, mental health and wellbeing, social wellbeing and financial wellbeing), recognising that each pillar is of equal importance. To achieve this we have developed and are delivering an effective programme of activities to ensure all our colleagues feel supported at Business Stream.

We're committed to providing opportunities for colleagues to help shape our programme to ensure its fit for purpose and to identify opportunities to learn from other organisations through peer-to-peer learning and by attending events to increase our understanding of this issue and continuously improve our own approach.







OBJECTIVE 1: TO PRO-ACTIVELY SUPPORT AND ENHANCE OUR COLLEAGUES' WELLBEING ACROSS THE FOUR WELLBEING PILLARS.

Key activities delivered over the past year (all of which we remain committed to delivering in the year ahead) include:

Physical health:

- Working towards menopause friendly accreditation.
- Providing all colleagues with access to a health machine to measure and track key health metrics with supportive messaging around preventative care.
- Providing all colleagues with access to a free 24/7 on-site gym.
- Reporting zero health and safety lost time incidents (Corporate KPI).

Financial wellbeing:

- Remaining committed to paying all colleagues (including agency workers and suppliers) the Real Living Wage.
- Providing enhanced maternity/paternity leave and enhanced sick pay, a discretionary bonus scheme for all colleagues, and a generous pension scheme.
- Offering free group financial wellbeing sessions to all colleagues, including pension advice.
- Providing free sanitary products in all our bathrooms and a welfare cupboard which is available for all colleagues.
- Providing subsidised catering to colleagues within our office campus.

Mental health and wellbeing:

- Delivering mental health training to all Line Managers (in progress).
- Increasing the number of colleagues trained as Mental Health First Aiders from three to five.
- Providing all colleagues and their families with access to our AXA Employee Assistance Programme.
- Providing all colleagues with access to a bespoke quiet room.
- Developing a strategic partnership with the Scottish Action for Mental Health (SAMH)
 to support their fundraising goals while providing colleagues with access to a wide range of resources.

Social wellbeing:

- Introducing a colleague-led approach to support groups where appropriate e.g. creating a menopause support network.
- Hosting an annual Business Stream awards night to recognise the achievements of our colleagues, as part of our reward and recognition programme.
- Delivering a programme of activities to encourage employee engagement (taking into consideration our remote workers too) across the four wellbeing pillars.



Businesses have a crucial role to play in tackling racial inequality in the workplace and commitments like the Race at Work Charter help drive positive and lasting change. By signing up, Business Stream are taking meaningful steps to embed equity and inclusion into their policies, processes, and culture. We look forward to working with them as they implement their commitments and continue to build a fairer and more inclusive workplace for all.

Elspeth Hendry Scotland Lead | Business in the Community



Signing the Race at Work Charter is an important milestone in our journey to building an even more inclusive organisation. We recognise the responsibility we have in driving change and are committed to embedding these principles across our business, so that everyone feels valued, heard and supported.

Gail Cockburn
People Director | Business Stream

SPOTLIGHT SIGNING UP TO THE RACE AT WORK CHARTER

In early 2025, we pledged our support to improving racial equality and inclusion in the workplace by signing up to the Race at Work Charter.

Launched in 2018, the Race at Work Charter was created to tackle barriers faced by Black, Asian, Mixed Race and other ethnically diverse employees.

The Charter sets out key actions that businesses can take to drive meaningful change, including fair recruitment practices, transparent career progression opportunities and leadership accountability in promoting racial equality.

In 2021, the Charter was expanded to include allyship and inclusive supply chain commitments, further strengthening its approach to driving meaningful change.

By signing the Race at Work Charter, we're committing to capturing and monitoring ethnicity data to help identify and address any diversity gaps within our workforce. Our leadership team will actively champion racial equality, having assigned an Executive Sponsor. And we've pledged to ensure there are no barriers within our hiring processes, by continuing to identify ways to make our recruitment processes fairer and more transparent.



