



# Corporate Social Responsibility 2018/19

Our aims, performance and targets

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## Introduction

This report sets out our performance during 2018-19 against the commitments and targets we set ourselves at the start of the year. It also indicates our Corporate Social Responsibility (CSR) targets for 2019-20 and shows the 2009-10 baseline data, against which we measure our performance. This is our tenth report detailing progress of the implementation of our CSR policy and measuring our performance.

At NS&I, we see sustainability as an essential part of what makes us an efficient and responsible business and we recognise the need to adapt to climate change. We have made continued progress towards our 2020 CO<sub>2e</sub> emissions targets this year, and we continue to exceed some of the government sustainability targets (Greening Government Commitments).

The Greening Government Commitments are:

- reduce carbon emissions
- increase energy efficiency in the newer buildings
- increase the proportion of energy from renewable sources
- reduce water consumption
- reduce waste arising
- increase the proportion of waste that can be recycled

We are currently finalising our new Corporate Social Responsibility Strategy for 2019 – 2024 and this will set new targets for 2020-21 onwards based on the Greening Government Commitments.

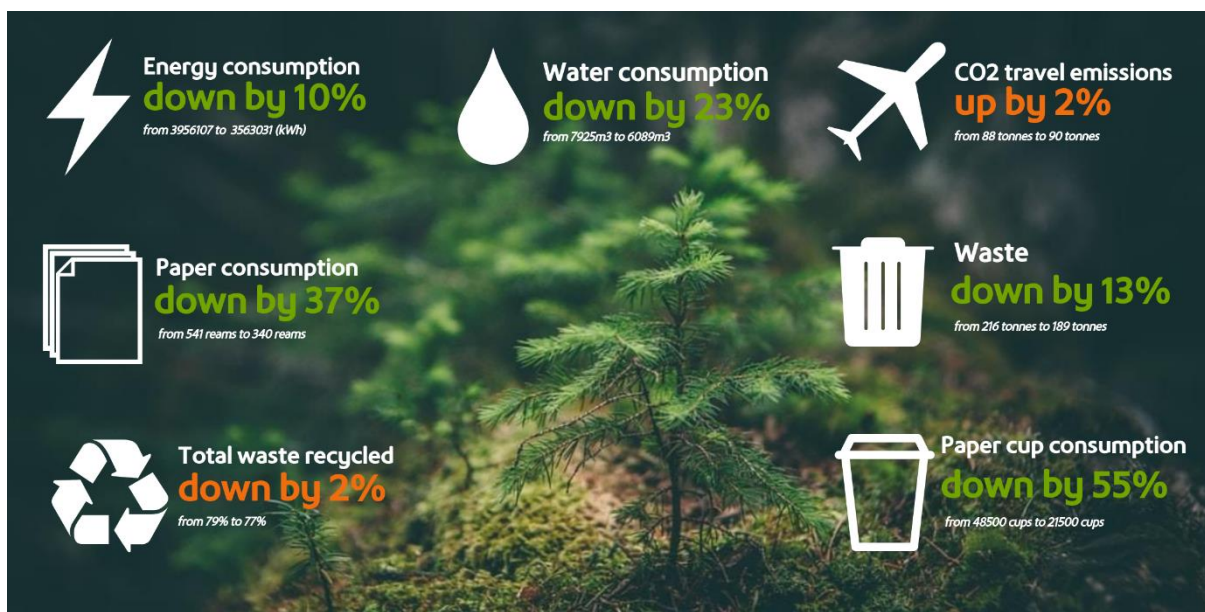
The current CSR policy can be found at <https://nsandi-corporate.com/governance/corporate-and-social-responsibility>

The tables in this report show relevant figures for 2018-19, as well as the previous three years and the 2009/10 baseline figures, where we have them. The narrative below each table provides additional background information and highlights where we have been able to meet specific government sustainability targets.

The carbon reduction plan, developed with the support of the Carbon Trust, set out how against the 2009-10 baseline, we would reduce our carbon emissions by over 7,000 tonnes a year from the end of March 2015. This equated to over 50% of our emissions, significantly ahead of both our own initial target and those set centrally by government. The plan was developed as part of our participation in the pilot of the carbon management programme for central government supported by the Carbon Trust, which seeks to reduce carbon emissions across government. NS&I was one of 20 central government organisations that chose to participate in the programme.

