

# Smart Meter Assets Sustainability Report 2023



## Delivering against our ESG targets.

It is truly pleasing to be able to provide an annual report in which we can update on so much progress against so many of our stated ESG targets. We have worked to optimise end of life meter transportation to reduce resource consumption while also commencing work on a thought leadership piece aimed at highlighting an industry issue with avoidable meter removals.

We have also made great strides in Social matters with recognition of the focus on employee personal development and remuneration with an average of over 50 hours training and development per FTE in 2023 and our commitment to be a Living Pension Employer. In addition to an internal focus we have further supported our local charity, Suffolk Wildlife Trust,

through payment for equipment for them and have recognised our commitment to upholding human and labour rights through a welcome addition to our suite of policies.

Key stakeholders value high levels of Information Security and we were delighted to achieve ISO 27001 certification, adding an external assessment of our Information management system to the external certification of our Quality Management System achieved through our ongoing ISO 9001 certification.

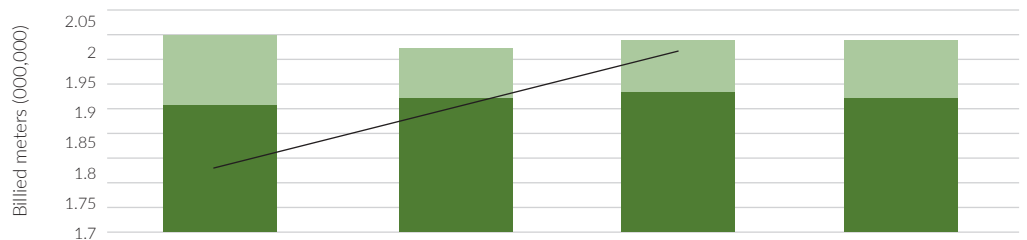
**Jeff Studholme, Managing Director, SMA**



## Environmental – Energy Consumption & Greenhouse Gas Emissions 2023

SMA continued to operate a home working solution meaning we had no scope 1 or scope 2 Greenhouse Gas emissions and no reportable energy consumption. We continue to evaluate options on reducing our scope 3 emissions by reducing the number of miles our meters are travelling when they are at end of life.

### Scope 3 Greenhouse Gas Emissions



	2021 Actual	2022 Actual	2023 Actual	2023 Target
■ Goods and services	1.7	2.3	5.07	2.3
■ Capital goods	1315.8	941.9	975.3	1027.8
■ Fuel and Energy related activities	6.7	7.4	9.16	8.3
■ Waste generate in operations	2.7	1.8	2.1	1.8
■ Downstream transport	47.5	25.6	19.3	25.6
■ Downstream leased assets	2595.7	2713.7	291.5	2775.5

“ SMA commits to actively pursue opportunities to minimise the environmental impact of our operations, concentrating particularly on the use of energy and waste disposal.

Extract from SMAs Environmental Policy



## Social – Commitment to Human Rights through our supply chain and continued investment in our people

“SMA commits to respecting the International Bill of Human Rights and the International Labour Organization’s (ILO) Declaration on the Fundamental Principles and Rights at Work within the operations of the business and stakeholder engagement. We believe that we have a responsibility to respect all human rights and to seek to avoid any negative impacts of our business and contribute to the positive impacts of our business on people.

Extract from SMA’s new Labour and Human Rights Policy.

SMA’s workforce hasn’t changed throughout 2023. Our flexible ways of working support our aim to be a diverse and inclusive workplace.

In 2023, SMA built on our status as a Living Wage Employer to become one of the initial employers accredited as a “Living Pension Employer”

We are also delighted to be accredited against the Investors in People standard. This highlights the importance we place on our employees and shows the commitment that we plan to continuously improve the workplace, “to make work better”.

## INVESTORS IN PEOPLE® We invest in people Standard



## SUSTAINABLE DEVELOPMENT GOALS



In support of the goals of the United Nations Global Compact (“UNGC”), SMA aligns itself with the UNGC’s ten principles in the key areas of Human Rights, Labour, Environment and Anti-Corruption and the 17 Sustainable Development Goals identified by the UNGC.

We highlight here those which we believe are most applicable to our core business of providing Smart Meters while we also continue to develop policies and practices to align our own operations and practices with all applicable Sustainable Development Goals.

Smart Meters are central to the UK’s transition to net zero and they help consumers monitor and shift energy consumption to periods of low demand, thereby reducing peak load and reduce the need for the use of fossil fuels.



## Governance – Certifications

Business resilience and operational sustainability remains essential to us. Building on our certification to the ISO 9001 standard (achieved in 2022), we also became ISO 27001 certified and gained our Cyber Essentials + certificate in 2023. This reflects the importance of information security to a number of our key stakeholders and these external assessments give us confidence that our operational systems and processes remain fit for purpose.



“ SMA Ensures compliance with regulations and guiding principles governing the protection of human rights, occupational health and safety, environmental and business practices throughout the company.

Extract from SMA's Environmental Social Governance (ESG) Policy



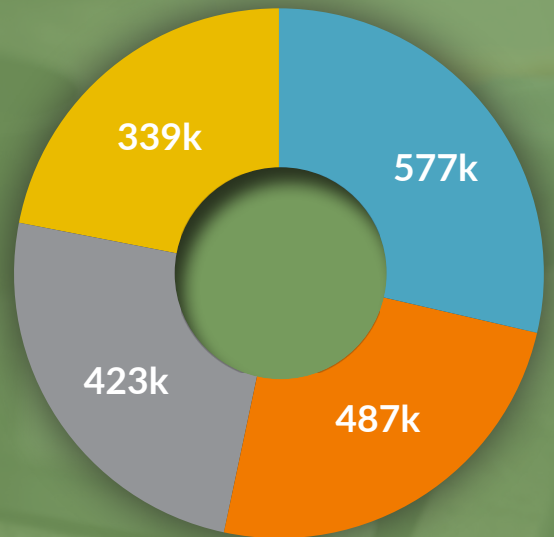
## Economic Update – Green Financing

In the year SMA have funded an additional 155k Smart meters utilising further funding through the Green Financing Framework put in place in 2022. Our second annual Green Financing Framework report and assurance statement are attached as an appendix to this report.

Our portfolio grew to almost 2m meters by the end of 2023, split proportionately between gas and electricity meters. All growth was in our second-generation (“SMETS2”) portfolio which is approaching parity with our first-generation (“SMETS1”) portfolio.

SMA's portfolio of installed meters and our pipeline for future installations provides long term sustainability with meters secured under long-term agreements with UK energy suppliers.

In addition to providing a sustainable business for SMA, our meters are helping UK consumers to better understand and control their energy consumption as part of the UK Smart Meter Programme, a cornerstone in the UK's efforts to reduce carbon emissions.



### SMA Smart Meter Portfolio

- SMETS1 Electric
- SMETS1 Gas
- SMETS2 Electric
- SMETS2 Gas



Annual Report PDF >