

SUSTAINABILITY REPORT

2022



Reuse, Recycle and Create Energy



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01 Introduction

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Jim's Introduction

On behalf of LondonEnergy, I am delighted to introduce our inaugural Corporate Sustainability Report. Sustainability is the cornerstone of our operation and through this report, we aim to showcase our unwavering commitment through various sustainable initiatives and environmental stewardship. By aligning our initiatives with the United Nations Sustainability Development Goals (page 7), we strive to make a substantive contribution to the global sustainability agenda.

At LondonEnergy, we recognise the pressing challenges presented by climate change, resource depletion, and environmental degradation necessitating immediate and collective action. As a publicly-owned company, we have wholeheartedly embraced sustainability principles to not only reduce our environmental footprint but also to champion social well-being and stimulate circular, inclusive economic growth.

This report serves as a comprehensive overview of our sustainability practices. It underscores our firm commitment to embedding sustainability across all aspects of our operations, from waste management and recycling to innovative

technologies and community engagement. Through these endeavours, we contribute to a more equitable, resilient and sustainable world.

Our dedication to transparency and accountability is evident in this report, reflecting on our commitment to open communication with all stakeholders. We acknowledge that sustainability is an ongoing journey of learning, adapting and improvement. Together, we can collectively shape a more sustainable London for future generations.



Jim Kendall
Managing Director



Explore Our Past Present & Future

1969

1969:

The Greater London Council built the Edmonton Solid Waste facility to revolutionise how we think about waste management. The facility would generate energy from waste.

1970

1970:

The energy from the waste plant successfully exported electricity to the National Grid, providing power to homes in the local area.

1991

1991:

We introduced recycling to recover ferrous metals previously lost in the ash bays.

1994

1994:

LondonWaste Ltd is formed as a joint venture between the North London Waste Authority and SITA UK.

1996

1996:

We invested in state-of-the-art flue gas treatment equipment, dramatically reducing the facility's emissions.

2005

2005:

We launched the In-Vessel Compost Centre, which supplied the local community with free compost providing a sustainable solution for managing organic waste until it closed in 2014.

2009

2009:

The North London Waste Authority acquired SITA's 50% share in LondonWaste Ltd, making it its sole owner.



Creating energy from waste for the community for over 50 years

The Edmonton Solid Waste Incineration, as it was known back then, has been a crucial part of the north London community for over half a century. It has played a vital role in processing household waste and generating electricity for the Tottenham National Grid. The new facilities will enable continued operations in a more sustainable manner.

1998

1998:

Our partnership with an ash recycler was a game-changer by diverting ash from landfills and producing products of value for the construction industry.

2001

2001:

The launch of the EcoPark brand was a significant step in integrated resource management - combining waste management, recycling, and energy production on one site.

2012

2012:

We acquired five Reuse and Recycling Centres in the Camden, Waltham Forest, and Haringey boroughs.

2016

2016:

LondonWaste Ltd officially changed its name to LondonEnergy Ltd to better align with the company's services.