NS&I and Atos, our operational delivery partner, have committed to work in partnership to help monitor and measure the environmental aspects of our operations and drive improvements in environmental performance across the whole business in line with Greening Government Commitments.

## Key achievements – environmental



# Key achievements – other

In addition to the quantitative measures above, NS&I has continued to introduce more sustainable ways of working across our operations. During 2018-19, we:

- maintained our commitment and delivery against the Sustainable Mail™ environmental standards for direct mail. The standards cover not only the materials used in mailings – which should be environmentally friendly and recyclable – but also avoiding waste by improving data. By achieving the standards, we are able to carry out mailings at a lower price tariff – creating valuable savings.
- continued our work with our operational delivery partner, Atos, on sustainability measurement and performance through our commitment the Greening Government Commitments.
- achieved full 100% compliance with the ISO14001 standard for our environmental management systems at the London office.
- engaged the NS&I Social Committee and CSR Champions to organise various events to raise funds for our staff charity – The Share Foundation. In addition, our staff have completed their own sponsored activities and over £600 has been raised this year.
- encouraged staff to donate to charity through Payroll Giving – currently 13% of staff are signed up.
- we have reached agreement on a new 5 year Corporate Social Responsibility strategy and this will be launched in 2019.
- We became a Living Wage employer. Being a living wage employer commits us to ensure all staff are paid at or above the Foundation's living wage rates. Over the next three years, we will actively promote the living wage to our suppliers, and will seek to obtain a living wage commitment when major contracts are procured.

# Energy use and CO<sub>2e</sub> emissions

**Aim: Reduce carbon emissions from energy consumption by at least 20% from the 2009/10 baseline year by end of March 2015 and by 30% by March 2020.**

Method of calculation	All energy consumption (electricity and gas) for all UK operational sites involved in NS&I business (Blackpool, Durham, Glasgow and London) in kilo watt hours converted to CO <sub>2e</sub> emissions
Unit of data collected	All electricity and gas consumed in kilowatt-hours.
Location of conversion tables	<a href="https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2018">https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2018</a>
Restatement of year on year performance	Where the conversion factors for previous years have changed this will be noted in the report within the section where the changes occur.
Assumptions	None
Exclusions	Where the supply is from a renewable source or zero emissions tariff this is discounted from the calculation.

## Performance

Energy consumption		2009-10 Baseline	2015-16	2016-17	2017-18	2018-19
Non-Financial Indicators (kwh)	Electricity (non-renewable)	13,395,736	503,614	545,271	502,683	606,673
	Electricity (renewable)	0	5,137,148	2,494,588	2,615,495	2,117,787
	Gas	14,533,749	6,970,361	807,043	837,929	838,571
Financial Indicators (£k)	London	78	94	81	80	96
	Operational Sites	1749	631	292	249	258
	TOTAL SPEND	1827	725	373	329	354

(NB we do not use LPG or any other energy sources)

The electricity consumption for the 2018-19 financial year saw a 13% decrease across the estate against the 2017-18 levels and a 79% decrease against the 2009-10 levels. A milder winter than the previous year assisted in this reduction in the winter months. The London office saw an increase in consumption and this is linked to the office refit works plus a change in landlord and the method by which the electricity consumption is calculated.

The gas consumption for the financial year was static compared to 2017-18 levels. Against the baseline data of 2009/10 there is a 94% reduction in gas consumption.

Overall, we saw a 10% decrease in total energy consumption across the estate against the 2017/18 levels and an 87% reduction against the 2009-10 levels, all helped by the rationalisation of the NS&I estate and a move to more modern equipment and ways of working.

CO <sub>2e</sub> emissions		2009-10 Baseline	2015-16	2016-17	2017-18	2018-19
Non Financial Indicators (tCO <sub>2e</sub> )	Total direct emissions (gas)	2,674	1,289	149	154	154
	Total indirect emissions (electricity, waste, transport)	9,114	504	346	276	269
	TOTAL	11,788	1,794	495	430	423

Total tonnes CO <sub>2e</sub>	2009-10 baseline	2015-16	2016-17	2017-18	2018-19	Percentage change against previous year	Percentage change against baseline year
Energy	11,143	1,538	419	331	326	2% reduction	97% reduction
Transport	573	166	59	88	90	2% increase	84% reduction
Waste	51	81	14	8	7	13% reduction	86% reduction
TOTAL	11,788	1,794	495	430	423	2% increase	96% reduction

Overall, our CO<sub>2e</sub> emissions from energy consumption reduced by 96% against the 2009-10 baseline year and 2% reduction on 2017-18 emissions. Our direct emissions from burning natural gas for heating now represents a relatively small proportion of our total carbon emissions following the rationalisation of our operational estate. The indirect emissions associated with the use of electricity have historically, made up the vast proportion of our energy carbon emissions. In 2014-15, Atos were successful in transferring all their electricity supplies to be sourced from renewable energy, hence the massive reductions in CO<sub>2e</sub> emissions.