OBJECTIVE 2: TO BUILD DIVERSE TEAMS THAT ARE REPRESENTATIVE OF OUR LOCAL DEMOGRAPHIC AND ENSURING OUR APPROACH TO ED&I IS REFLECTED AT ALL STAGES OF A COLLEAGUE'S JOURNEY WITH US



ED&I focus groups

In 2022, we ran ED&I focus groups with BiTC and established our ED&I working group. Through the colleague feedback we gained and external guidance from BiTC's Inclusion Team, we developed the following commitments:

- To deliver an internal education programme to raise awareness of visible and non-visible differences, including neurodiversity and race and equality.
- To run inclusion training sessions for all our colleagues.
- To make improvements to our recruitment process, ensuring we have diverse longlists and use genderneutral language in adverts to encourage diversity.
- To add ED&I questions to our colleague engagement survey covering demographics and colleagues' views on inclusion, to establish a baseline from which to track progress.

In the past year, we've:



Signed up to the Race at Work Charter.



Appointed our People Director as Executive Sponsor for Race.



Rolled out inclusion training to all colleagues.



Undertaken train-the-trainer sessions, led by BiTC, to ensure we can continue to deliver inclusion training on an ongoing basis.



Incorporated inclusion training into our induction for all new colleagues.



Marked key religious celebrations and ran our first Picnic Connection, during Race Equality Week, to celebrate the cultural and

regional diversity of Business Stream colleagues.



Won 'Best Employer for Women (under 500 employees)' at the Women in Utilities Awards 2024.



Continued to raise awareness of a broad range of ED&I topics by sharing resources and running events, including:

- A neurodiversity session facilitated by neurodiversity charity, Salvesen Mindroom Centre
- A session with Andy's Man Club to shine a light on male suicide prevention, and
- SAMH mental health bitesize sessions during mental health awareness week.



Enhanced our recruitment process to promote diversity, including working closely with our recruitment agencies to ensure we use gender-neutral language in all our adverts and have access to diverse longlists.



Established our remote workers quarterly forum providing an opportunity for our colleagues who are home workers to put forward suggestions to ensure our remote workers feel engaged and included.



Ensured that every engagement activity we run has a virtual element to it to include our home workers.

OBJECTIVE 3: TO GIVE COLLEAGUES THE OPPORTUNITY TO LEARN AND DEVELOP THROUGH SUPPORTING THEIR PROFESSIONAL GOALS.



Helping colleagues to achieve their career goals

Over the past year we've continued to grow our Learning and Development team to provide additional resource, which we have supplemented with external expertise to deliver a wider learning and development programme for our colleagues. We want to provide all our colleagues at every stage of their career with opportunities to develop their skills and help them to achieve their career goals.

We also offer flexible working options to support our colleagues. We provide a hybrid working model to around 80% of our workforce and offer opportunities for colleagues to work part-time, compressed hours and to job-share, as well as apply for a career break.

We support our frontline colleagues to develop skills and build their confidence through a dedicated, two-week induction programme with continued, focused support, including investment in training and development programmes; access to a Knowledge Management Suite; regular bitesized training refresher courses on specific systems or skills; and daily on-the-floor support.

There's a real commitment to learning and development at Business Stream. We're continually investing in training and resources to help support our colleagues in both technical and soft-skills. In part, this is to ensure we're well equipped to provide a great service to our customers - but it's about more than that, it's also about investing in our colleagues to support their personal development and career goals.

Ingrid Campbell Learning and Development Manager | Business Stream





OBJECTIVE 3: TO GIVE COLLEAGUES THE OPPORTUNITY TO LEARN AND DEVELOP THROUGH SUPPORTING THEIR PROFESSIONAL GOALS.

In the past year, we've:



Supported 42 colleagues to progress through our Career Pathway Framework,

achieving an average 5% salary increase.



Delivered over 8,000 training and development hours for our 300 colleagues.



Launched Learning Stream, our dedicated 24/7 online learning platform.



Provided financial support and dedicated study time for colleagues studying for professional qualifications.







Been approved as an Authorised Training Office with The Institute of Chartered Accountants of Scotland (ICAS) so we're able to train colleagues to become a Chartered Accountant (CA) over a three-year period.



Provided additional resources and support to help colleagues prioritise their Personal Development Plans (PDPs).



Developed a line manager toolkit

to better equip our managers to support our colleagues and to provide greater transparency around our expectations from our managers.