2023

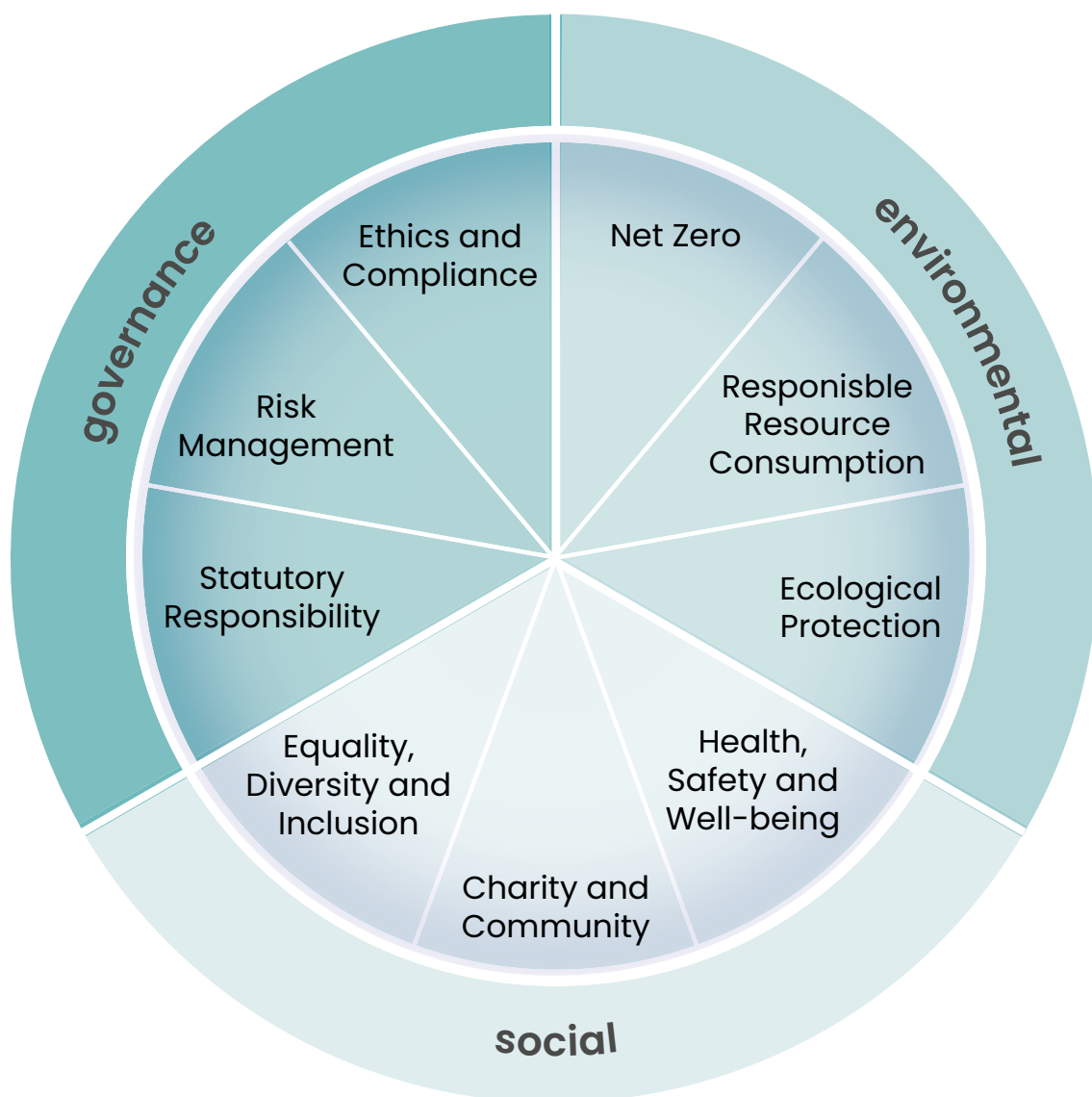
2023:

LondonEnergy Ltd to commence takeover of new facilities on the EcoPark to continue serving north London for another 50 plus years.

Aligning UNDP SDGs and Embracing ESG

In order to provide a holistic framework for evaluating and communicating LondonEnergy's sustainability efforts, we have set out our initiatives through the Environmental, Social and Governance (ESG) lenses. The Environmental aspect pertains to how our environmental footprint is managed, such as our efforts to reduce carbon-emissions and conserve

resources. The Social aspect focuses on our engagement with employees, our community and broader society, covering topics such as employee welfare and community participation. Lastly, the Governance aspect examines our internal processes and leadership structure, evaluating areas such as corporate governance and ethics.



UN Sustainable Development Goals

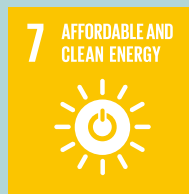
LondonEnergy's sustainability strategy aims to integrate the United Nations Sustainable Development Goals and align its commitment to actively contributing to the UK's 2050 net-zero target. The strategy centres around the three ESG pillars, to drive sustainability in our operations and fulfil our purpose and strategic objectives. By doing so LondonEnergy directly

contributes to nine of the Sustainability Development goals, emphasising our dedication to fostering a more sustainable future.