For the third year running, NS&I are able to report the CO<sub>2e</sub> emissions for staff business travel. This amounted to 90 tonnes of CO<sub>2e</sub>, which is the same as the previous year. Against our baseline year of 2015-16, this is a decrease of 46% and the second year of us being able to report a reduction. We are now working hard on reducing business travel through more modern ways of working using technology to connect us better.

It is important to note that, under the Carbon Reduction Energy Efficiency Scheme, Atos is accountable for the operational emissions from the three main offices in Blackpool, Durham and Glasgow. NS&I has no obligations under the CRC scheme.

## Performance against targets

NS&I CO <sub>2e</sub> emissions		2009-10 baseline	2015-16	2016-17	2017-18	2018-19	2019-20
Non-Financial Indicators (tCO <sub>2e</sub> )	Total gross emissions	11,788	Target 2200 or less  Actual 1,794 <b>met</b>	Target 2200 or less  Actual 495 <b>met</b>	Target 1800 or less  Actual 430 <b>met</b>	Target 1800 or less  Actual 423 <b>met</b>	Target 500 or less
	Gross emissions attributable to official business travel	573	Target 143 or less  Actual 166 <b>met</b>	Target 143 or less  Actual 59 <b>met</b>	Target 143 or less  Actual 88 <b>met</b>	Target 143 or less  Actual 90 <b>met</b>	Target 100 or less
Financial Indicators (£k)	Expenditure on official business travel	Not applicable	n/a	n/a	n/a	£335k	To reduce by 30%

We no longer have a requirement to report on CRC expenditure.

Energy consumption		2009-10 baseline	2015-16	2016-17	2017-18	2018-19	2019-20
Non-Financial Indicators (kwh)	Electricity (non – renewable)	13,395,736	Target 500,000  Actual 503,614	Target 500,000  Actual 545,271	Target 500,000  Actual 502,683	Target 500,000  Actual 606,673	Target 600,000
	Electricity (renewable)	0	Target 100% for operational sites  Actual 5,137,148 100% <b>exceeded</b>	Target 5,000,000 and 100%  Actual 2,494,588 100% <b>met</b>	Target 5,000,000 and 100%  Actual 2,615,495 100% <b>met</b>	Target 5,000,000 and 100% for operational sites  Actual 2,117,787 100% <b>met</b>	Target 3,500,000 and 100% for operational sites
	Gas	14,533,749	Target 10,500,000  Actual 6,970,361 <b>met</b>	Target 8,000,000  Actual 807,043 <b>met</b>	Target 1,000,000  Actual 837,929 <b>met</b>	Target 1,000,000  Actual 838,571 <b>met</b>	Target 900,000

# Water consumption

**Aim: Reduce water consumption by 25% by 2020 relative to our 2014-15 baseline year**

Method of calculation	Total water consumption for London office in m <sup>3</sup> of water consumed.
Unit of data collected	Total water consumed in m <sup>3</sup> by location
Location of conversion tables	Not applicable
Restatement of year on year performance	Where the conversion factors have changed or other material changes for previous years have occurred this will be noted in the report within the section where the changes occur.
Assumptions	None
Exclusions	The operational sites at Glasgow, Blackpool and Durham are not solely occupied by NS&I and therefore accurate recording is not possible.

## Performance

Water consumption		2009-10 Baseline	2015-16	2016-17	2017-18	2018-19
Non-Financial Indicators (m3)	Water consumption / supplied	60635	25959	6804	7925	6647
Financial Indicators for water supply (£k)	London	Not available	1.7	3.4	4	3.3
	Operational Sites	264	94.5	91.1	60.1	74
	TOTAL SPEND	Not available	96.2	94.5	64.1	77.3

## Performance against targets

Water consumption		2009-10 baseline	2015-16	2016-17	2017-18	2018-19	2019-20
Non Financial Indicators (m <sup>3</sup> )	Water consumption (supplied water)	60,635	Target 25,700	Target 25,700	Target 24,000	Target 7,500	Target 7,000
			Actual 25,960 <b>exceeded</b>	Actual 6,804 <b>met</b>	Actual 7,925 <b>met</b>	Actual 6,647 <b>met</b>	

The main use of water within NS&I is to supply water for domestic needs (washroom facilities, kitchens etc.).

