

Environmental Performance Report 2021/ 22



Our Key Successes in 2021/22...

76%

GHG* Reduction
(compared to 2019/20 baseline)

Net Zero by 2030

Signed SME Climate Commitment**,
an internationally recognised
climate commitment

62%

Lease cars converted
to EV*** or hybrid
vehicles

89%

Waste diverted from landfill
through repurposing and
recycling initiatives

LED Lighting

All office lighting now
converted to LED*,
improving energy efficiency

Sustainability

CSR** Policy formalised
to embed our stance on
equality and diversity,
sustainability and ethics

* Greenhouse gas (carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃))

** The SME Climate Commitment is one of the three pillars of the SME Climate Hub and provides SMEs - no matter their sector or geography - with the opportunity to make an internationally recognised climate commitment which is aligned with the latest climate science. SMEs that make the SME Climate Commitment will be recognised by the United Nations Race to Zero campaign and join a wide range of governments, businesses, cities, regions, and universities around the world that are committed to achieving net zero carbon emissions.

*** Electric Vehicle

★ Light Emitting Diode (a more energy efficient alternative to traditional lightbulbs)

★★ Corporate Social Responsibility

tiaa

Environmental Performance Report

This report details TIAA's environmental performance over the period April 2021 to March 2022.

TIAA Ltd is a specialist business assurance provider offering a wide range of services including internal audit, anti-crime, security management, IT audit, cyber assurance and digital forensics services.

TIAA Ltd operates out of a small base of offices around the UK, but one of our most unique aspects is our operating structure. Rather than commuting daily to central offices, our local teams work either from home or at our clients' offices.

TIAA Ltd runs an Environmental Management System to manage and reduce its environmental impacts. Key environmental impacts considered as part of the Environmental Management System include energy use, waste generation, travel and resource use. We have been taking this seriously for a number of years and are proud to have been accredited to the Green Dragon Environmental Certification since 2012, achieving Standard 3 in February 2022. Through our accreditation with Green Dragon, we understand our baseline emissions, set annual targets in order to reduce our impact and are focussed on implementing our most straight forward carbon reduction opportunities in the near future, before tackling longer term, more complex issues that may require cooperative working with other organisations.

This report covers the same boundaries as the management system. Namely, the direct activities and services provided by TIAA Ltd.

SIGNED



KEVIN LIMN,
CHIEF EXECUTIVE

Date: 21st November 2022



New Initiatives in 2021/22

REDUCING OUR CARBON FOOTPRINT

- We have now publicly declared our intention to be Net Zero by 2030. In the next year, we will be mapping out our annual objectives in order to meet our increasingly ambitious carbon reduction targets.
- The new website went live in October 2021, incorporating for the first time a section on Corporate Social Responsibility and environmental considerations. TIAA's Environmental Performance Report was also made publicly available for the first time. As an SME⁶, we are not legally obligated to publicise our emissions, but recognise that we form part of the supply chain and therefore contribute to the scope 3 emissions of our suppliers and clients.



OUR FLEET

- A new contract for the supply of company fleet vehicles was agreed in December 2020. Throughout 2021/22, 15 fleet vehicles at the end of their previous contracts have now been replaced with electric or PHEV⁷ vehicles. We anticipate that by 2026/27 all TIAA lease vehicles will be Electric/Hybrid and by 2029/30 the vehicles offered will be all electric.
- This has been further rolled out to other employees, via a salary sacrifice scheme, which if taken up, will also help to reduce our grey fleet emissions.
- A cycle to work scheme has also been made available, with benefits including reduced Tax and National Insurance payment.

OFFICE IMPROVEMENTS

- There has been a refit of the first floor office to enable all Head Office staff to occupy the same space rather than being split across two floors. This benefits Head Office staff by enabling them to create a 'bubble', with other staff who wish to use the office able to occupy the ground floor 'hot-desk' and meeting room areas as required. There are also energy reduction benefits to this layout since heating can be 'zoned' according to usage.
- New lighting has also been installed on the first floor, meaning that both floors now have more energy efficient LED lighting.
- Plants have been incorporated into the new office design, with those selected known for improving air quality and removing toxins. It is also well known that indoor plants can reduce air conditioning and heating use through the process of transpiration, as well as pumping clean oxygen into the air.

⁶ Small and medium enterprises

⁷ Plug-in Hybrid Electric Vehicles

ENCOURAGING BIODIVERSITY

- In 2021, a unique nationwide tree planting initiative 'The Queen's Green Canopy' was launched, offering people across the United Kingdom the opportunity to 'Plant a Tree for the Jubilee'. To commemorate Her Majesty's 70 years of service, TIAA chose to sponsor a tree in a scheme created by Fareham Borough Council called 'The Queen's Copse'. The specially created copse will offer a secluded and protected wildlife habitat to encourage biodiversity in the local area, with the Sweet Chestnut tree chosen able to live for 1000 years, ensuring that the Company's mark is left on the local area for some time to come, as well as positively impacting the environment through carbon absorption.

