

Streamlined Energy and Carbon Reporting (SECR)

Year ended 31 December 2023

Unum UK meets the requirements of the Energy and Carbon reporting obligations under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 on Streamlined Energy and Carbon Reporting (SECR).

Energy and carbon report

Reporting period

The reporting period is 1 January 2023 to 31 December 2023.

Reporting boundary

Our SECR report includes emissions for Unum UK which comprises Unum European Holding Company Limited (UEHCL) and its subsidiaries.

Measurement methodology

The disclosure includes:

- (i) Scope 1 emissions: these are direct emissions produced by the consumption of fuel and refrigerants by Unum UK;
- (ii) Scope 2 emissions: these are indirect emissions generated from the purchased electricity used in our offices;
- (iii) Scope 3 emissions: these are indirect emissions produced by Unum UK's activity but owned and controlled by a different emitter. The Scope 3 categories included are: waste and recycling generated in operations (Category 5), business travel¹ (Category 6) and employee commuting (Category 7).

The footprint is calculated in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Outputs are in kWh and CO₂ equivalent (CO₂e) using the most up to date conversion factors from The Department for Energy Security and Net Zero (DESNZ).

1. Business travel emissions include emissions from commercial air, rail, and road transportation and hotel stays of Unum employees for business-related activities.

Greenhouse Gas Emissions

		2023	2022
Greenhouse gas emissions (tCO₂e)			
Scope 1 emissions from purchased fuels and refrigerant use		65	222
Scope 2 emissions from electricity use	Market-based	28	50
	Location-based	265	246
Scope 3 emissions from waste, business travel ¹ and employee commuting		518	445
Total greenhouse gas emissions	Market-based	611	717
	Location-based	848	913
Intensity ratio(s)			
Emissions per employee (Location based tCO ₂ e per person)		0.9	1.1
Emissions: Scope 1 & 2 (Location based tCO ₂ e/£m GWP)		0.5	0.8
Total Emissions (Location based tCO ₂ e/£m GWP)		1.3	1.6

Unum UK's total energy consumption for 2023 was 2,283,796 kWh (1,726,266 kWh green/ 557,530 kWh non-green). Energy consumption for 2022 was 2,260,555 kWh (857,362 kWh green/1,403,193 kWh non-green). The Company operates in the UK and, as such, the emissions stated are for UK and offshore emissions, with no additional global emissions.

The location-based method of calculating emissions reflects the average emissions intensity of grids on which energy consumption occurs.

The market-based method reflects emissions from electricity that companies have purposefully chosen. Market-based emissions may be significantly lower, or nil, if the entity has entered into contractual arrangements for renewable energy.

1. Business travel emissions include emissions from commercial air, rail, and road transportation and hotel stays of Unum employees for business-related activities.

Scope 1 and Scope 2 emissions:

Overall, total scope 1 and scope 2 location-based emissions reduced to 330 tCO₂e in 2023 (2022: 468 tCO₂e) and total scope 1 and scope 2 market-based emissions reduced to 93 tCO₂e in 2023 (2022: 272 tCO₂e). Within this:

1. Scope 1 emissions reduced to 65 tCO₂e in 2023 (2022: 222 tCO₂e) mainly due to switching our natural gas contract to a 100% biogas contract from March 2023.
2. Scope 2 market-based emissions reduced to 28 tCO₂e in 2023 (2022: 50 tCO₂e) following the switch to a new 100% renewable energy tariff from March 2023.
3. Scope 2 location-based emissions increased slightly to 265 tCO₂e (2022: 246 tCO₂e). The increase was due to (i) a rise in occupancy/usage of our Dorking and Basingstoke offices as we continued to embed our hybrid working model of 'locate for the working day', (ii) increased electricity consumption following the installation of complimentary electricity car charge points at our main offices, and (iii) inclusion of electricity for 3 months from our new rented London office space.

Scope 3 emissions Category 5 (waste), Category 6 (business travel) and Category 7 (employee commuting):

Scope 3 emissions have risen overall to 518 tCO₂e in 2023 (2022: 445 tCO₂e), which is mainly attributable to a rise in business travel (both locally and internationally) with an increase in in-person collaboration, meetings, sales conferences and events following the easing of Covid-19 restrictions. We have also seen an increase in average office occupancy during 2023, following the embedding of our hybrid working model. This has been slightly offset by reduced emissions from employee commuting to local offices as in 2023, following the launch of our Employee Commuting Survey, we had improved data and insight for the types of transport that employees use to travel to their local offices.

We will continue to monitor and reduce travel-related emissions where feasible, in addition to educating our employees to enable them to choose the most sustainable options. However, as Unum Group is a global organisation with headquarters in the US and a business in Poland, as well as the UK, we believe it continues to be important that some business-to-business contact is needed in-person to successfully collaborate and build relationships.

Carbon offsetting

Consistent with prior years, our 2023 Scope 1 and Scope 2 location-based emissions of 330 tCO₂e (2022: 468 tCO₂e) continue to be fully offset through our offsetting projects, undertaken in partnership with Ecologi (our business emissions carbon offsetting provider). In 2023 we expanded our offsetting projects to include both carbon avoidance (historical) and carbon removal projects with 2,734 tCO₂e and 473 tCO₂e offset respectively to date.

Looking ahead to 2024, our focus is on continuing to manage down our Scope 1, 2 and 3 emissions where possible and inspiring and educating our employees to become further involved in the organisation's efforts to minimise our environmental footprint. We will continue to purchase renewable energy contracts and offset the entirety of our location-based emissions into credible carbon avoidance and removal projects. We will also continue to work on embedding sustainable practices throughout the organisation to reduce our impact. Finally, we will continue to improve our onsite biodiversity through various employee-led initiatives.