Net Zero in Buildings
Making it Happen

Simon King
What is Mitie Plan Zero? Net Zero operational emissions by 2025

Our operating model follows a simple A-E methodology

Drawing upon expertise from within Mitie

Delivering significant decarbonisation and savings to our customers

- 353,000 Tonnes of carbon
- £19m Savings through optimisation in fy20/21
- 500+ Carbon & waste management experts in our business
- 90% Waste is reused, recycled or recovered
- 2800+ Energy surveys delivered in FY20

Sustainability Strategy
Carbon Compliance & Certification
Carbon Performance Contracts
Carbon Reduction Projects
Smart Energy Procurement
EV Fleet Transformation
Biodiversity
Waste Reduction
Making net-zero happen, our A to E methodology

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<td><strong>ASSESSMENT</strong></td>
<td><strong>BASELINE &amp; TARGETING</strong></td>
<td><strong>COMPLIANCE &amp; CERTIFICATION</strong></td>
<td><strong>DEVELOPMENT</strong></td>
<td><strong>EXECUTION</strong></td>
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<td>Understand and evaluate current status and calibrate stakeholder teams.</td>
<td>Compare against industry norms, set targets and create a comprehensive strategy to meet them.</td>
<td>Ensure compliance to latest regulations and attain certification where possible.</td>
<td>Develop a practical plan, complete with detailed funding proposals to achieve targets and where possible, deliver zero carbon at zero cost.</td>
<td>Execute the Plan Zero strategy to achieve net zero, deliver CapEx/Opex, elevate ESG and remove costs.</td>
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Take a holistic approach to decarbonising and delivering energy efficiency
“The willingness to set emissions targets of genuine ambition contrasts with a reluctance to implement the realistic policies necessary to achieve them”

“Businesses must be encouraged, and in some cases required, to invest in solutions and make low-carbon climate resilient choices”

“Building emissions fell 7% between 2009 and 2016 [when policy package for reduction in place] but have risen since”

- Building decarbonisation policy package required
- Heat pumps well behind target
- “Little evidence for reduced energy demand at present”
- “Lack of ambition of future levels of electrification”
Cost of Energy comparison

Electricity

- Commodity: £52.15, 38%
- Renewables non-commodity: £49.13, 36%
- Distribution & Management: £35.89, 26%

Total: £137 MWh

Gas

- Commodity: £17.87, 59%
- Distribution & Metering: £7.70, 26%
- Renewable / CCL: £4.65, 15%

Total: £30 MWh

~£210 / tonne CO₂e

~£20 / tonne CO₂e

x10 higher!
Summary

• Energy optimisation makes sense to do now, but low uptake

• Policy interventions have worked historically

• Leading organisations committed to making it happen

• But still huge challenges – regulator framework important to overcome