



# Turning net zero ambition into action



# EQUANS Group

**EQUANS** is a market leader in the sector with 74,000 employees, leveraging 200 years of expertise, with revenues of €12 billion, EQUANS is present in 17 countries

## EQUANS purpose is to Empower Transitions

### Energy Transition

To minimize your carbon footprint

### Industry Transition

To optimise your productivity and contribute to reindustrialise territories



### Digital Transition

To connect, collect, and analyse data to create value

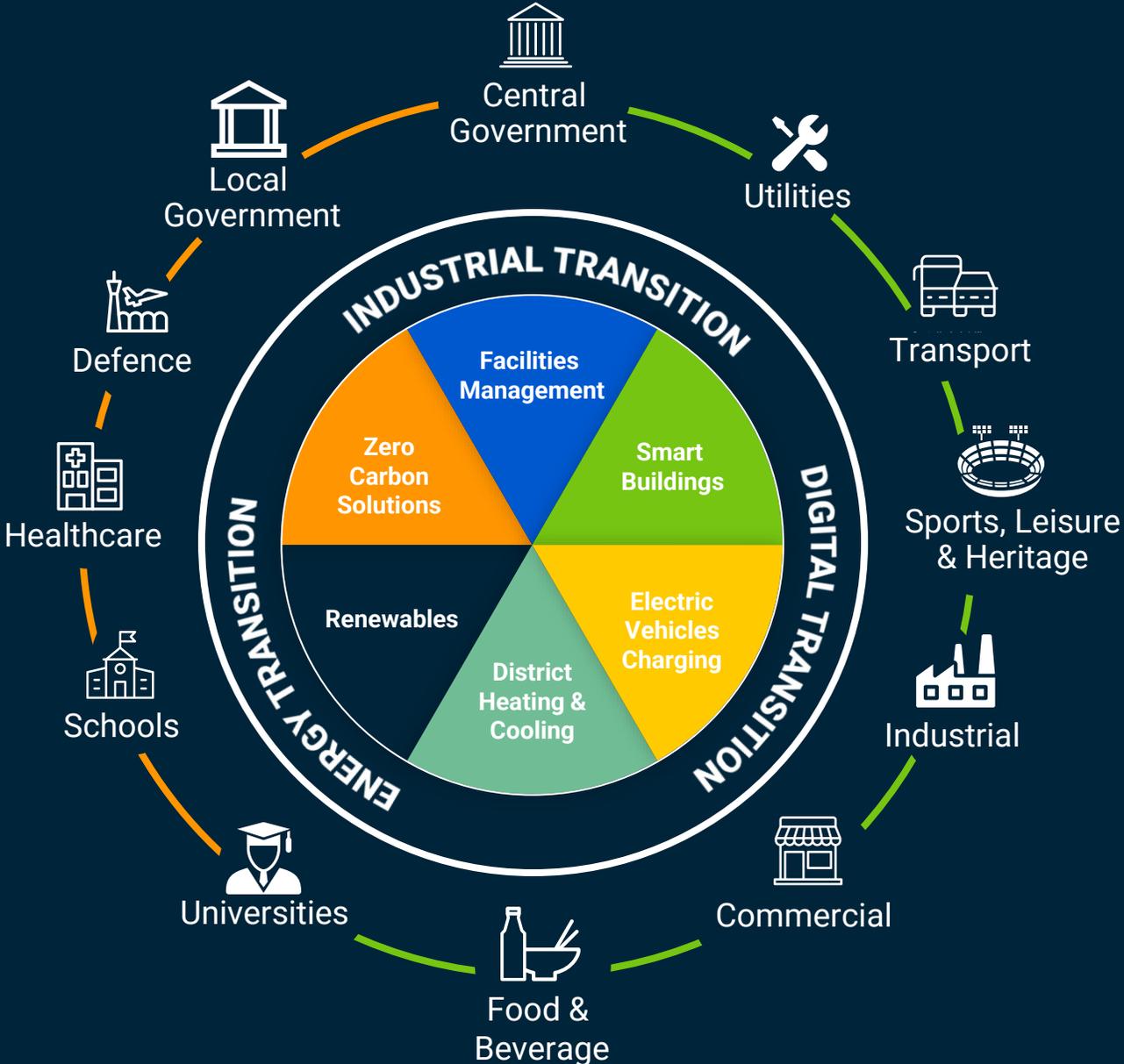


# EQUANS UK & Ireland

**EQUANS UK** is a recognised leader in **Making Zero Carbon Happen** and delivering decarbonisation solutions for our customers

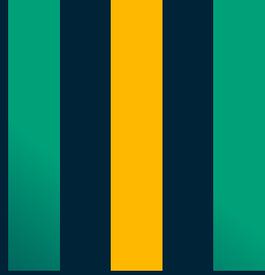


# Capabilities and sectors



# Agenda

1. Defining your net zero ambition
2. Achieving your ambitions
3. Funding routes
4. Net Zero accreditations
5. Q&A



# DEFINING YOUR **AMBITION**

# Defining the ambition

**Zero Carbon** means that no carbon emissions are being produced from a product/service e.g. zero-carbon electricity could be provided by a 100% renewable energy supplier.

**Carbon Neutral** means making or resulting in no net release of carbon dioxide into the atmosphere, especially as a result of carbon offsetting.

**Net Zero** means a target of completely negating the amount of greenhouse gases produced by human activity, to be achieved by reducing emissions and implementing methods of absorbing carbon dioxide from the atmosphere.