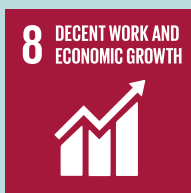
Our Overarching SDGs



Environmental



Governance



Social





02 Environmental

Our Activities

Streamlined Energy and
Carbon Reporting

Investing in Sustainable Mobility

Innovation in Recycling

Our Activities

Environmental



Energy from Waste

Our treatment of household waste generates sufficient energy to power 80,000 homes and businesses in north London annually. Any waste that cannot be recycled is diverted from landfill and incinerated at our Energy from Waste Plant. During this process, the heat produced generates superheated steam, driving turbines to produce electricity. We export around 85% of the energy, to power homes and businesses but also to provide electricity to a local Data Centre, via a private wire connection. The remaining 15% serves our operations and businesses at the EcoPark.

As a company that specialises in waste management and recycling, our primary goal is to protect the environment. We achieve this by ensuring that the waste we handle is disposed of in ways that reduce pollution and negative environmental effects. We continuously work to improve our environmental impact by using fewer natural resources, following the waste hierarchy, and monitoring and reducing emissions to the air, water and land from our operations.

Maximising Recycling

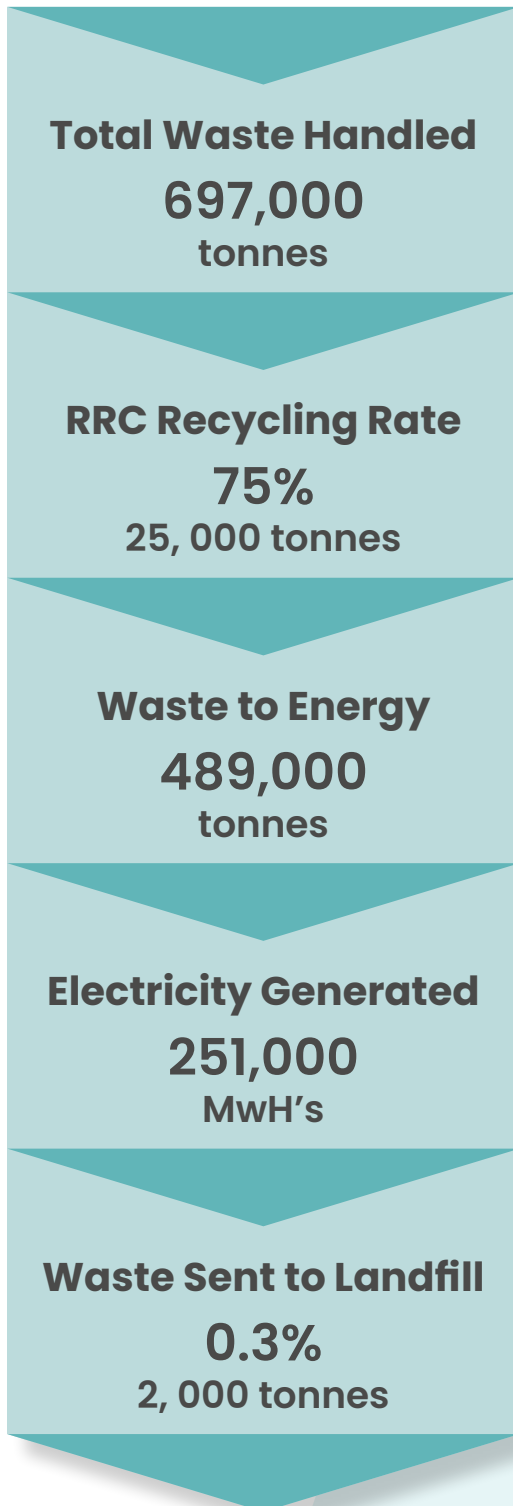
Annually, we manage approximately 200,000 tonnes of recyclable materials from various sources. Our commitment is to divert as much as possible from landfill by separating recyclable items from the waste stream. Items like wood, cardboard, plastic, and mattresses are removed from the waste stream and are sorted at our waste transfer stations. Anything we can't recycle is sent to third parties with specialised facilities to process the waste.



