

FOCUS
ON FIVE



Five ways we aim to help **secure a better future** for generations to come

Sustainability in Severn Trent Services,
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SEVERN TRENT
SERVICES a part of



SECURING A FUTURE

We have a vision to become the leading provider of water and wastewater services and products in the UK. We'll achieve this by consistently delivering great service, and through the commitments we make to our customers, communities, and the environment.

But how do we muster up the energy every day to turn our vision into a reality? We do this by creating meaningful work that allows our people to improve our local communities while remaining focused on becoming operationally net zero by 2030.

For us, that's what running a more sustainable organisation looks and feels like. It's about caring for the long-term impacts of what we do and helping our customers to do the same. As Severn Trent Service's first Head of Sustainability, my job is to accelerate the five outcomes that we believe will make the biggest difference.

FOCUS ON FIVE is the name of our sustainability plan. It's a basket of bold commitments anchored around achieving net zero operational performance, adding greater value to our communities, and offering our customers more sustainable and high-performing solutions that help improve their environmental performance too.

The five goals we set out to achieve are predicated on who works for us and how we behave – not just what we do. That's why we're creating and investing in a workforce that represents the wonderful diversity of the UK and shares the same values and appetite for making positive and long-lasting societal changes.

There's never been a more pressing time to pick up speed on sustainability. Climate change is already impacting our lives. Working in the water industry, we see first-hand how temperature changes affect water demand, supply, and treatment. For example, heavier rainfall and storm events place greater pressure on the water and wastewater assets we manage.

The good news is that we've always strived to run an efficient and sustainable business that cares deeply about the future repercussions of what we do today. And while we've got plenty more to do, we won't stop until all five outcomes become a reality.



Robin Phillips
Head of Sustainability,
Severn Trent Services

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INTRODUCING FOCUS ON FIVE

SEVERN TRENT SERVICES: FOCUS ON FIVE is the name of our sustainability plan, which underpins everything we do. We're focused on five big, bold goals that will guide us to become a more sustainable business and help our customers to do the same.

1 **Becoming operationally net zero by 2030**

As we do our work, we produce greenhouse gases that warm the planet and cause dramatic changes in weather patterns that adversely impact society.

We aim to cut our emissions in several ways, for example, by working with our customers to use renewable energy sources.

2 **Decarbonising our vehicle fleet by 2030**

The petrol and diesel vehicles we use to do our jobs are big emitters of carbon dioxide – one of the greenhouse gases accelerating the climate crisis.

To combat this, we plan to migrate to an all-electric fleet of small vans and company cars and influence our biggest suppliers to follow our lead.

3 **Creating and investing in a diverse and talented workforce**

Summoning the passion, drive, and energy to deliver our FOCUS ON FIVE plan calls for a special workforce. One that reflects the diverse communities we love to serve, made up of talented people committed to our customers, communities, and the environment.

That's why we're building opportunities for people in the regions we work. While at the same time continuing to invest in our people and providing them with work that truly makes a difference.

4 **Adding greater value to the communities we work in**

Our day job is to deliver value to our customers using our water and wastewater expertise. But we aim to go much further than that. We want the regions we work in to benefit from our wider skills and resources too.

Whether that's through inspiring school children to conserve water or by rolling up our sleeves to get involved in community projects – we're committed to making a tangible difference to wider society.