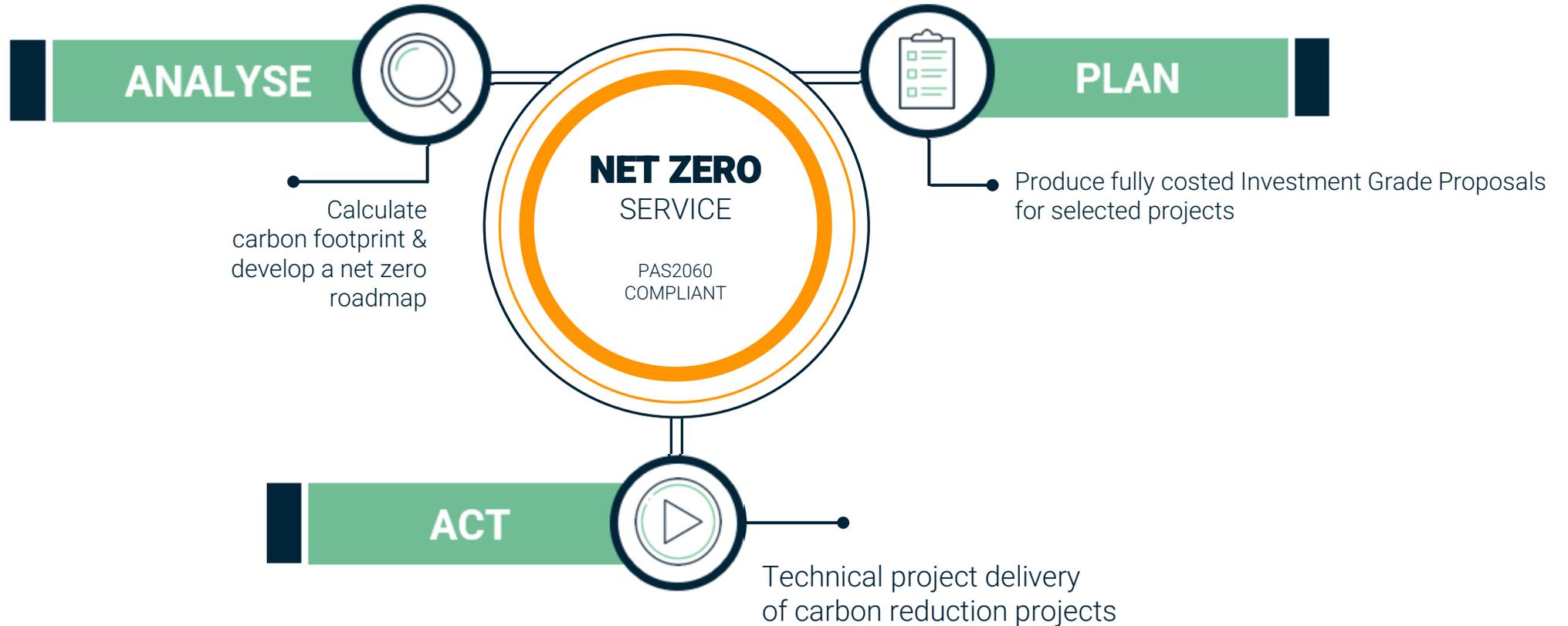
**You need to define **WHAT** your ambition covers:**

- Building
- Process
- Product
- Business
- Transport



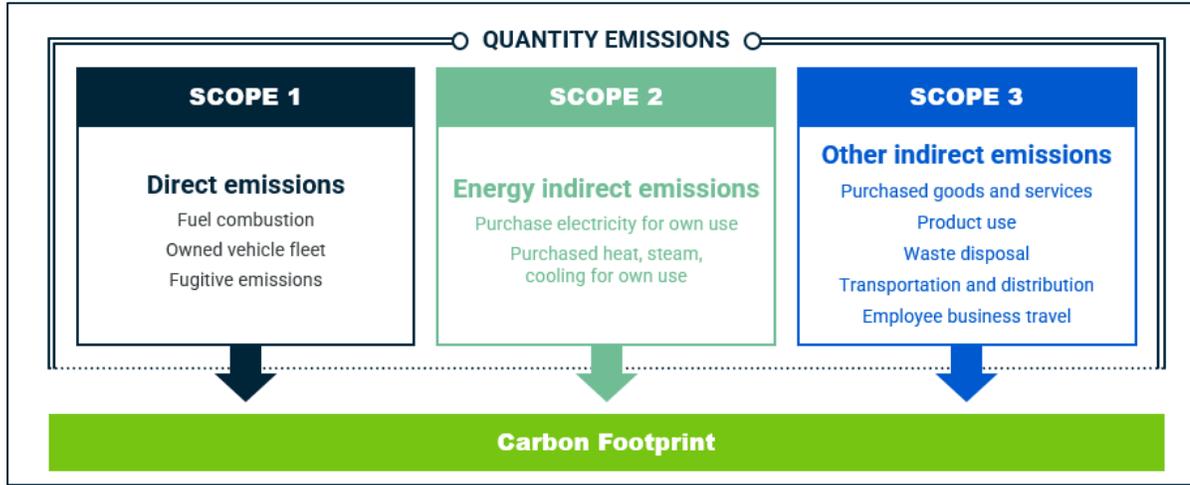
# HOW TO ACHIEVE YOUR NET ZERO AMBITIONS