London **Energy**

2022 Key Numbers

In 2022, LondonEnergy handled and treated waste from the seven north London Boroughs as set out below:



WASTE HANDLED

We handled nearly 700,000 tonnes of waste. The majority of this waste originated from the 7 north London boroughs, including from the 6 Reuse and Recycling Centres operated by LondonEnergy.

RECYCLING

As well as recycling 75% of waste from the 6 RRCs we manage on behalf of the North London Waste Authority. We also sent 102,000 tonnes of Incineration Bottom Ash and metals away to be recycled.

WASTE TO ENERGY

Waste received that cannot be recycled goes to our Energy from Waste (EfW) plant to be incinerated. The waste is burnt, and the heat generated creates superheated steam, which drives the turbines to generate electricity.

ELECTRICITY

The resulting electricity not only powers our operations around the EcoPark but also homes and businesses in North London. We exported around 85% of the electricity we generated – that's enough to power around 80,000 homes throughout the year.

LANDFILL

Of the 697,000 tonnes of waste we handled only 2,000 tonnes ended up in landfill sites – we therefore, through various means, successfully diverted 695,000 tonnes of waste from going into UK landfill sites.

Streamlined Energy And Carbon Reporting (SECR)

LondonEnergy adheres to the Streamlined Energy and Carbon Reporting framework (SECR), which was implemented on the 1st April 2019, aligning with the UK government's commitment to achieving carbon neutrality by 2050. SECR is a vital tool in promoting environmental transparency and has helped LondonEnergy identify the advantages of comprehensive environmental reporting.

Emissions Profile and Calculation

LondonEnergy's facilities include the incinerator and the emissions controls, which require energy from sources such as the grid, gas, and fuel from waste transportation. Our SECR emissions are calculated using the Greenhouse Gas (GHG) methodology, encompassing all energy sources used in our operations.



Monitored Emission Categories

Our activities are subject to rigorous oversight by external stakeholders, including the Environment Agency and Thames Water, who administer strict permits to regulate emissions across various categories:

- Flue gas Emissions
- Air Pollution Control Residue (APCR and Flyash)
- Odour Discharges
- Ash resulting from combustion (Incinerator Bottom Ash)
- Discharges to sewer (Effluent Treatment Plant)
- Surface Water Discharges



24/7 monitoring

Continuous monthly emission reporting

Quarterly reporting and sampling of air and water emissions

Bi-annual gas emission reporting

Comprehensive annual reports

Carbon Reporting

The data in the table below is in line with the SECR methodology.

Element	2021	2022
Direct emission (scope 1) - natural gas and diesel consumption, tonnes of CO2e	2,732	2,633
Indirect emissions (scope2) - from purchased electricity, tonnes of CO2e	340	175
Total (scope 1&2) ton of CO2e	3,072	2,808
Other indirect emissions (scope 3) - business travel and transmission and distribution losses, tonnes of CO2e	34	20
Gross Total Emissions, tonnes of CO2e	3,106	2,827
Intensity ratio (Gross Emissions) kg of CO2e per tonne of waste treated	4.51	4.21

Energy		
Total energy consumption (MWh)	13,178	11,956
Generated energy (MWh)	270,655	251,035

Waste		
Waste managed - tonnes	688,469	672,383
Saved emissions diverting from Landfill ton of CO2e per tonne of waste treated	307,223	300,020



Emissions



Air Quality Management

The visible white haze from our cooling towers represents water vapour from steam powering turbines for electricity production.

Our process undergoes rigorous flue gas treatment, eliminating harmful chemical emissions before release.

Continuous monitoring equipment ensures compliance with emission limits for key pollutants like particulate matter and acidic.



Ash Recycling

Any remaining ash from waste treatment is recycled by sending it to third-party facilities. Regular sampling and analysis support its classification as reusable material, particularly for aggregates.