Introduced a mentoring programme

to support new workers and those with distinctive needs, e.g. parents returning to work after maternity/paternity leave, our Modern Apprentices and mentoring for newly appointed leaders.



SUSTAINABLE PROCUREMENT

As a responsible business, we know our commitment to sustainable practices extends beyond our own operations and as part of that we're committed to building a responsible supply chain.

Our approach to sustainable procurement means that we consider the full life cycle impact of the goods and services that we procure and that we ensure we're working with businesses who share our commitment to deliver social and environmental benefits. To do this effectively, we've aligned our procurement and supply chain processes and practices to ISO 20400.

In the past three years, our EcoVadis sustainable procurement score has increased from 70/100 (2023) to 79/100 (2025)



To ensure sustainable procurement practices are embedded within our business we:



Ensure all our suppliers have the right measures in place covering fair working practices

including the Real Living Wage, cyber security, environmental management, human rights, anti-slavery, and health and safety through our due diligence process and audits.



Review the environmental impact of any goods and services that we procure.



Run awareness training sessions with colleagues who have purchasing or supplier management responsibilities to ensure they're aware of our sustainability criteria.



Include sustainability criteria within our new supplier approval process, tender exercises, purchases, supplier appraisals and within contracts, where relevant.



Address barriers to entry for small businesses (SMEs) and local suppliers.

We have a high level of both SMEs and local businesses in our supply chain that we want to support. As part of this aim, over the past year we've delivered carbon management mentoring sessions to suppliers looking to calculate their carbon footprint. In addition, we're committed to paying SME supplier invoices within 30 days or less.



Work with our suppliers to ensure that any environmental or sustainability requirements are understood and communicated.

We do this through quarterly reviews with key suppliers to identify collaborative activities and develop action plans to address any improvement areas or collaboration opportunities identified.



Analyse the sustainability risks and opportunities relating to each procurement activity.

We're committed to continuous improvement and keep all of the above activities under review to help us identify further ways that we can build a responsible and sustainable supply chain. In addition to aligning our practices to ISO 20400, our approach to sustainable procurement is also measured through our EcoVadis assessment.

Introduction

This is our carbon footprint report and reduction plan for the 2024-2025 financial year, which is the fourth year of reporting on our carbon emissions. Our carbon emissions inventory includes sources from our operations conducted from our leased office in Edinburgh. We are a wholly owned subsidiary of Scottish Water; however, we operate under separate governance and funding, and with an independent Board and leadership team. As a water retailer, and not a water wholesaler, we do not have operational control over any water infrastructure, therefore, our carbon footprint includes emissions from the provision of office-based billing and support services for business customers only.

We are continuing our journey towards net zero for our operations by 2030 and set targets for emissions reduction on an annual basis. Our parent company, Scottish Water, has an ambition to reach net zero by 2040. We have calculated our emissions inventory and carbon footprint using the Greenhouse Gas Protocol Corporate Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, and we use the UK Government conversion factors for the relevant year. To ensure transparency and accuracy, we have had our carbon footprint externally verified.

Changes since the previous report

Since our previous carbon footprint report for the financial year 2023-2024, we have made a few changes to the inclusions within our carbon footprint. We are keen to ensure that our carbon footprint is as comprehensive as possible. To this end, we prepared an emissions inventory management plan and a scope 3 strategy. To prepare this, we completed a full review of the inclusions and exclusions within the emissions inventory and identified some opportunities for improvement.

To improve transparency, we have renamed the emissions source categories to align with the GHG Protocol naming conventions. This will make reporting against other initiatives more transparent and ensure that we are aligned with all relevant guidelines.

We previously reported paper use within billing processes and office use, and we have moved this reporting into category 1 – purchased goods and services. Further analysis on services obtained through our supply chain is underway and initial estimations of the total impact of the supply chain have been measured. The data is provisional and has therefore not been reported this year, however, it will be included in next year's report.

For category 3 – fuels and energy related services - we previously only included transmission and distribution losses related to electricity consumption, but the scope has been expanded to include well-to-tank emissions related to the purchase of fuels (gas and diesel) and grid electricity for office and electric vehicles.