# Our approach to help you achieve Net Zero

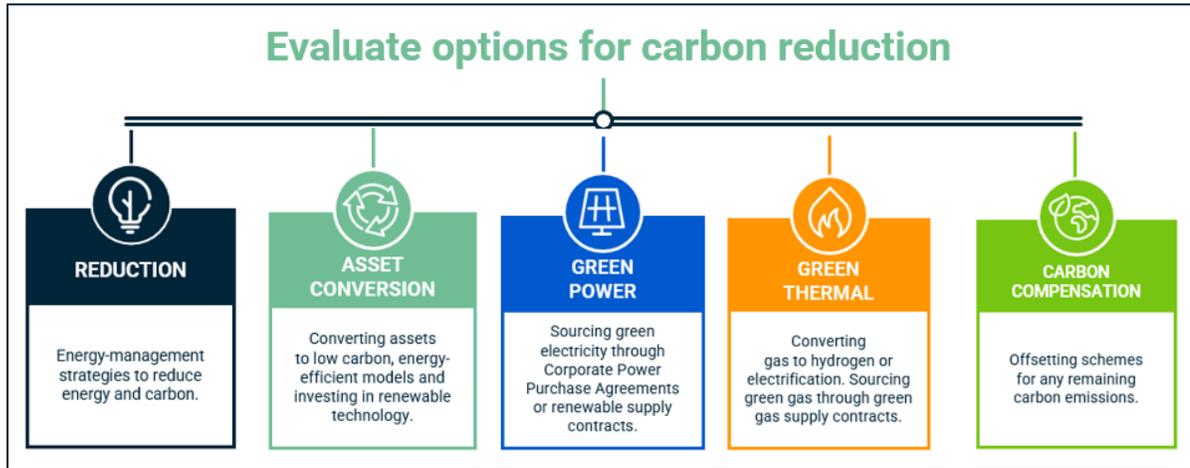


# ANALYSE

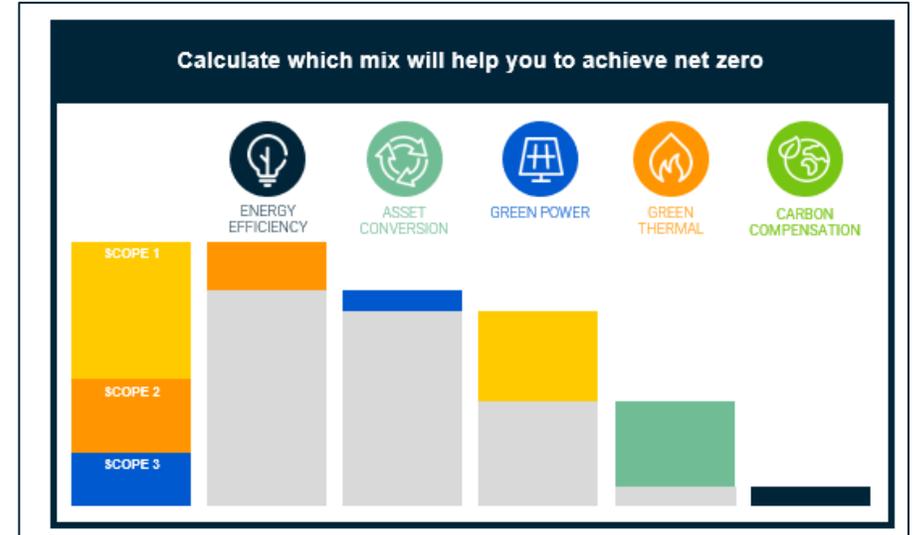
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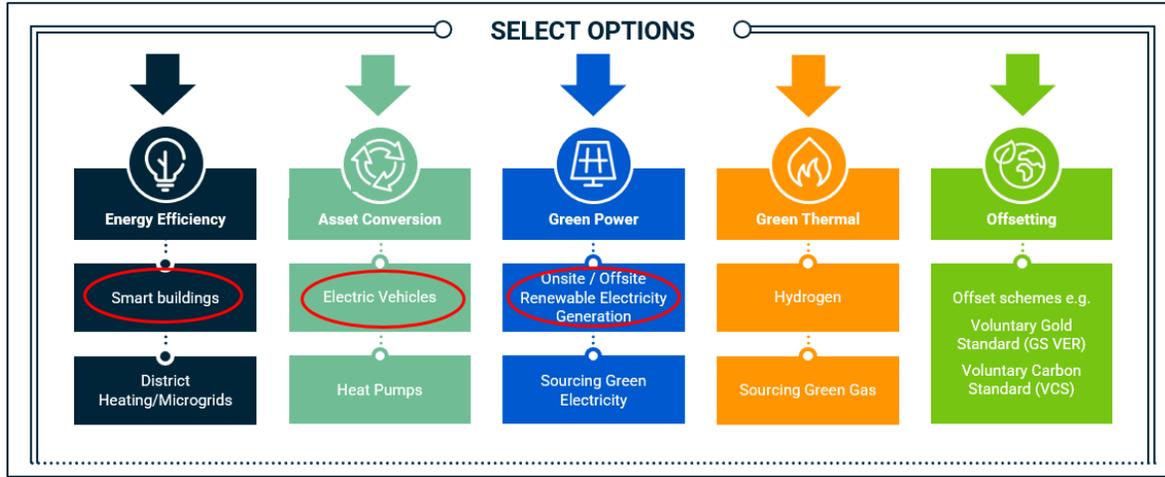
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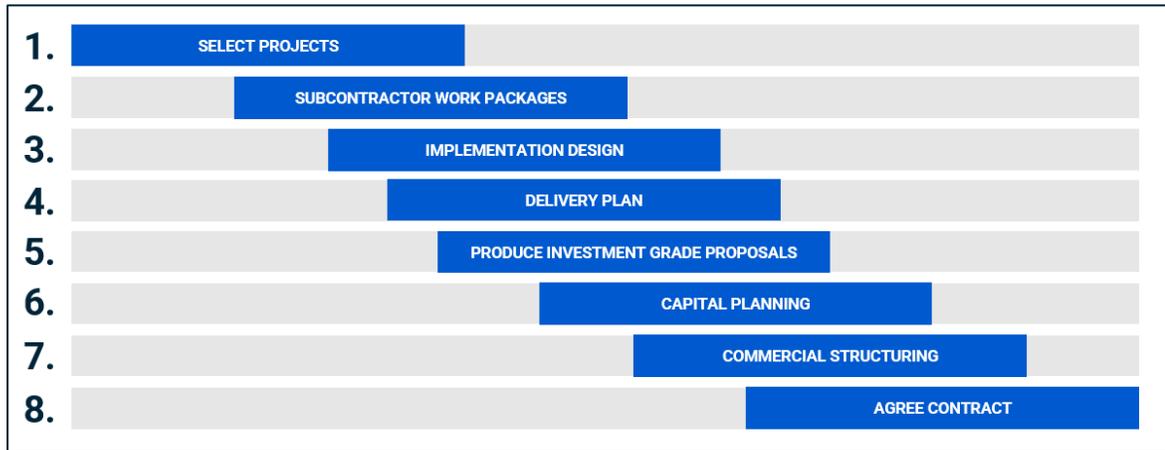
**Produce your Net Zero Roadmap**

