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**Corporate Social Responsibility 2019-20**

Our aims, performance and targets

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# Introduction

This report sets out our performance during 2019-20 against the commitments and targets we set ourselves at the start of the year. It also indicates our Corporate Social Responsibility (CSR) targets for 2020-21 and shows the 2009-10 baseline data, against which we measure our performance. This is our eleventh 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. This report provides a breakdown of our performance over the past 11 years against 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

In November 2019, we launched 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 2019-20, 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 2019-20, 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 to 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 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 £2,000 has been raised across the two years we have supported this charity. our staff have ourOur staff have chosen a new charity to support over the next two years.
* encouraged staff to donate to charity through Payroll Giving – currently 13% of staff are signed up.
* we launched our new 5 year Corporate Social Responsibility strategy.
* We became a Living Wage employer. Being a living wage employer commits us to ensure all of our own staff staff are paid at or above the Living Wage Foundation's living wage rates. We have begun our three year programme of actively promoting the real living wage to our suppliers, and we are seeking a living wage commitment when major contracts are procured.  At the beginning of 2019-20, nine NS&I suppliers were accredited Living Wage employers, and three others had made a contractual commitment to pay the real living wage. By the end of 2019-20, 10 NS&I suppliers were accredited Living Wage employers and a further five suppliers had made a binding commitment to achieve Living Wage Foundation accreditation during 2020-21.
* We achieved a SILVER rating in our MIND Wellbeing Index survey results, demonstrating our firm commitment to staff wellbeing.

The table below shows our achievements against the Greening Government Commitments over the 11 years of our CSR Plan.

|  |  |  |
| --- | --- | --- |
| Greening Government Commitment | NS&I performance |  |
| Reduce carbon emissions | In 2009-10 our total carbon and greenhouse gases emissions totalled 11,788 tonnes. This has dramatically decreased over the years and now our emissions total under 400 tonnes per annum. | MET |
| Increase energy efficiency in the newer buildings | Our Blackpool and Durham sites are new builds and have very good BREEAM ratings. Our Glasgow and London sites have also moved from old inefficient buildings to more modern ones. | MET |
| Increase the proportion of energy from renewable sources | In 2009-10 we had no zero emissions energy. Since 2013 our operational sites all use zero emissions electricity. | MET |
| Reduce water consumption | We have not been able to accurately report on water consumption due to buildings having shared occupancy. However, it is clear that there has been a reduction on the basis of fewer staff in each site, more efficient systems and controls. | Partially Met |
| Reduce waste arising | In 2009-10 our waste arising was 1,138 tonnes. The whole business now has less than 200 tonnes per annum. | MET |
| Increase the proportion of waste that can be recycled | In 2009-10 we recycled 74% of our total waste. Over the past 11 years we have recycled 76% of our total waste. In the same time period we have reduced waste to landfill from over 300 tonnes to a level below 50 tonnes. | MET |

# Energy use and CO2e emissions

Aim: **Reduce carbon emissions from energy consumption by at least 20% from the 2009-10 baseline year by the 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 CO2e emissions. |
| Unit of data collected | All electricity and gas consumed in kilowatt-hours. |
| Location of conversion tables | <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2018> |
| 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 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| Non-Financial Indicators (kwh) | Electricity (non-renewable) | 13,395,736 | 545,271 | 502,683 | 606,673 | 385,626 |
| Electricity (renewable) | 0 | 2,494,588 | 2,615,495 | 2,117,787 | 1,565,579 |
| Gas | 14,533,749 | 807,043 | 837,929 | 838,571 | 501,871 |
| Financial Indicators (£k) | London | 78 | 81 | 80 | 96 | 72 |
| Operational Sites | 1749 | 292 | 249 | 258 | 228 |
| TOTAL SPEND | 1827 | 373 | 329 | 354 | 300 |

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

**Note 1** – a change in landlord agents at our head office in 1 Drummond Gate, London, has meant that we have not been able to accurately report gas consumption as it is a shared service and the electricity consumption is an estimated figure based on four months use.

The electricity consumption for the 2019-20 financial year saw a 28% decrease across the estate against the 2018-19 levels and a 93% decrease against the 2009-10 levels. Another year with a mild winter assisted in this reduction. The London office saw two significant changes:

1. a new managing agent has meant a change in calculation of gas and water consumption as well as a change in the reporting of electricity. As a consequence we have an estimated report on electricity consumption and are no longer able to report on gas consumption as it is a shared cost across the building.
2. We had a period where the gas boilers were being replaced, causing a reduction in consumption. We also had a period where the air conditioning supplies were not working meaning a reduction in both electricity and water consumption.

The gas consumption for the financial year was down 40% compared to 2018-19 levels. However, see note above regarding London reporting. Against the baseline data of 2009-10 there is a 96% reduction in gas consumption.