Due to the inclusion of these additional emissions sources, it was necessary to recalculate the base year GHG emissions to ensure that our footprint is comparable over time. We have prepared a base year recalculation policy, which states that additional emissions sources is one factor which triggers a base year recalculation. Our historical emissions with the addition of well-to-tank emissions are reported over time.



Carbon footprint results

We have incorporated Scope 1, Scope 2 and Scope 3 emissions where suitable data exists. Our 2024-2025 carbon footprint is shown in the table and figures below.

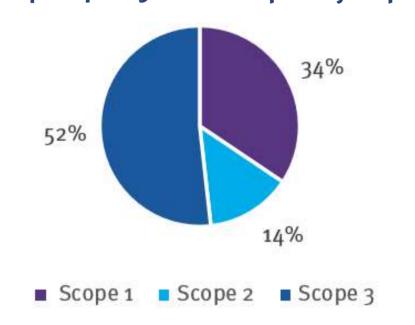
Table 1 | Total carbon footprint for 2024-2025

Scope	Activity	Tonnes CO2e (Location based)	Tonnes CO2e (market based)
Scope 1	Gas	42.3	42.3
Scope 2	Electricity	17.1	2.1
	Purchased goods and services	19.2	19.2
Scope 3 - Upstream	Fuel and energy related activities	17	17
emissions	Waste and wastewater	0.4	0.4
	Business travel	27.5	27.5
	CO2e	123.1	108.5
Totals	Scope 1	42.3	42.3
Ισιαισ	Scope 2	17.1	2.1
	Scope 3	64.1	64.1

Figure 1 | 2024-2025 carbon footprint (tonnes CO₂)



Figure 2 | 2024-2025 carbon footprint by scope





Performance against targets

During the 2024-2025 financial year, we set reduction targets for scope 1, 2 and 3 greenhouse gas emissions (GHG emissions). These were:

- Scope 1: 50% reduction based on 2023-2024
- Scope 2: 10% reduction based on 2023-2024
- Scope 3: 10% reduction based on 2023-2024

During the 2024-2025 financial year, we successfully achieved all three of our GHG emissions reduction targets. Our Scope 1 emissions had spiked significantly in the previous year due to an unplanned release of fugitive gases caused by a smouldering cable in our server room when we were based in our old office. This year, our Scope 1 target is back on track, and we've reduced our emissions over the year by 89%.

By moving offices to a more energy efficient building, our Scope 2 emissions reduced by 66%. Some of this is attributed to the different form of heating and cooling, which has meant that some of our previous Scope 2 emissions are now accounted for under Scope 1 due to the use of gas boilers within the office campus. While we don't have control over these boilers, for consistency over time, we have retained those emissions within Scope 1.

Finally, we also achieved a 11% reduction in Scope 3 emissions. This is by far the hardest scope to reduce emissions in. We have achieved this for several reasons. Reductions in energy use in Scopes 1 and 2 lead in reductions in Scope 3 emissions related to fuel and energy use. Additionally, we again reduced our mileage on flights.

We reduced our paper use in billing processes by 11% but due to an update in the emissions factor, GHG emissions related to paper use, unfortunately increased. This is an area that we will be actively working on in the future to support both our environmental targets and customer service levels.

Emissions over time

Since our base year of 2018-2019, we have made substantial reductions in GHG emissions across all scopes.

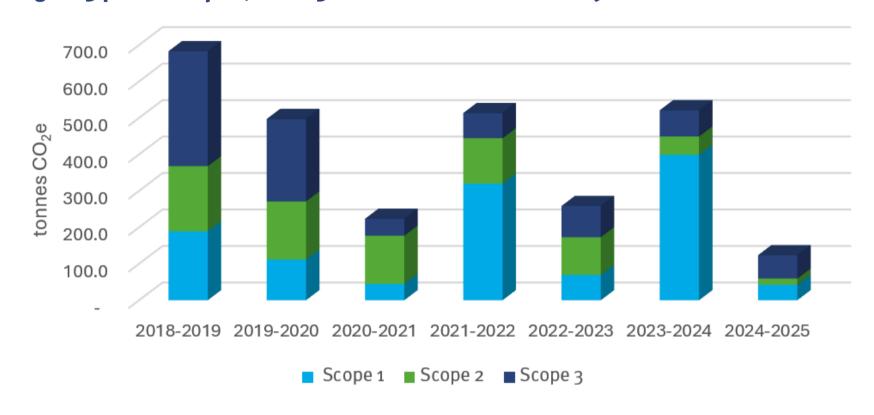
Our base year is the 2018-2019 financial year. Our emissions over time since our base year are shown in Table 2. In line with Science Based Targets initiative (SBTi) guidance, we are aiming for a 90% reduction in our carbon footprint by 2030. This target includes the parameters currently outlined in this report. The inclusions in our carbon footprint may change over time as further data becomes available.