# PLAN

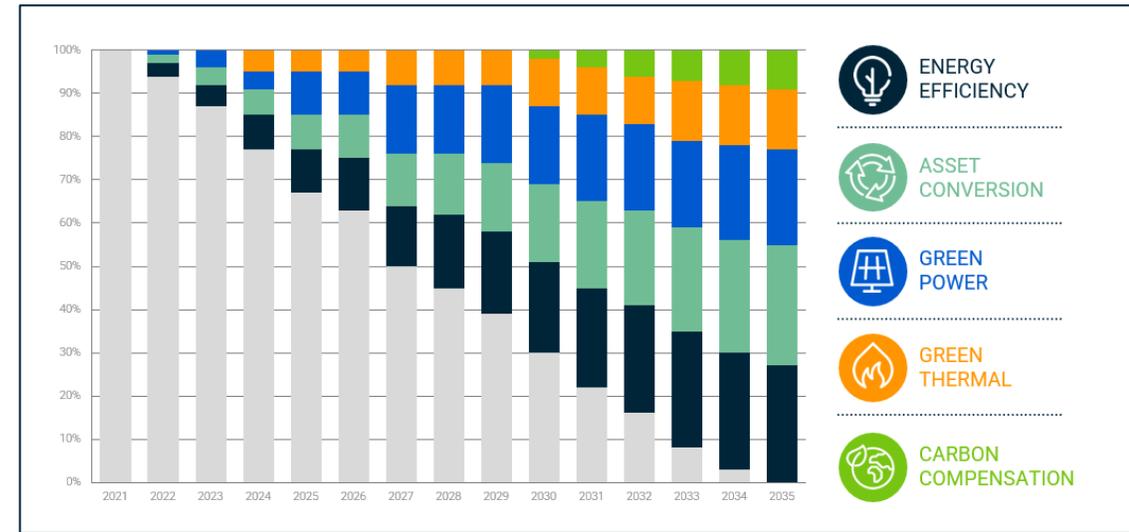
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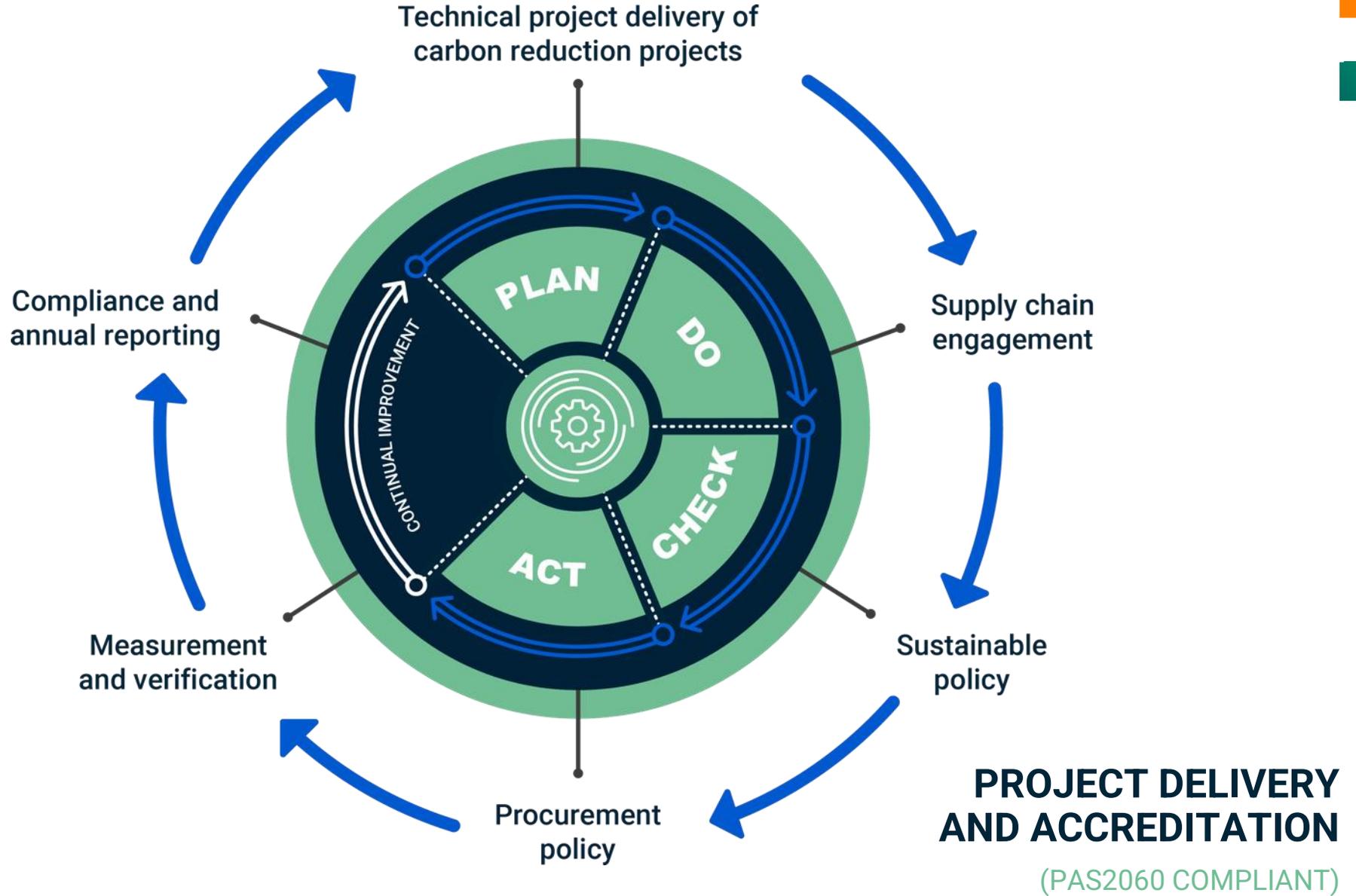