The London utility data is calculated on an apportionment of the overall bill for the building basis. We also report that our operational sites in Blackpool, Durham and Glasgow have been shared with



other tenants and apportioned water calculations have not been possible. The total water consumed therefore is not solely for NS&I business. Overall, our water consumption across the estate decreased by 16% against the previous financial year and we are a tenth of the level in the baseline year of 2009/10.

## Waste & recycling

**Aim: Reduce waste arising by 25% by 2020 relative to our 2009-10 baseline year**

Method of calculation	Total waste for all UK operational sites involved in NS&I business (Blackpool, Durham, Glasgow and London) in tonnes of waste.
Unit of data collected	Tonnes of waste arising by the following categories <ul style="list-style-type: none"> <li>• Total waste arising</li> <li>• Total hazardous waste arising (including electrical) non-landfill</li> <li>• Total non-hazardous waste to landfill</li> <li>• Total waste recycled/reused (including organic waste)</li> </ul>
Location of conversion tables	n/a
Restatement of year on year performance	n/a
Assumptions	None
Exclusions	None

**Aim: Recycle 40% of waste by 2012 and 75% by 2020**

Method of calculation	Total waste recycled expressed as a percentage of total waste arising from all categories of waste across all UK NS&I Sites (Blackpool, Durham, Glasgow and London)
Unit of data collected	Tonnes of waste arising by the following categories <ul style="list-style-type: none"> <li>• Total waste arising</li> <li>• Total hazardous waste arising (including electrical) non-landfill</li> <li>• Total non-hazardous waste to landfill</li> <li>• Total waste recycled/reused (including organic waste)</li> </ul>
Location of conversion tables	n/a
Restatement of year on year performance	n/a
Assumptions	None
Exclusions	None

## Performance

Waste		2009-10 Baseline	2015-16	2016-17	2017-18	2018-19
Non-financial indicators (tonnes)	Total hazardous waste	5	2	1	1	1
	Non-hazardous waste to landfill	290	280	50	44	42
	Non-hazardous waste reused/recycled	843	610	240	172	145
	<b>Total Waste</b>	<b>1,138</b>	<b>892</b>	<b>291</b>	<b>217</b>	<b>188</b>
Financial Indicators (£k)	London	14	n/a	n/a	n/a	n/a
	Operational Sites	118	n/a	n/a	n/a	n/a
	<b>TOTAL SPEND</b>	<b>132</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

Overall, waste arising from all four sites decreased by 13% against the 2017-18 financial year. Against the baseline year of 2009-10, there is an 83% reduction in total waste arising.

## Performance against targets

Waste breakdown and % recycled		2009-10 baseline	2015-16	2016-17	2017-18	2018-19	2019-20
Non Financial Indicators (tonnes)	Total Waste	1,138	Target 700 Actual 892 <b>exceeded</b>	Target 700 Actual 291 <b>met</b>	Target 700 Actual 217 <b>met</b>	Target 700 Actual 188 <b>met</b>	Target 400 or less
	Waste Reused / Recycled	843	Target 525 with 75% recycled Actual 610 68% recycled <b>exceeded</b>	Target 525 with 75% recycled Actual 240 83% recycled <b>met</b>	Target 525 with 75% recycled Actual 171 79% recycled <b>met</b>	Target 525 with 75% recycled Actual 145 77% recycled <b>met</b>	Target of 300 or less with 75% recycled
	Waste to landfill or incineration	290	Target 200 Actual 280 <b>exceeded</b>	Target 200 Actual 50 <b>met</b>	Target 200 Actual 44 <b>met</b>	Target 200 Actual 42 <b>met</b>	Target 150 or less
	Total Hazardous Waste	5	Target 3 Actual 2 <b>met</b>	Target 3 Actual 1 <b>met</b>	Target 3 Actual 1 <b>met</b>	Target 3 Actual 1 <b>met</b>	Target 3 or less

This year's recycling figure across the business is 77%, which is ahead of the Greening Government Commitment target level of 75% by 2020. A change in approach by the landlord's contractor at our

London office means that not all of our waste is recycled, some is incinerated. This change was outside of our control. Overall, the NS&I business is one with a strong ethos of recycling and a commitment to reducing landfill waste.