Table 2 | Carbon emissions since 2018-2019

		tonnes CO2e							
Scope	Activity	2018- 2019	2019- 2020	2020- 2021	2021- 2022	2022- 2023	2023- 2024	2024- 2025	
	Fugitive emissions	61.2	7.8	3.8	297.5	50.9	372.8	0	
Scope 1	Gas	0.2	0.2	0.2	0	-	25.4	42.3	
Scope 1	Generators	0.2	0.2	0.2	0.2	0.2	0.1	0	
	Company vehicles - all	127.2	103.5	40.4	21.8	18.1	0.2	0	
Scope 2	Electricity	178.9	159.4	132.4	124.8	103.7	50.4	17.1	
	Purchased goods and services	12.8	11.4	7.3	8	12.1	14.6	19.2	
Scope 3 - Upstream	Fuel and energy related activities	83.5	65.6	35	48.8	42.8	25.3	17	
emissions	Waste and wastewater	1.9	2	0.2	0.5	0.7	0.7	0.4	
	Business travel	216.9	147.3	3.9	12	30.1	31.9	27.5	
	CO2e	682.8	497.2	223.4	513.5	258.7	521.4	123.5	
Totals	Scope 1	188.8	111.7	44.6	319.5	69.2	398.6	42.3	
Totats	Scope 2	178.9	159.4	132.4	124.8	103.7	50.4	17.1	
	Scope 3	315.2	226.2	46.4	69.3	85.7	72.5	64.1	

Figure 3 | Total scope 1, 2 and 3 emissions since 2018-2019



Progress towards net zero

We have a target to reach net zero by 2030 from a base year of 2018-2019 and for our existing inclusions in our carbon footprint, we remain on target to achieving this goal. The tables on this page show our total tonnes of CO_2 e emissions over time since we started calculating our carbon footprint in 2018-2019 and the overall percentage reduction against 2018-2019 each year since then. Overall, since 2018-2019, we have reduced our total carbon footprint by 82% which is a fantastic achievement.

There is more to do, however, and we still have some Scope 3 emissions sources to include once data allows. For example, we aim to include data related to colleague commuting in next year's figures. We are also calculating the GHG emissions from our supply chain and have prepared a strategy to help do this in a fair and transparent way. Figure 4 shows our progress to date to achieve our net zero target.

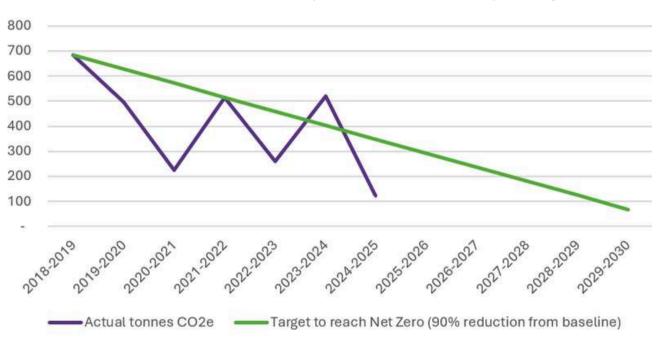
Table 3 | Tonnes CO2e

Scope	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Scope 1	188.8	111.7	44.6	319.5	69.2	398.6	42.3
Scope 2	178.9	159.4	132.4	124.8	103.7	50.4	17.1
Scope 3	315.2	226.1	46.3	69.1	85.5	72.1	64.1
Tonnes CO2e	682.8	497.2	223.4	513.3	258.5	521.1	123.5