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**Produce your Net Zero Business Plan**

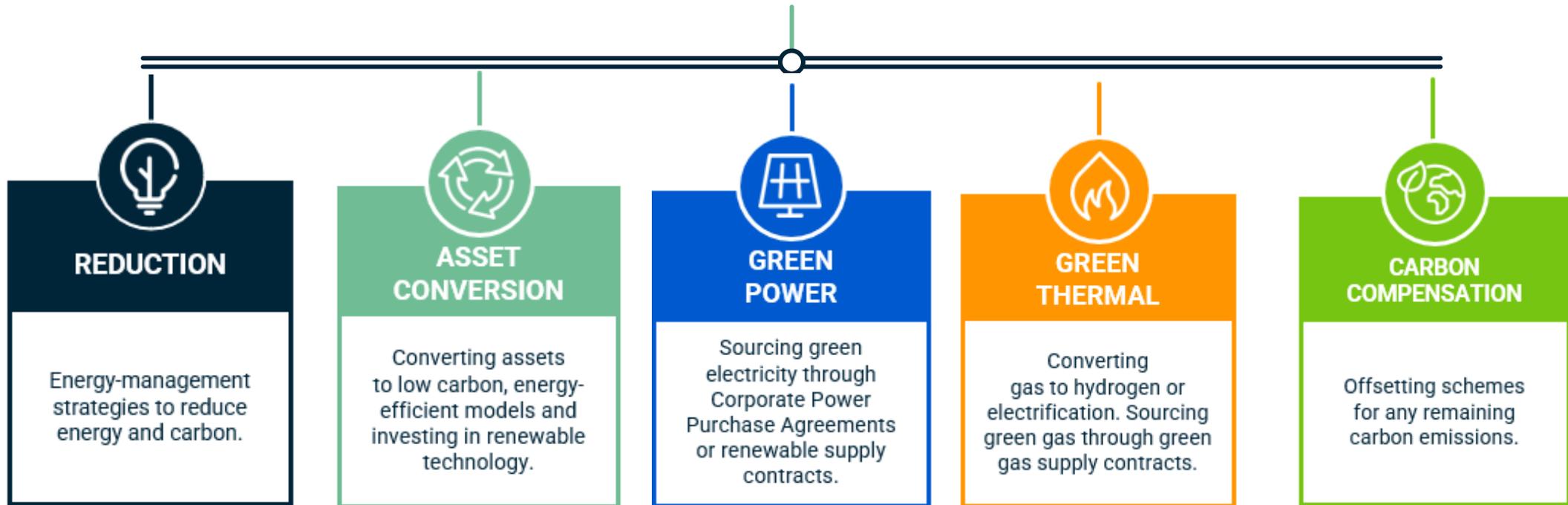
# ACT



# What are your options?



## Evaluate options for carbon reduction



# Reduction



## HARD FM

Technical services  
Maintenance & reactive repairs  
Mechanical  
Electrical HV  
UPS  
Plumbing  
Water Hygiene  
Gas  
Combustion  
HVAC  
Refrigeration  
Lighting  
Fire Systems  
Building Fabric



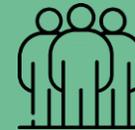
## SOFT FM

Cleaning  
Security  
Catering  
Grounds maintenance  
Waste Management  
Front of house  
Pest control  
Visitor attraction  
Customer experience  
Integrated helpdesk services



## OTHER EFFICIENCY MEASURES

High efficiency motors  
Variable speed drives  
BEMS Controls  
Combustion burner upgrades  
Heat recovery units  
High efficiency chillers  
High efficiency compressors  
Metering



## BEHAVIOUR CHANGE

Top level buy-in  
Corporate Sustainability Policy  
Employee engagement  
Data driven  
Awareness & Training  
Regular communication  
\*Feedback\*  
Competitive culture  
Incentives  
Supply chain engagement

# Asset conversion



## ELECTRIFICATION OF HEATING SYSTEMS

Ground source heat pumps

Air source heat pumps



## TRANSITION TO ELECTRIC VEHICLES

Business charging solutions

Public charging solutions

# Green Power



## ONSITE RENEWABLE GENERATION

Solar

Wind

Hydro



## ENERGY STORAGE



## RENEWABLE



## CORPORATE PPAs

# Green Thermal



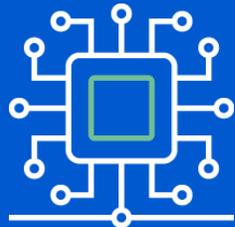
**BIOMASS /  
BIOFUELS**



**HYDROGEN**



**GREEN GAS**



**INDUSTRIAL CLUSTER  
DECARBONISATION**



**DISTRICT HEATING**

# Carbon Compensation: Carbon offsetting or insetting



## PROJECTS

Improved cookstoves for social impact in third world countries

Borehole rehabilitation projects in third world countries

UK tree planting + Brazil reducing deforestation

Landfill gas management & power

Windfarms

Hydro and solar projects

Geothermal

## STANDARDS

Certified Emission Reductions (CERs)

Gold standard CERs

Gold Standard Verified Emission Reductions (VERs)