SUPPORTING OUR COMMUNITIES

An annual budget was agreed for 2021/22, to support charities, projects and community initiatives. Staff have been actively encouraged to nominate causes that they are passionate about. Our staff are based across the UK and the charities supported this year reflect that.

- The Noah's Ark Charity believes that all children in Wales should get the best possible hospital care and aim to provide the Noah's Ark Children's Hospital for Wales with state-of-the-art equipment, facilities and family support services. TIAA fund-matched the donations raised by a staff member who successfully completed a Marathon cyclothon.
- Crofton Saints Youth Football Club is based in the Stubbington area of Fareham, Hampshire. The club has grown significantly since its inception to a position where it now forms an integral part of the local community. The club caters for both boys and girls ranging from 5 to 18 years of age and onto adult football. TIAA were happy to sponsor the U10 kit, as well as provide additional funds for medals and other equipment.

STAFF WELLBEING

- We have recently committed to providing all new employees with 'welcome boxes' which contain a range of organic products and wildflower garden seeds. We also provided our employees with Christmas gift boxes from The Ethical Gift Company, which included organic, recycled and sustainable gifts, with £1 donated to The Ocean Clean Up charity for each box purchased.



- Great Ormond Street Hospital supports children and young people from across the UK who have some of the most complex illnesses. Fund matching support was given to a staff member who raised funds through a squat challenge.
- Staff grouped together to collect much needed supplies for Ukrainian refugees, with TIAA also providing a monetary donation for the purchase of further supplies. These included toiletries, medical supplies, torches, batteries, non-perishable food, warm clothing and sleeping bags, which the Polish Social Club based in Southampton, then delivered to the Polish/Ukrainian border.
- Staff again got festive and donned their Christmas jumpers in aid of 'Save the Children'.

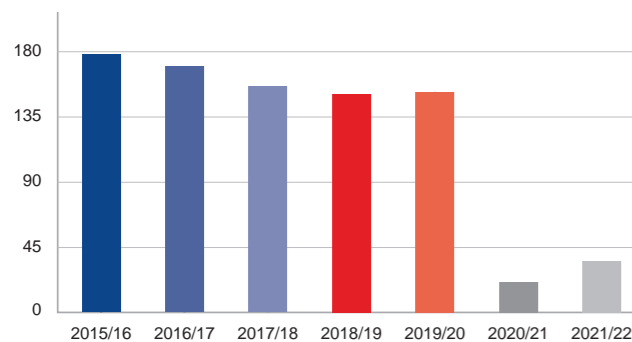


Greenhouse Gas Emissions

In 2020, TIAA committed to being net zero in its operations and supply chain by 2030. TIAA cemented this further in 2021 by signing up to the SME Climate Commitment and making an internationally recognised climate commitment to take immediate action to halve our greenhouse emissions before 2030, achieve net zero emissions before 2050 and disclose progress on a yearly basis.

In 2021/22 our carbon emissions were 76% lower than our baseline year of 2019/20.

CO₂ EMISSIONS



Total Greenhouse Gas emissions for 2021/22 was

35.9 tonnesCO₂e⁸

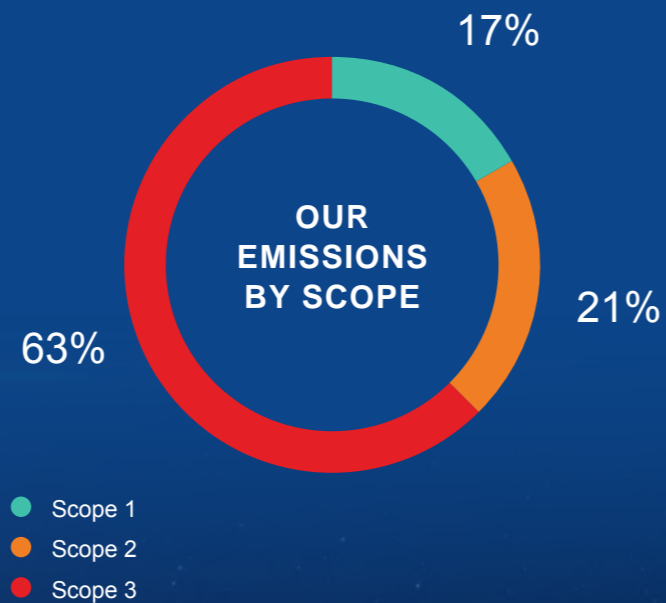
this is a 68% increase on 2020/21, but it is reassuring that emissions have not bounced back up to anywhere near pre-covid levels.

TIAA has an Environmental Management System in place, dedicated to:

- meeting all compliance obligations (both regulatory and voluntary),
- protection of the environment, including pollution prevention and other environmental issues, and
- the principal of continual environmental improvement.