Table 4 | % reduction against 2018-2019

Scope	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Scope 1	n/a	-41%	-76%	69%	-63%	111%	-78%
Scope 2	n/a	-11%	-26%	-30%	-42%	-72%	-90%
Scope 3	n/a	-28%	-85%	-78%	-73%	-77%	-80%
CO2e	n/a	-27%	-67%	-25%	-62%	-24%	-82%

Figure 4 | Progress towards required net zero trajectory



Supply chain

Category 1 (purchased goods and services) in Scope 3 of the GHG Protocol is arguably the most complex category to calculate GHG emissions for. This is because it relies on data from third parties, some of whom may not have calculated any GHG emissions yet. We have started the process of calculating our supply chain emissions through the preparation of a carbon inventory management plan and Scope 3 strategy document and have gathered initial data on our spend across all suppliers.

Some supply chain emissions are currently included where activity data is available (e.g. paper use), but there are more suppliers which should be included for completeness. Our aim for the next year is to identify all suppliers who should be included in our calculations and to provide figures for the supply chain impact of our carbon footprint. We will not be including all of the supply chain in our net zero target at this time as we recognise that all organisations are at a different stage in their own journeys towards net zero; but we will also provide support and encouragement to our significant suppliers to set ambitious targets within their own organisations where possible.

Carbon reduction plan

Our carbon emissions have reduced substantially since our base year of 2018-2019. We have implemented a number of initiatives to assist us with reducing our greenhouse gas emissions. We are confident in our ability to achieve net zero by 2030 for the existing scope of our carbon footprint. Plans in the year ahead include benefiting from the solar panels that have been installed in the office, developing and delivering our paper reduction strategy and continuing to work with our suppliers to support their net zero ambitions.

Carbon reduction projects

A summary of our carbon reduction projects is shown in the tables on the next page.



Performance and targets

Action	Status
Implement an Environmental Management System which is certified to ISO 14001: 2015.	Achieved - 2020
Compile our carbon inventory following the Greenhouse Gas Protocol.	Achieved - 2021
Understand our carbon emissions through measuring and monitoring our carbon emissions monthly.	Ongoing
Set annual emissions reduction targets in line with the net zero trajectory.	Ongoing
Publish an annual Sustainability Report which outlines our progress towards net zero.	Ongoing
Communicate our progress internally and externally.	Ongoing
Continue with our monthly office inspections by our Green Champion team.	Ongoing
Provide all colleagues with training and awareness on how they can contribute to our net zero target.	Ongoing
Reduce paper use associated with our billing processes.	Ongoing

Sustainable travel

Action	Status
Implement and maintain a Climate Conscious Travel Policy.	Achieved - 2021
Change vehicle fleet to electric vehicles.	Achieved - 2023
Reduce our emissions related to travel.	Ongoing
Investigate the impact of colleague commuting.	In progress
Promote the uptake of more sustainable modes of travel where possible.	Ongoing

Offsets and removals

Action	Status
As we reach our net zero deadline, we will invest in carbon removals for our residual emissions.	Ongoing

Energy efficiency

Action	Status
Monitor energy consumption monthly.	Ongoing
Move our IT services to the cloud, reducing energy use and improving data security.	Achieved - 2022
Work with our landlord to drive forward energy efficiency improvements within the office.	Ongoing
Work with the landlord to drive forward renewable energy projects within the office.	Ongoing
Continue to encourage switching off equipment.	Ongoing
Implement further energy efficiency measures where possible within the office.	Ongoing
Implement additional water efficiency measures where possible within the office.	Ongoing

Sustainable procurement

Action	Status
Understand and embed the principles of sustainable procurement into all procurement processes.	Achieved - 2023
Improve the accuracy of emissions data from suppliers.	Ongoing
Consider the environmental performance of any purchased goods.	Ongoing
Calculate carbon emissions associated with our value chain.	Ongoing
Work with suppliers to understand the full impact of our supply chain.	Future activity
Implement incentives to encourage suppliers to reduce their carbon emissions.	Future activity