Verified Carbon Standard (VCS) certified credits

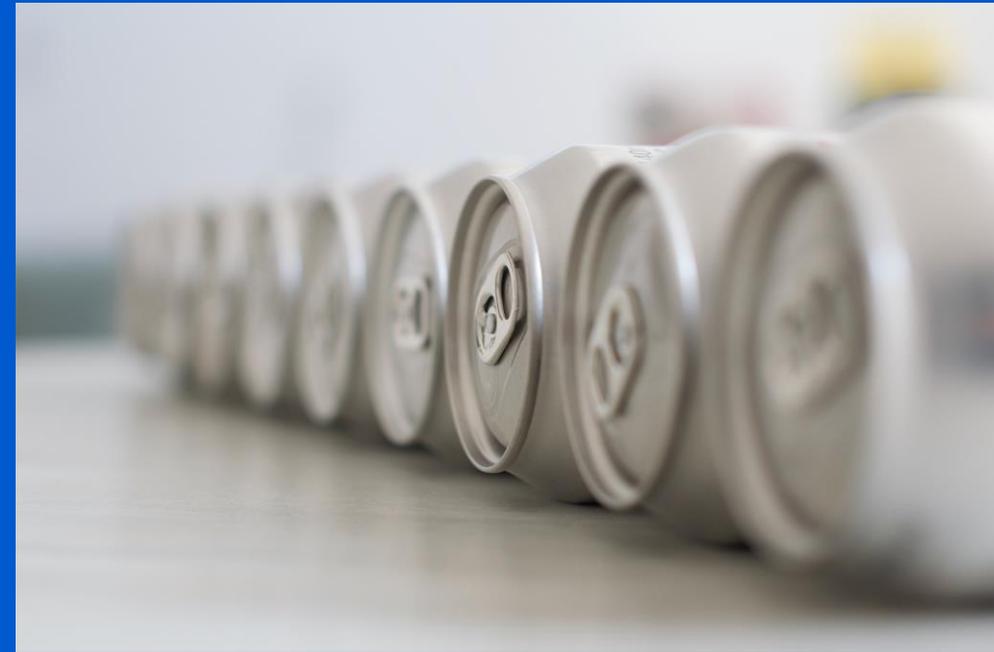


# Food & Drinks company case study



## EQUANS has created a roadmap to net zero carbon for a large drinks company

- ▶ The roadmap covered scope 1 and scope 2 emissions and addressed the six steps to net zero set out by PAS260: 2014
- ▶ It identified more than 20 energy & carbon savings opportunities
- ▶ EQUANS proposed a number of energy conservation measures and green thermal schemes, including:
  - Using effluent in a high-rate compact AD plant to produce biogas to then utilise in a CHP plant
  - Converting spent grain into biogas by AD and using in a CHP plant
  - Using effluent in a new AD plant
  - Using biogas to offset natural gas onsite



Identified over 9,700tCO<sub>2</sub>e carbon savings from one solution alone, saving more than £1.7m annually.

# Food & Drinks company case study



## EQUANS has worked with a global food and drinks business to support their journey to net zero

- ▶ We delivered a net zero roadmap covering the company's Scope 1 and Scope 2 carbon emissions, with outlined the different approaches to achieving carbon neutrality
- ▶ These approaches included:
  - Creating a new quad generation gas engine Combined Heat and Power plant (CHP)
  - Creating chiller and steam rationalisation, and Medium Temperature Hot Water (MTHW) network including compressor heat recovery

The roadmap identified over 18,000tCO<sub>2</sub>e carbon savings annually.





# FINANCING

# Equipment financing

## Classification of most appropriate business model



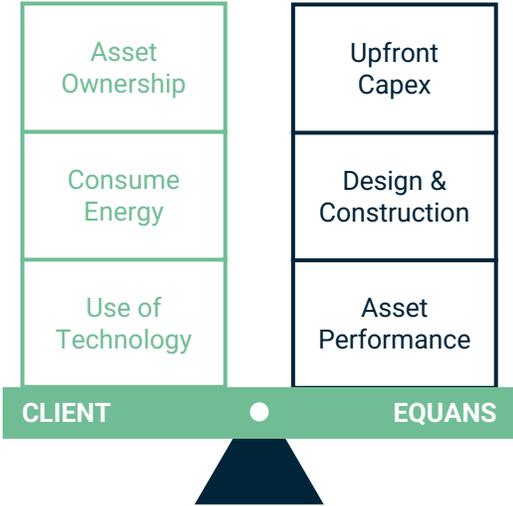
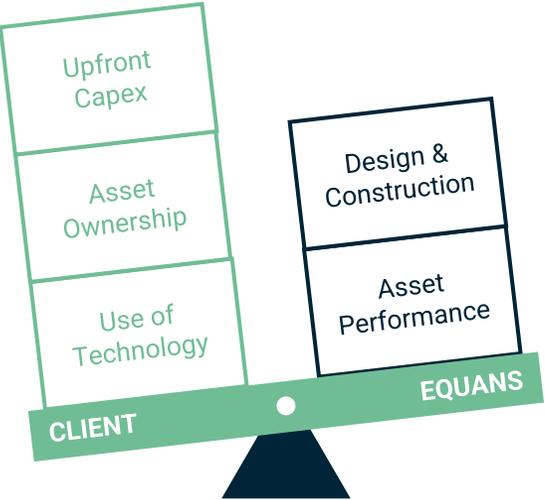
Source: Oliver Wyman analysis