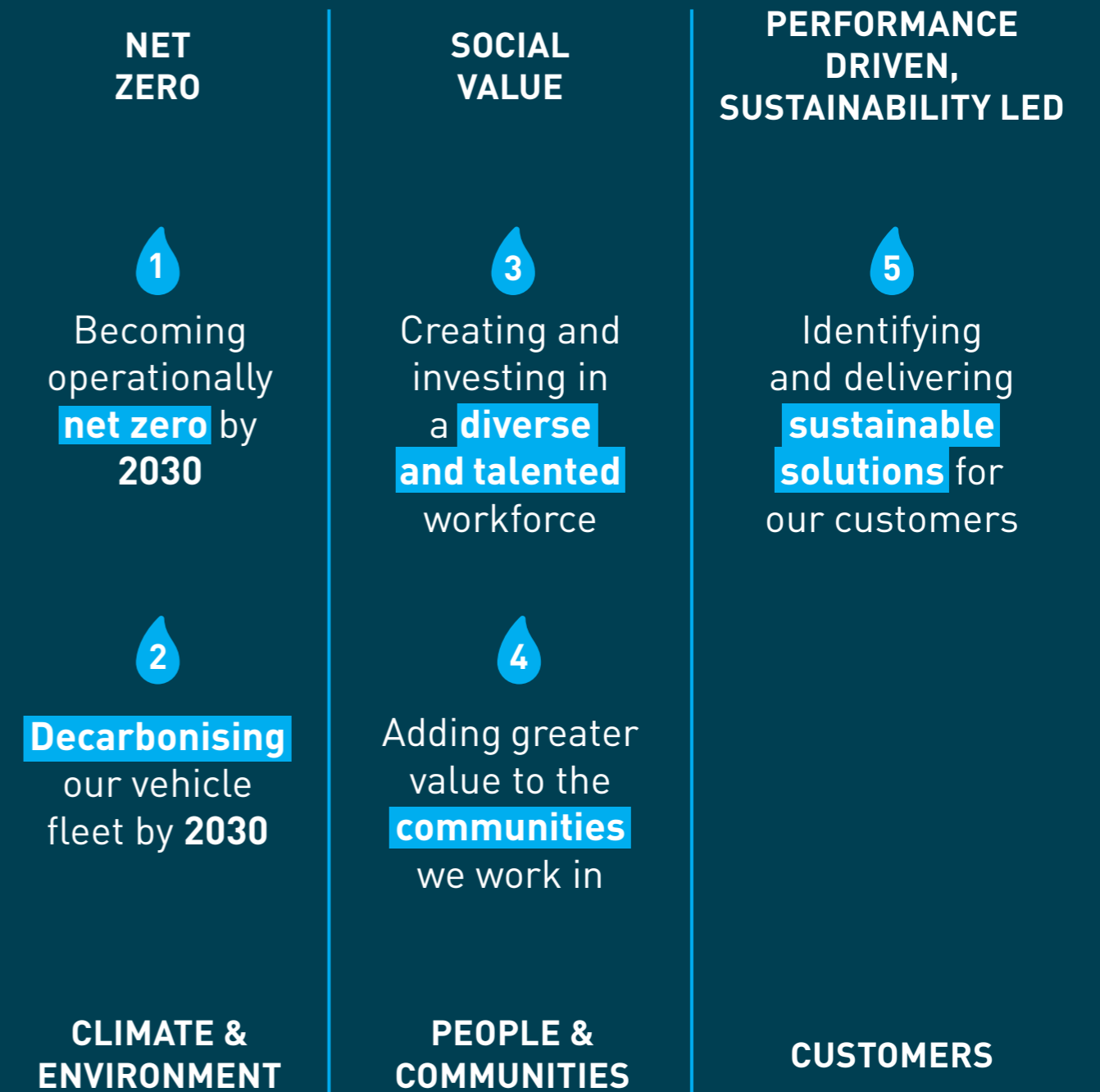
5 **Identifying and delivering sustainable solutions for our customers**

With expertise in water or wastewater, we have a big part to play in improving our customer's environmental performance.

From supporting them to reduce their water footprint to helping them to prevent pollution. Through innovating and exploring the latest technologies, the opportunities are endless.

THE PLAN ON A PAGE

This is what our **FOCUS ON FIVE** plan looks like in summary.



THE DETAIL

1



Becoming operationally net zero by 2030

What this means

Becoming operationally net zero is a commitment to working in a way that doesn't contribute to climate change. It demands that our total net operational emissions are reduced to zero by 2030, in line with Severn Trent PLC, the first water company to make this pledge. And, of course, it aligns with what our key customers are committing to deliver.

We achieve this goal by ensuring the benefits derived from what we do for our customers reduce or offset the carbon footprint we create when going about our daily work.

With an estimated **65% to 95% of emissions coming from supply chain sources** – and as industry-leading providers of water and wastewater services and products – our proactive approach means we're ideally placed to help our customers and partners with their **net zero goals** too.

Why it's so important

Working in the water industry, we're already dealing with the consequences of rapidly rising temperatures due to climate change. Whether through spikes in demand for water driven by hot summer days or intense bursts of rainfall that put pressure on assets during winter.

We're helping our customers mitigate these growing impacts, but we must work together to do more to put the brakes on climate change. If we don't do something now, our environment won't be resilient enough to support future generations.