Water Management

We maintain strict parameters for water released to sewers, with quarterly samples sent for accredited lab testing. Surface water emissions are also monitored quarterly. Discharges align with Thames Water consent and environment permitting reporting requirements, with regular laboratory testing.



Greenhouse Gas Emissions

LondonEnergy monitors air emissions associated with its environmental permit and is committed to monitoring greenhouse gas (GHG) emissions. In our commitment to reducing GHG emissions, opportunities for reduction are identified and progressed throughout the complete supply chain, ranging from our logistical fleet to optimisation of waste disposal routes utilising the waste hierarchy. In addition to these improvement projects, LondonEnergy continues to support and engage in new regulatory requirements associated with GHG emissions.

FORS Gold

LondonEnergy has held the Fleet Operator Recognition Scheme (FORS) Gold award for over ten years, demonstrating our commitment to delivering safety, efficiency and best practices. By maintaining this accreditation, we continuously reduce emissions, improve vehicle MPG, and enhance safety while reducing Penalty Charge Notices and vehicle incidents.

FORS is a voluntary accreditation scheme for fleet operators that aims to raise quality within

fleet operations while covering all vehicles that operate on the public highway, such as heavy goods vehicles, vans, passenger-carrying vehicles, and cars.

Maintaining a FORS accreditation is a significant achievement for our company. It demonstrates our unwavering commitment to delivering high-quality services to our stakeholders.





Going Electric

Our commitment to sustainability extends to embracing electric vehicles (EVs) in our fleet. Our EVs are produced with 100% renewable energy, run on batteries, and are made from 95% recyclable materials. These EVs significantly reduce our environmental impact and are charged using electricity generated from the household waste at our energy plant.



LondonEnergy displays good practice throughout its fleet operations. We are dedicated to driver and vehicle safety. We continuously strive to improve transport practices.



Mattress Recycling

A staggering 7 million mattresses are discarded annually in the UK, contributing to landfill waste and carbon emissions. We recognise the environmental burden posed by discarded mattresses, with only 20% being recycled nationally. In response, LondonEnergy and the North London Waste Authority embarked on a pioneering journey to transform mattress disposal into a sustainable solution.

The conventional practice was to shred mattresses for use in the energy from

waste process, however, in 2021, to meet our commitment for increased recycling, we introduced our mattress recycling service.

While residents' responsibilities remained unchanged, the recycling service added an 'innovative and environmentally friendly way to dispose of mattresses.





Transforming Waste into Sustainable Solutions

The complexity of mattresses, with their diverse component materials, had been a roadblock to effective recycling. To address this, we partnered with a third-party specialist capable of manually deconstructing mattresses. This hands-on approach ensures a higher recycling

rate and quality of recyclable materials recovered. Today, approximately 90% of mattress materials are recycled, giving a new lease of life to valuable resources like steel, cotton and polyester.





03 Social

Our People

Gender Pay Gap

Our Community



Rebecca's Introduction

LondonEnergy's commitment to social responsibility is a vital component of our sustainability strategy and alignment with the ESG model. At LondonEnergy, we prioritise creating an environment where our employees not only feel appreciated but also understand the profound impact of their work.

Our dedication to social responsibility is evident in our recognition as a Great Place to Work by Best Companies and our commitment to gender equality, where we have achieved a balanced gender pay gap between women and men. We also place a strong emphasis on employee engagement through regular check-in surveys, close collaboration with employee unions, and the establishment of an employee forum to foster better relations.

We acknowledge the pivotal role our employees play in the success of our operations. Their contributions directly influence waste diversion from landfills, recycling rates, and energy generation. We have designed comprehensive reward and benefit packages for all employees to ensure that each member understands the significance of their work in advancing our sustainability goals and ESG pillars.

Rebecca Rennison

Rebecca Rennison
Chair of Remuneration &
People Committee



Our People

At LondonEnergy, our commitment to social responsibility is ingrained in our core values: Be Safe, Have Trust and Own It. We prioritise our dedicated team and recognise their pivotal role in our success. As an accredited London living wage employer, we ensure that our employees are well compensated for their valuable contributions.

