

Greenhouse gas emissions

Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of our approach to reducing operational GHG emissions

Strengths	Weaknesses
<ul style="list-style-type: none"> Reporting operational emissions is part of day-to-day business reporting We have a clear net zero strategy to reduce carbon emissions across our operations We are a relatively small, agile company, able to learn from others, make change happen and to engage our teams Our operational footprint reporting uses the latest version of the Carbon Accounting Workbook (CAW) a recognised reporting approach for the water sector Internal understanding of operational emissions and abatement options is good We are members of the WaterUK carbon, net zero and energy groups. This helps us expand our knowledge of best practice and developments in the industry We have begun working on our approach to collating capital project data, including from our supply chain We completed an initial estimate of goods and service footprint for the first time in 22/23 	<ul style="list-style-type: none"> Carbon is not currently an integral part of the decision-making process for all operational and capital investments. Governance (of changes to footprint and progress on reductions) could be more regular/ proactive We currently have limited experience of the potential benefits of embodied carbon reporting for decision making internally We are a small company with limited resources which makes prioritising net zero challenging We have limited internal resource or experience to progress capital project carbon footprint calculations
Opportunities	Threats
<ul style="list-style-type: none"> Our leadership team can see a greater role for net zero in driving other business benefits We have scope, and there is interest, to improve internal carbon literacy There is further scope to align carbon reductions with other business priorities We have scope to engage and collaborate with others in the water industry There is scope to learn from others in the industry that are further down their embedded emissions journey e.g. UKWIR project on carbon emissions factors There is a growing priority of net zero for customers and our supply chain, driven by UK government targets With time, we will be able to incorporate carbon emissions into capital project decision making, improving our footprint We are still at the start of our journey in understanding the role of natural capital solutions in our contribution to mitigating and adapting to climate change 	<ul style="list-style-type: none"> High demand for net zero expertise in the UK makes building internal team challenging Delivering reductions in our purchased goods and services emissions particularly relies on action from third parties Improved capital projects reporting may result in increased reported emissions Once we evaluate the findings from our embedded emissions calculations, we may identify unexpected impacts not already being managed Competing regulatory and customer demands are shifting focus from net zero As climate change affects our water supply, we have yet to fully understand its impact on our carbon emissions Decisions today may lock in carbon emissions for the long term Decarbonisation of the grid may not happen as quickly as expected Deterioration of raw water quality as a result of external influences in the catchment, may require us to install additional treatment processes