Examples of what we'll do to get there

- Every business unit in Severn Trent Services is committed to achieving operational net zero with plans that reflect the different challenges and opportunities that each market presents
- Reduce electricity use by working with customers to invest in energy-efficient equipment
- Reduce carbon emissions derived from leakage, waste, and consumption activities on the sites we manage for customers
- Increase the use of renewable energy wherever possible on customer sites
- Share learning across the organisation and beyond to benefit all



Examples of what we've done to date

- Achieved **industry-leading** leakage performance of around **16%** on our customer's sites. This is important because controlling leakage and understanding water usage is one of the biggest water conservation challenges in our sector
- Funded and installed **solar PV panels** at our customer's water treatment works in North Yorkshire. These now power all key assets on the site
- Trialled Nissan E-NV200 **electric vehicles** and associated charging points for employees in the field to test how we fully roll these out in remote locations
- Reviewed and improved how we schedule work, so our field teams are **travelling fewer miles** to save time and reduce fossil fuel usage
- Turned our water hygiene business, Aqualytix, into a **paperless business** in the field
- Digitised thousands of our customer's water and wastewater asset records so we can **improve environmental performance** for our customers
- Adopted a policy on construction projects of **calculating the carbon cost** of each option before selection
- Launched **Oren Environmental**, a business that offers reed bed maintenance services to help promote biodiversity, reduce greenhouse gases, lower carbon footprints, and prevent pollution
- **Planted 300+ trees** on customer sites to offset our carbon emissions



Decarbonising our vehicle fleet by 2030

What this means

We're committing to using all-electric vans and company cars by 2030. Where larger vehicles or plant and equipment can't be powered by electricity, we'll explore using alternative fuels that are also carbon-free.

Our fleet decarbonisation strategy will align with Severn Trent Plc and reflect government policies and objectives.

As we fly the flag for sustainability, we aim to positively influence our customers and suppliers to join our crusade to reduce transport-related emissions – supporting each other as we do so.

Why it's so important

Our business spans the length and breadth of Great Britain. Today we mostly use petrol or diesel vehicles to travel to and from sites. These fossil fuels harm the environment and form a significant proportion of our total emissions.

Of course, the government has already announced that by 2030, 70% of vans sold are to be zero emission. We're getting on the front foot by eliminating diesel and petrol vehicles from our fleet where possible.

Examples of what we'll do to get there

- All business units in Severn Trent Services have their own vehicle decarbonisation commitments
- Continue with the electric vehicle trials we're undertaking with our teams in the field
- Choose the right vehicle supplier to help make our decarbonisation ambition become a reality
- Work with our customers to make sure our electric vehicles are supported with onsite charging point infrastructure
- Alter the procurement process so that the companies we work in the future can accommodate our electric vehicles when we're working on their sites
- Make sure at least 25% of the plant and equipment we use is powered by an environmentally friendly fuel
- Engage with our top 50 partners and suppliers – who put the miles in to deliver services on our behalf – to reduce their own use of fossil fuels

Examples of what we've done to date

- Trialled Nissan E-NV200 **electric vehicles** and associated charging points for employees in the field to test how we fully roll these out in remote locations
- Engaged with key customers to explore where **charging points** can be installed for the benefit of all
- Created a **Vehicle Working Group** of employees representing all corners of our business to help shape the current and future needs our vehicles need to fulfil
- Started to work with a customer to explore, test, and adopt **alternative fuels** – over and above electricity – that can power our fleet.





Creating and investing in a **diverse and talented** workforce

What this means

We want our workforce to fully represent our diverse communities, share our company values, and be given the investment they need to help bring our FOCUS ON FIVE plan to life.

After all, the people we employ are why we're able to deliver value to our customers every day using our water and waste expertise.

Why it's so important

Our FOCUS ON FIVE plan is massively ambitious and 100% underpinned by our employees. But it's not enough to tap into their talents alone if we want to keep people energised to deliver our sustainability agenda.

We also need to provide them with meaningful work that adds value to our communities and helps secure a future for generations to come. And at the same time, create new job opportunities in the regions we work.

Examples of what we'll do to get there

- Give our people at least 100 hours each year of training and development
- Increase the number of female employees we have across the business
- Increase the number of employees we have from ethnic minorities
- Make sure a proportion of our workforce is made up of apprentices, interns, and graduates to support early career development and succession planning
- Create new opportunities for ex-military personnel who represent the communities we serve
- Work with those at the start and end of their careers to make sure they're getting the support they need and to retain as much of their knowledge before they go
- Challenge our suppliers to match our own commitments



Examples of what we've done to date

- Appointed champions from our Executive team to sponsor talent development, diversity, and inclusion
- Established coaching, mentoring, and training sessions to **support career development** at all levels
- Created several **career opportunities** for people through university placements, work experience programmes, and the government Kickstart Scheme
- Encouraged our apprentices, graduates, and Kickstarters to create their own videos to **promote careers** at Severn Trent Services
- Engaged with the British Forces Resettlement Services to **attract talent** from the Armed Forces community





Adding greater value to the **communities** we work in

What this means

We don't believe it's enough to do our day jobs; we've got **so much more to offer** than that.