Our diverse workforce mirrors the communities we serve, with 80% of our team residing locally. We take pride in our achievements and foster an inclusive environment that encourages learning and development, enabling everyone to reach their full potential.

Our dedication to being a 'Great Place to Work' has earned us a 1 star accreditation from

Best Companies, making us the only waste management company listed in London's Top 75 Best Companies to Work For and the Top 10 Utility Companies nationwide.

We are the first energy and waste management company to achieve the Mayor of London's Good Work Standard, a testament to our commitment to providing exceptional working conditions and prioritising the well-being of our employees. This includes fair compensation, well-being initiatives, team-building efforts, and personal growth opportunities.





Social



To further enhance employee engagement and communication, we established the LondonEnergy Employee Forum. This forum brings together representatives from various business areas to collaborate with our executive team, ensuring that employee voices are heard.

71%
of employees

said they love working at LondonEnergy in our annual survey

75%
of employees

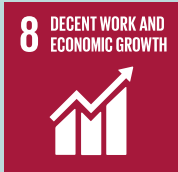
feel a strong sense of family in their team

over
75%
of employees

responding to a recent pulse survey said they are happy at work

Gender Pay Gap

Governance



As part of our business strategy, we're dedicated to increasing gender diversity within our company, particularly in operational roles.

Currently, out of our 367 employees, 11% are women, and 3.5% of them hold managerial positions. When comparing hourly pay, on average, women earn £1.28 for every £1 earned by men, Women occupy 20% of the highest-paid positions and 14% of the lowest-paid roles.

It's important to clarify that the Gender Pay Gap isn't the same as equal pay, which is a legal requirement ensuring equal pay for equal work. The table below illustrates the distribution of male and female employees across different pay bands.

% of People by Pay Quartile Band



Our Community

At LondonEnergy, we are deeply committed to being a positive asset to the communities we serve. Through our extensive community engagement programme, we provide opportunities to learn more about recycling,

waste management and also actively support local organisations that share our values and aim to make a positive impact on people's lives.

Partnerships: Fostering Synergy and Support

The Felix Project

Since 2016, we have proudly partnered with The Felix Project, an organisation dedicated to addressing food waste and providing surplus food to those in need. This partnership aligns naturally with our purpose..

As part of our commitment to this cause, we participate in the Employer Supported Volunteer Programme. This not only supports The Felix Project's purpose but also fosters camaraderie among colleagues from various sites and departments.

Working Chance and Bounce Back

We have joined forces with Working Chance and Bounce Back, two remarkable charities making a significant difference.

Working Chance focuses on helping women with convictions reintegrate into employment, providing tailored rehabilitation and employability support.

Bounce Back is a social enterprise dedicated to training and employing individuals in and leaving prison.

Case Study: The Reuse Shop

Our Overarching SDGs



In 2015, LondonEnergy introduced the Reuse Shop, a pioneering initiative aimed at promoting sustainability and waste reduction within north London communities. The shop, located in Chingford, serves as a beacon of ethical and sustainable consumption,

offering residents the opportunity to acquire pre-loved items. The underlying philosophy is simple “One person’s trash is another person’s treasure”.

The Reuse shop breathes life into discarded items, providing a second chance for a wide array of goods. These items are either donated or collected from our Reuse and Recycling Centres. This is not only to promote sustainable consumption but also aligns with the principles of the circular economy. By extending the life of these items, we significantly reduce the environmental impact associated with manufacturing new products and disposing of old ones.





Empowering Sustainability through pre-loved treasures

The Reuse Shop serves as a catalyst for broader sustainability initiatives. The profits generated are reinvested in awareness campaigns, aimed at empowering our residents with the knowledge and tools they need to embrace a more

sustainable lifestyle. By encouraging waste reduction, recycling and resource recovery, we are collectively working towards a future where sustainability is not just an aspiration but a way of life.