Overall, we saw a 31% decrease in total energy consumption across the estate against the 2018-19 levels and a 91% reduction against the 2009-10 levels.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| CO2e emissions | | 2009-10 baseline | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| Non-Financial Indicators (tCO2e) | Total direct emissions (gas) | 2,674 | 149 | 154 | 154 | 93 |
| Total indirect emissions (electricity, waste, transport) | 9,114 | 346 | 276 | 269 | 173 |
| TOTAL | 11,788 | 495 | 430 | 423 | 266 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Total tonnes CO2e | 2009-10 baseline | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Percentage change against previous year | Percentage change against baseline year |
| Energy | 11,143 | 419 | 331 | 326 | **191** | **41% reduction** | **98% reduction** |
| Transport | 573 | 59 | 88 | 90 | **70** | **22% increase** | **88% reduction** |
| Waste | 51 | 14 | 8 | 7 | **5** | **28% reduction** | **90% reduction** |
| TOTAL | 11,788 | 495 | 430 | 423 | **266** | **37% increase** | **98% reduction** |

Overall, our CO2e emissions from energy consumption reduced further on both the previous year and the baseline year. However, this year’s data is based on estimates for the London office due to changes in the landlord agents’ approach for shared services such as electricity and gas. 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 CO2e emissions.

The CO2e emissions for staff business travel have shown a 22% reduction in 2019-20 compared to the previous year and an 88% reduction compared to the baseline year. We achieved these results through a greater focus on finding ways to reduce travel both in terms of volume and costs. We achieved a 30% cost reduction compared to the previous year. We continue to find new ways of working and will strive to further reduce our business travel for the benefit of the environment and for the wellbeing of the staff who have to travel.

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. For the London office, the landlord is accountable for the operational emissions and the Carbon Reduction Energy Efficiency Scheme as the building is shared occupancy and not all sub metered. Therefore, NS&I has no obligations under the CRC scheme.

Performance against targets

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| NS&I CO2e emissions | | 2009-10 baseline | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Non-Financial Indicators (tCO2e) | Total gross emissions | 11,788 | Target 2,200 or less  Actual  495  **met** | Target 1,800 or less  Actual  430  **met** | Target  1,800 or less  Actual  423  **met** | Target  500 or less  Actual  266  **met** | Target  450 or less |
| Gross emissions attributable to official business travel | 573 | Target 143 or less  Actual  59  **met** | Target 143 or less  Actual  88  **met** | Target  143 or less  Actual  90  **met** | Target  100 or less  Actual  70  **met** | Target  70 or less |
| Financial Indicators (£k) | Expenditure on official business travel | Not applicable | n/a | n/a | £335k | To reduce by 30%  Actual  31%  met | To reduce by 10% |

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Energy consumption | | 2009-10 baseline | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Non-Financial Indicators (kwh) | Electricity (non–renewable) | 13,395,736 | Target 500,000  Actual  545,271 | Target 500,000  Actual  502,683 | Target 500,000  Actual  606,673 | Target 600,000  Actual  385,626 (est) | Target  450,000 |
| Electricity (renewable and non-greenhouse polluting) | 0 | Target 5,000,000 and 100%  Actual  2,494,588  100%  **met** | Target 5,000,000 and 100%  Actual  2,615,495  100%  **met** | Target 5,000,000 and 100% for operational sites  Actual  2,117,787  100%  **met** | Target 3,500,000 and 100% for operational sites  Actual  1,565,579  100%  **met** | Target below 3,500,000 and 100% for operational sites |
| Gas | 14,533,749 | Target 8,000,000  Actual  807,043  **met** | Target 1,000,000  Actual  837,929  **met** | Target 1,000,000  Actual  838,571  **met** | Target  900,000  Actual  501,871 (est)  **met** | Target  **Below 750,000** |

# 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 m3 of water consumed. |
| Unit of data collected | Total water consumed in m3 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 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| Non-Financial Indicators (m3) | Water consumption / supplied | 60,635 | 6,804 | 7,925 | 6,647 | Unable to report |
| Financial Indicators for water supply (£k) | London | Not available | 3.4 | 4 | 3.3 | Unable to report |
| Operational Sites | 264 | 91.1 | 60.1 | 74 | Unable to report |
| TOTAL SPEND | Not available | 94.5 | 64.1 | 77.3 | Unable to report |

The water consumption and financial costs data is not available for all sites and therefore cannot be reported. In Glasgow and London, the shared occupancy of the building means that the costs of water are an apportioned rate within the building service charge. This will be the case for the reporting year and going forward.