# Financing options

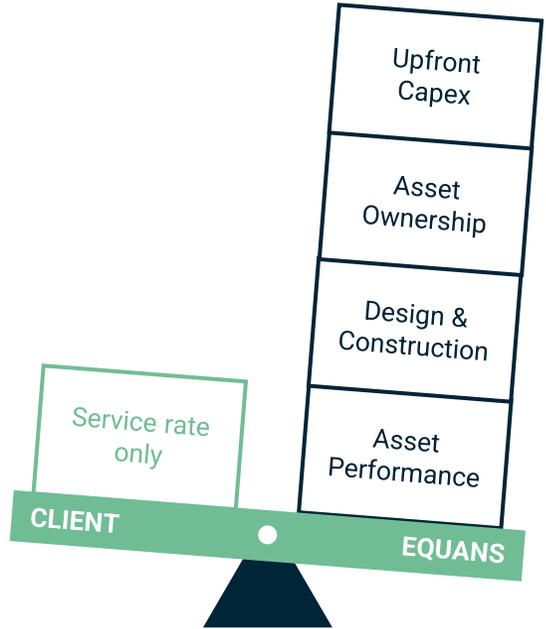


## OPTION 2 Energy Performance Contract (EPC)

## OPTION 1 Design, Build, Operate



## OPTION 3 As a Service



## OPTION 4 Bespoke



# Structuring options



Project activity (e.g.)			
Asset Ownership	Retained Control	Tailored Control	Trusted Control
Asset Finance	Client owned	Client owned	EQUANS owned
Performance Obligation	Client financing	Joint financing	EQUANS financed
Balance Sheet	Manufacturer	Output guarantee	Full risk transfer
Energy Procurement	Structured for on	No requirements	Structured for off
Operation & Maintenance	Wholesale market access	Energy price hedging	100% managed service
	In-house	Mixed	Onsite risk transfer

# Industrial Energy Transformation Fund (IETF)



**£60m**  
funding available in  
Phase 2

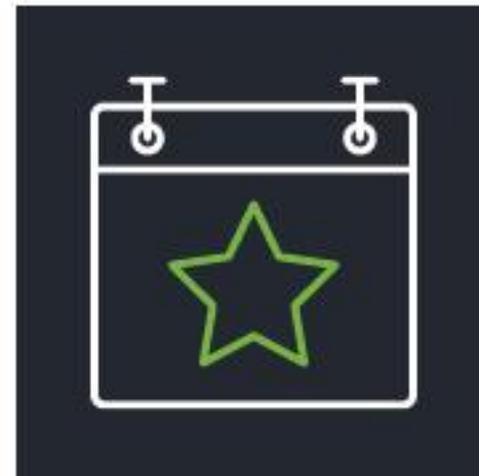


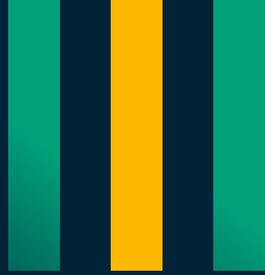
**IETF Spring  
Phase 2**  
31 Jan -  
29 April  
2022

Provides grant  
funding to  
manufacturing  
organisations



Grants available for  
decarbonisation  
studies and energy  
efficiency projects





# ACCREDITATIONS

# Accreditation schemes

## LEVEL OF AMBITION



### PAS 2050

- An internationally applicable method of quantifying a **product's carbon footprint**.
- Enables organisations to identify and manage GHG emissions from plants and suppliers.
- Identifies high-impact cost-saving opportunities across the supply chain.
- Improves supplier engagement, reduces use of raw materials and increases the use of low carbon suppliers.



### PAS 2060

- Internationally recognised certification for **organisational carbon neutrality**.
- Used for specific products, organisations, projects and buildings.
- The inclusion of **offsetting** using certified credits encourages the support of climate finance projects that add social and environmental value.
- PAS 2060 carbon neutrality requires no specific level of ambition prescribed to reduction targets

### SBTi



- Created to **formalise the reduction of emissions** in the short term (5 – 10 years)
- Applicable to all private sector except oil and gas
- Focuses on reduction rather than offsetting – **less net more zero**
- SBTi offers sector specific guidance