04 Governance

Our Board

Corporate Governance

Our Standards

Don's Introduction

In our commitment to delivering sustainable waste management services for North London residents, we recognise the integral role of governance within the ESG model. Sustainability is not just a concept but a fundamental pillar that governs all our endeavours. As company Chair, I would like to underscore the paramount importance of this governance pillar and its alignment with our broader sustainability purpose.

Our dedication to Sustainability Development Goal 17 ('Partnerships for the Goals') exemplifies the collaborative nature of our governance structure. With representatives from the North London Waste Authority and North London Boroughs on our board, we have established a collaborative approach in the development

and oversight of our sustainability strategy. Our Sustainability Steering Committee, comprising of colleagues from across the company, including two board members as Sustainability Champions, works tirelessly to translate our sustainability strategy into tangible, day-to-day actions.

It is through this commitment to governance that we aim to shape a more sustainable future for generations to come. We eagerly anticipate continuing our collaborative efforts with key stakeholders to achieve our shared sustainability objectives.



Don Lloyd
Chairman



Our Board

LondonEnergy's Board plays a vital role in championing sustainability through effective governance. Our commitment to the highest standards of corporate governance is unwavering, fostering transparency and close collaboration with the executive and senior leadership teams. This commitment serves to advance our core sustainability strategy, benefiting not only the company and our employees but also our shareholders and the broader community.

Our governance framework comprises of the Board of Directors and four key sub-categories: Audit & Risk, Remuneration & People, Health, Safety & Operations, and Transition. These entities, in conjunction with our Executive and Senior Leadership Teams, work collaboratively to ensure the effective discharge of our responsibilities.

Our Board played a crucial part in developing our sustainability strategy, in alignment with our purpose, vision and values.



Corporate Governance

Governance



LEL's and its Board work together to ensure the Company meets its purpose by embedding governance best practices at the heart of its operations.

Development and Training

Our Directors benefit from comprehensive Directors training as a vital component of their induction and ongoing development. Additionally, our dedicated Company Secretary coordinates annual governance training for the Board.

Evaluation for Excellence

In line with the UK Corporate Governance Code's principles, the Board and each Committee undergoes an annual effectiveness evaluation. Every third year, an external facilitator conducts a comprehensive performance evaluation. These evaluations encompass critical aspects such as the Boards skills and diversity.

Championing Best Practices

We entrust our employees to uphold the highest standards of practice. To foster ethical conduct we maintain a robust Whistleblowing policy that encourages employees to communicate concerns in alignment with established guidelines.

Our Standards

Our commitment to sustainability drives us to enhance our business operations by adhering to International Standards. We hold:



ISO 14001 (Environmental Management System)



ISO 9001 (Quality Management System)



ISO 45001 (Occupational Health & Safety Management System)

These standards enable us to improve environmental performance, quality and safety. Through our Integrated Management System (IMS), we streamline processes, enhance decision-making, align business functions, achieve cost savings, and establish a platform for continuous improvement, ultimately contributing to a more sustainable world.



Case Study: Global IT

Our Overarching SDGs



Energy Usage

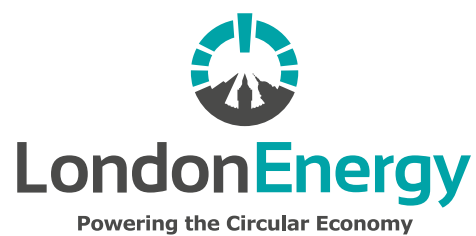
By mitigating core services to a condensed private cloud, we harness powerful machines that consume less energy. Our future move to the public cloud will further minimise energy

consumption. We're also committed to sourcing energy-efficient and durable computer hardware, reducing frequent replacements and e-waste.

Waste Generation

Categorising users as power, mid, and lower users allows us to extend device lifecycles. High-spec laptops pass down to mid and low users, reducing waste. Mobile phones follow a similar path before certified disposal. Transitioning to laptops promotes flexible working, decreasing our workforce carbon footprint. We donate old desktops to local schools and employees needing computers for schooling.





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