## CSR strategy for 2019 / 20

We believe our CSR Policy has reflected the broader impact we have on customers, communities and our people and how, through our core purpose and activities, we can work towards important social and environmental goals.

Now we have developed our new CSR Strategy, summarised in five key themes in the diagram below.



While many aspects of the CSR policy are not measurable in a quantitative way, we will seek to adopt measurable performance targets wherever possible, including specific actions and aims for the year. These will form a key element of the new strategy which will run for five years through to March 2024.

# Appendix: Performance at the sites

## Comparing our sites

The following table shows the environmental performance of our different sites in 2018-19 (**in bold**) compared to the previous three years and the baseline of 2009-10.

Location	Year	Energy (MwH converted to CO <sub>2e</sub> tonnes)	Water (cubic metres)	Waste Arising (tonnes)	Recycled Waste (%)
Blackpool	2009/10(base)	2,839	30,197	191	71
	2015/16	59	9,167	156	77
	2016/17	441	3,035	63	83
	2017/18	3	4,043	37	71
	<b>2018/19</b>	<b>2</b>	<b>3269</b>	<b>34</b>	<b>68</b>
Durham	2009/10(base)	3,451	12,346	482	66
	2015/16	956	9,517	368	45
	2016/17	238	2,307	49	65
	2017/18	96	214	38	74
	<b>2018/19</b>	<b>92</b>	<b>1636</b>	<b>40</b>	<b>72</b>
Glasgow	2009/10(base)	2,249	14,308	395	85
	2015/16	236	6,450	333	82
	2016/17	109	N/A	150	85
	2017/18	0	N/A	114	78
	<b>2018/19</b>	<b>0</b>	<b>N/A</b>	<b>86</b>	<b>78</b>
London	2009/10(base)	355	3,748	71	73
	2015/16	287	826	36	100
	2016/17	301	1,441	28	100
	2017/18	287	1741	27	100
	<b>2018/19</b>	<b>229</b>	<b>1741</b>	<b>28</b>	<b>92</b>

# About NS&I

NS&I is one of the largest savings organisations in the UK with 25 million customers and around £167 billion invested.

NS&I is both a government department and an Executive Agency of the Chancellor of the Exchequer. Our origins can be traced back over 150 years to 1861.

When customers invest in NS&I products, they are lending to the Government, which goes towards the public purse. In return, the Government pays interest, or prizes for Premium Bonds. We offer 100% security on all deposits.

## **Our purpose**

We want to inspire a stronger savings culture. We believe everyone should have the opportunity to save confidently.

## **Our mission**

- Providing cost-effective financing for government and the public good
- Offering trusted savings and investments propositions
- Delivering valued services for government
- Supporting a fair and competitive market and balancing the interests of our savers, taxpayers and the market.

## **Our values**

Our values are at the heart of everything we do.

We are secure

- With our people
  - We are responsible and do the right thing. We deliver safely and take a balanced approach to innovation and risk.
- With our customers
  - 100% security for savings, backed by HM Treasury. Our digital security is trustworthy. We protect our business.

We are inspiring

- With our people
  - We use fresh thinking for public good. We have a willingness to learn quickly. Diversity, innovation and curiosity are welcomed.
- With our customers
  - Acting decisively and confidently for customers, working with pace to create value and inspiring them to secure their financial future.

We are straightforward

- With our people
  - We have integrity and work together in straightforward ways. What we say matters. We are empowered by our leadership.
- With our customers
  - Clear, 'everyday', understandable language. Products designed simply to meet our customers' needs and easy to use services.

We are reassuringly human

- With our people
  - A small organisation with a big reach. We care for colleagues, respect one another, invest in our people, and manage their talent effectively.
- With our customers
  - We listen to our customers, understand and respond to their needs. We care for customers, our environment and the public good.

**Our operating framework**

To balance the interests of our savers by offering a fair rate; the taxpayer by delivering long-term cost-effective finance; and the stability of the broader financial services sector by acting transparently and maintaining an appropriate competitive position.

<https://nsandi-corporate.com/>