We want the communities we work in up and down Great Britain to benefit from our wider skills and resources too. And more than that, to see and feel the benefits of experiencing an organisation with an environmental and social conscience.

That's why we've challenged ourselves with a basket of commitments that focus on improving the local communities we serve and acting responsibly as we do our work.

Why it's so important

Our company vision is to deliver great service through our commitment to customers, communities, and the environment.

A commitment is a promise, and it's important to us that we keep our promises. That's why we've decided to take small steps – over and above paid work – that will lead to big, impactful, long-term societal change.

Examples of what we'll do to get there

- Continue to offer the MOD communities we work in free community education services, including careers fair talks, educational site tours, and school visits
- Pay our people to volunteer two days each year to add value to the communities we serve
- Complete an agreed number of community-based projects each year
- Provide more opportunities for local people to work for and with us
- Make sure we pay our suppliers on time
- Increase the number of small and regional businesses we use to help deliver great service to our customers

we've done to date

- In 12 months alone, we delivered several career talks, attended **42 community events**, supported **five community groups**, delivered **11 community-based projects**, and visited **seven schools**
- Helped e50K, a not-for-profit organisation set up and run by military members, to create a **communal garden** in Catterick
- Contracted more than **200 small and medium businesses** to work for us – or supply us with products and services. Using local firms results in fewer emissions when they do work on our behalf
- Employed **250 employees** beyond our headquarters in Coventry to serve our customers across Great Britain. This allows us to tap into their local knowledge and limits the miles they travel



Helped e50K create a **communal garden** in Catterick



Contracted more than **200 small and medium businesses**



Employed **250** beyond our HQ to tap into their **local knowledge**



Identifying and delivering **sustainable solutions** for our customers

What this means

This commitment recognises a pressing environmental, regulatory, and financial need for every business to adapt to climate change – and the growing opportunities for us to help organisations with our water and wastewater expertise.

We'll support more customers by managing all aspects of the water cycle using industry-leading technology and innovation to deliver long-term, sustainable, high-performing, cost-effective outcomes.

Why it's so important

The relationship between water and climate change is inextricably linked. Erratic and heavy downpours flood wastewater networks. Heatwaves put pressure on water supplies.

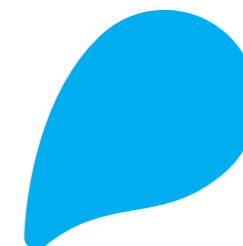
The burden on the water industry to better conserve and manage water is heavy, but it's now recognised that all businesses must also play their part. For example, to tender for UK public sector contracts, organisations need to be able to demonstrate their sustainability practices to win work. In this context, sustainability includes our response to climate change and to supporting the communities we serve.

Examples of what we'll do to get there

- Develop a suite of practical standards for Sustainable Drainage Systems (SuDS), which have least whole-life costs for customers
- Use our water and wastewater expertise to help customers achieve industry-leading water efficiency performance – making sure we offer whole-life solutions that consider environmental and social factors, not just cost
- Support our customers to harvest and recycle their rainwater using our tried and tested rainwater harvesting systems
- Continue to explore renewable energy options. For example, using hydrogen as an alternative fuel to power our fleet

Examples of what we've done to date

- Achieved **industry-leading leakage performance** (around 16%) on our customer's sites. We've been able to do this by using precise water meters and the latest leakage-detection technology to reduce costs and reduce our customer's greenhouse gas emissions
- The same innovative technology is being exploited to **reduce water consumption and waste**. Aside from the environmental benefits this delivers, it also helps to cut customer operational costs and eliminates the cost of repairing water-damaged property
- Developed innovative ways to **maintain and refurbish reed beds** so that harmful greenhouse gases aren't emitted, waste materials are recycled, existing reeds are replanted, and sludge dewatering techniques remove and dispose of waste in the most sustainable way
- Designed and built **rainwater harvesting systems** that stand up to the test of time and easily allow customers to collect and reuse rainwater and become **more water efficient** as a result



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