Performance against targets

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Water consumption | | 2009-10 baseline | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| Non-Financial Indicators (m3) | Water consumption (supplied water) | 60,635 | Target 25,700  Actual  25,960  **exceeded** | Target 25,700  Actual  6,804  **met** | Target 24,000  Actual  7,925  **met** | Target  7,500  Actual  6,647  **met** | Unable to report |

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

# 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   * Total waste arising * Total hazardous waste arising (including electrical) non-landfill * Total non-hazardous waste to landfill * Total waste recycled/reused (including organic waste) |
| Location of conversion tables | Not applicable |
| Restatement of year-on-year performance | Not applicable |
| 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   * Total waste arising * Total hazardous waste arising (including electrical) non-landfill * Total non-hazardous waste to landfill * Total waste recycled/reused (including organic waste) |
| Location of conversion tables | Not applicable |
| Restatement of year-on-year performance | Not applicable |
| Assumptions | None |
| Exclusions | None |

Performance

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Waste | | 2009-10 Baseline | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| Non-Financial indicators (tonnes) | Total hazardous waste | 5 | 1 | 1 | 1 | 1 |
| Non-hazardous waste to landfill | 290 | 50 | 44 | 42 | 36 |
| Non-hazardous waste reused/recycled | 843 | 240 | 172 | 145 | 105.8 |
| Total Waste | 1,138 | 291 | 217 | 188 | 142 |
| Financial Indicators (£k) | London | 14 | n/a | n/a | n/a | n/a |
| Operational Sites | 118 | n/a | n/a | n/a | n/a |
| TOTAL SPEND | 132 | n/a | n/a | n/a | n/a |

Overall, waste arising from all four sites decreased by 24% against the 2018-19 financial year. Against the baseline year of 2009-10, there is an 88% reduction in total waste arising.

Performance against targets

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Waste breakdown and % recycled | | 2009-10 baseline | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Non-Financial Indicators (tonnes) | Total Waste | 1,138 | Target 700  Actual  291  **met** | Target 700  Actual  217  **met** | Target 700  Actual  188  **met** | Target  400 or less  Actual  114  **met** | Target  250 or less |
| Waste Reused / Recycled | 843 | Target  525 with 75% recycled  Actual  240  83% recycled  **met** | Target  525 with 75% recycled  Actual  171  79% recycled  **met** | Target  525 with 75% recycled  Actual  145  77% recycled  **met** | Target of 300 or less with 75% recycled  Actual  79  69%  **Not met on %** | Target of 188 or less with 75% recycled |
| Waste to landfill or incineration | 290 | Target  200  Actual  50  **met** | Target  200  Actual  44  **met** | Target  200  Actual  42  **met** | Target 150 or less  Actual  36  **met** | Target 75 or less |
| Total Hazardous Waste | 5 | Target  3  Actual  1  **met** | Target  3  Actual  1  **met** | Target  3  Actual  1  **met** | Target 3 or less  Actual  1  **met** | Target 2 or less |

This year’s recycling figure across the business is 75%, which is in line with 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 that 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.

We have now 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 and 2019-20 **(in bold)** compared to the previous three years and the baseline of 2009-10.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Location** | **Year** | **Energy**  **(MwH converted to CO2e tonnes)** | **Water**  **(cubic metres)** | **Waste Arising**  **(tonnes)** | **Recycled Waste**  **(%)** |
| Blackpool | 2009-10(base) | 2,839 | 30,197 | 191 | 71 |
| 2016-17 | 441 | 3,035 | 63 | 83 |
| 2017-18 | 3 | 4,043 | 37 | 71 |
| **2018-19** | **2** | **3,269** | **34** | **68** |
| **2019-20** | **2.6** | **579** | **33** | **67** |
| Durham | 2009-10(base) | 3,451 | 12,346 | 482 | 66 |
| 2016-17 | 238 | 2,307 | 49 | 65 |
| 2017-18 | 96 | 214 | 38 | 74 |
| **2018-19** | **92** | **1,636** | **40** | **72** |
|  | **2019-20** | **90** | **1,633** | **31** | **77** |
| Glasgow | 2009-10(base) | 2,249 | 14,308 | 395 | 85 |
| 2016-17 | 109 | N/A | 150 | 85 |
| 2017-18 | 0 | N/A | 114 | 78 |
| **2018-19** | **0** | N/A | **86** | 78 |
|  | **2019-20** | **N/A** | **N/A** | **41** | **59** |
| London | 2009-10(base) | 355 | 3,748 | 71 | 73 |
| 2016-17 | 301 | 1,441 | 28 | 100 |
| 2017-18 | 287 | 1,741 | 27 | 100 |
| **2018-19** | **229** | **1,741** | **28** | 92 |
|  | **2019-20** | **98** | **N/A** | **9** | **78** |

About NS&I

NS&I is one of the largest savings organisations in the UK with 25 million customers and more than £179 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/**](https://nsandi-corporate.com/)