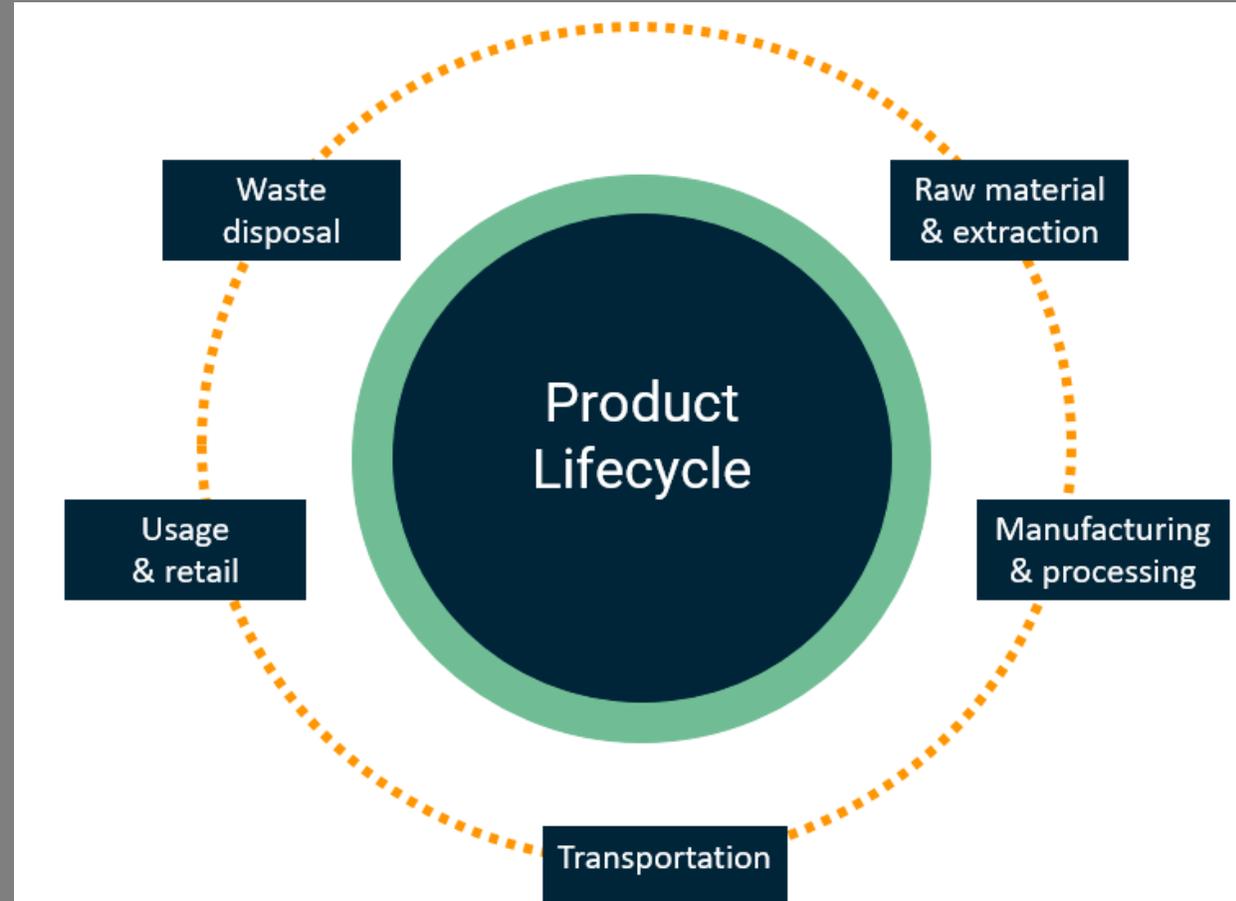
### NET ZERO STANDARD

- World's first framework for corporate **net zero target setting in line with climate science**.
- It includes the guidance, criteria, and recommendations companies need to set science-based targets consistent with limiting global temperature rise to 1.5°C.
- Focus on rapid, deep emission reductions.
- Setting both near and long term targets.
- No net zero claims until long term targets are met.
- Going beyond the value chain.
- Net Zero Standard requires a reduction target aligned to a 1.5°C science based target.

# PAS 2050

PAS 2050 is a standard designed to provide a consistent internationally applicable method of quantifying a product's carbon footprint.

This is achieved by breaking down and analysing a product into its different components, listing the activities involved in producing & consuming the product.



# PAS 2060



## Measure

Footprint calculation of a product, activity or organisation using of internationally recognised methodologies such as ISO 14064-1 or GHG Corporate Protocol.



## Reduce

Development of a Carbon Management Plan including; time scales, specific target reductions, planned means to achieve reductions & plans to offset residual emissions.



## Offset

PAS 2060 requires that the total amount of residual carbon emissions be offset by high quality certified carbon credits (within one of the schemes approved by PAS 2060 such as Clean Development Mechanisms).



## Document & validate

This requires a declaration that standards have been met, supported by a Qualifying Explanatory Statement (QES) Organisations can either go through Self validation, validation by other parties or independent third-party validation.

# Science Based Targets initiative (SBTi)



1. Commit

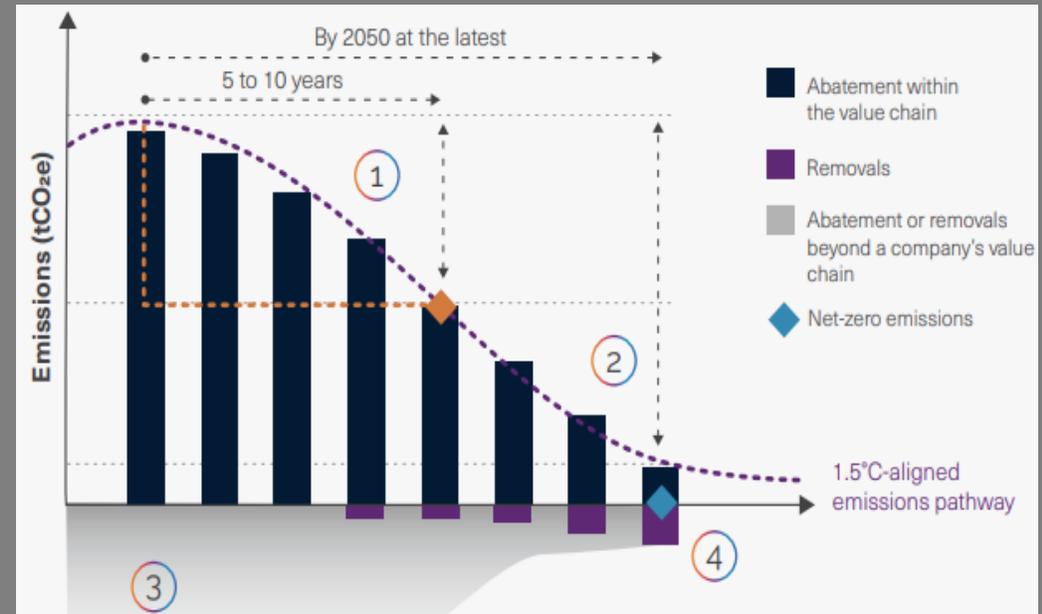
2. Develop

3. Submit

4. Communicate

5. Disclose

1. Focus on rapid, deep emission reductions
2. Setting both near and long term targets
3. No net zero claims until long term targets are met
4. Going beyond the value chain



# Mandatory and voluntary compliance



## MANDATORY CARBON & ENERGY COMPLIANCE

Energy saving opportunities scheme (ESOS)

TM44 Air Conditioning Inspections (ACI)

Energy Performance Certificates (EPCs)

Minimum Energy Efficiency Standards (MEES)

Streamlined Energy Carbon Reporting (SECR)

Mandatory GHG Reporting

Display Energy Certificates (DECs)

UK Emissions Trading Scheme (UK ETS)

## VOLUNTARY CARBON & ENERGY MANAGEMENT

Energy Management Systems (ISO50001)

Carbon Footprint (ISO14064)

PAS 2060 / Carbon Neutrality

Science Based Targets (SBTi)

Climate Change Agreement (CCA)

CSR Schemes – CDP

CSR Schemes – GRESB

CSR Schemes - GRI

Thank you



Thank you for listening  
Questions

# Contacts



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