APPENDIX 2 | WORKFORCE DATA

Gender

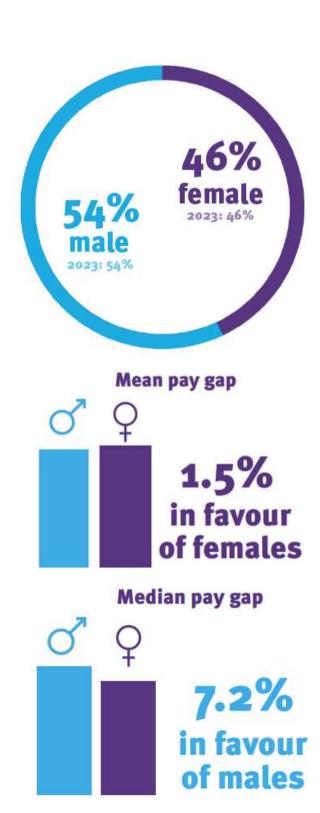
As a responsible business, we're committed to providing equal opportunities within the workplace, supported by our strong female leadership team and as reflected in our gender pay gap report.

For the year 2023/24, on average, our female colleagues were paid 1.5% more than males. The median pay gap has decreased to 7.2% in favour of males. And although we still have more to do, our results compare favourably against the national average gap of 14.3%* in favour of males.

The proportion of males to females in each of our pay quartiles is broadly consistent with our overall workplace gender balance. We're pleased to report an improvement in our upper mid quartile in the past year, which includes a number of specialist roles, including Technology and Transformation roles, which remains a challenging sector to recruit females in. This has been achieved through our focused strategies to support a balanced gender distribution across our roles.

We had 37 males in the upper quartile pay band at 31 March 2024 versus 27 females however, the average pay gap for that quartile was 15.6% higher for females reflecting positively the number of females employed in leadership roles.

We also have a strong female leadership team, with both our CEO and the Chair of our Board being women, alongside 60% of our Executive Leadership Team and 60% of our Board being female.



Age

We recognise the importance of investing in Scotland's young people by providing training, work experience and employment opportunities, reflected in our Future Experts Education Programme (see Communities section for further details).

Over 21% of our workforce are 30 years old or younger — with 8.1% being under the age of 24.

And while we're invested in young people, over 25% of our workforce are aged 50 or over, which demonstrates our commitment to providing employment opportunities to people of all ages.

Ethnicity

At 15.85%, our workforce demonstrates a higher representation of minority ethnic groups in comparison to Scotland's average minority ethnic population of 12.9% (taken from the latest Scotland Census, 2022). Through our Equity, Diversity and Inclusion programme, we're continuing to identify more ways to promote diversity across our workforce.



APPENDIX 3 | RESPONSIBLE BUSINESS FOUNDATIONS

In addition to delivering our vision to make a positive difference, we've put in place a robust foundation to ensure we're operating responsibly and sustainably across a range of business areas, including:

- health and safety
- cyber security
- data protection
- tax governance
- human rights
- bribery
- ethics

We have clear policies, processes and systems in place to ensure we're taking a best practice approach to meeting requirements in all of these areas and we continually review our procedures to ensure they are fit for purpose, as well as to identify ways to make further improvements.

We also require all our colleagues to undertake regulatory training on a frequent basis across a range of topics including fraud, bribery, UK GDPR, sexual harrassment and cyber security to help build knowledge and raise awareness of the policies we have in place for each of these important areas. Over the past year we've completed over 1,300 training courses — achieving a 100% completion rate.

We're assessed and audited every year to ensure we're operating responsibly, and hold the following certifications:

- Fair Tax Mark
- Real Living Wage employer
- ISO 9001:2015 for Quality Management Systems*
- ISO 14001:2015 for Environmental Management Systems
- ISO 45001:2018 for Occupational Health and Safety Management Systems*
- Cyber Essentials for data security through ISAME.

*Solutions part of business only.

In addition, we have a vast range of internal policies designed to protect our colleagues. These include policies on Dignity at Work, Equal Opportunities, Anti-bribery, Confidentiality, Whistleblowing and Grievance. All our policies are available on our intranet for colleagues to easily access and are regularly reviewed and updated. We also publish our Gender Pay Gap and Modern Slavery statement on our website, which we update annually.

These are the foundations of any responsible business and we're committed to ensuring that we always have the right policies and procedures in place to help protect our colleagues, customers and suppliers.



MANAGEMENT