TIAA's Environmental Policy Statement identifies our key impacts on the environment and can be seen here: [Environmental Policy Statement](#)

The system is externally certified annually to the Green Dragon Environmental Standard, which TIAA has held since 2013.



Impacts monitored and reported on are travel (car and flights), energy (all fuel sources) and disposal of resources (waste). Transmission and distribution (energy loss through getting the electricity from the power plant to the organisations that purchase it) is also considered when reporting electricity emissions for office usage and electric car recharging.

Additionally for 2021/22, emissions from TIAA's grey fleet have been considered for the first time, therefore it was expected that reported GHG emissions would likely be increased compared to the same period last year. This year, grey fleet has made up 65% of scope 3 emissions.

We are committed to reviewing our Scope 3 emissions to refine and improve data quality and capture and identify and implement further carbon reduction opportunities. This will include further engagement with key suppliers to decarbonise their supply chains and demonstrate this through emissions reduction targets.

⁸ CO₂e, or carbon dioxide equivalent which expresses the impact of each different greenhouse gas (footnote 1) in terms of the amount of CO₂ that would create the same amount of warming, enabling, a carbon footprint consisting of lots of different greenhouse gases to be expressed as a single number.

Energy

Covid has continued to impact on office working in 2021/22. Whilst the Head Office building has been open, limits were still in place on the number of staff able to be on-site on any given day. The office building opened fully to Head office staff on 1st November 2021. Further lockdown restrictions then meant that it closed throughout January 2022.

During this time, the ground floor office was minimally heated to mitigate against damage to the fabric and fittings.

The building is shared with another business, who were in full attendance on site once restrictions were loosened. Control of some boiler heating units is shared, and therefore during this time they would have had sole control. Heating of communal areas is controlled by the landlord. Regardless of actual usage, the cost of gas (and therefore associated usage in kilowatt hours) is recharged to TIAA as part of the service charge. This means that gas usage is not wholly under our control, and figures show that gas usage has stayed around the same since monitoring commenced in 2019/20.

A programme of installation of LED lighting took place in March 2020 on the ground floor, followed by July 2021 for the first floor offices.

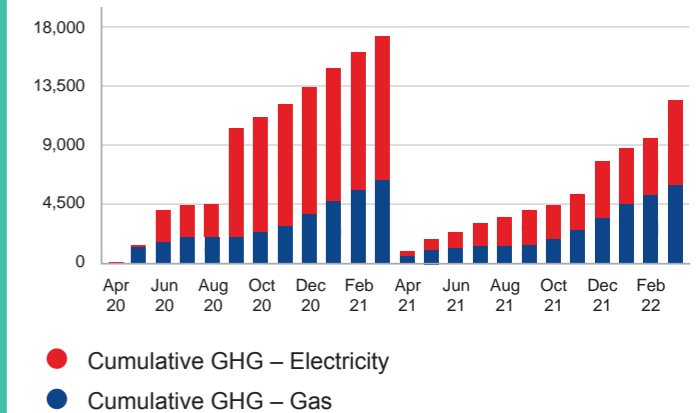
This ensures that both floors now have more energy efficient lighting. LED bulbs last longer and use less energy than traditional bulbs, and do not contain mercury or harmful gases, unlike fluorescent tube lighting.

Electricity usage has artificially reduced because of a gradual overcharge by the energy provider over the course of 2020/21, which has led to some 'front-loading' of energy usage, (this can be seen in the side-by-side comparison of 2020/21 and 2021/22). This was not initially identified due to meter access over lockdown periods.

Every effort is made to reduce energy usage, with staff prompted to switch off lights and other electric equipment when not in use. The revised office layout should also assist with energy savings.

Homeworking emissions have not been considered in the 2021/22 figures, but will be looked at as part of the 2022/23 figures.

ENERGY USAGE - 2021 AND 2021/22 (CO₂e)



Vehicle Emissions

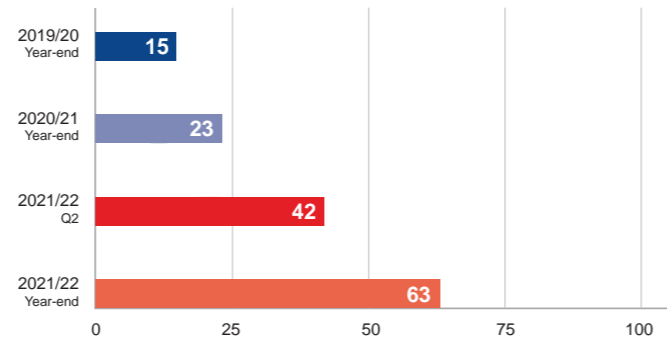
LEASE FLEET

Our business model requires our staff to be located near clients, with work either undertaken remotely or on site if required. Our commuting therefore is led by the geography of our clients at any point in time. All Directors and Client Managers are provided with lease fleet cars.

This year has been key in our conversion of the lease fleet to lower emitting vehicles, with the speed of transition to a cleaner fleet far surpassing the performance target set of 30%.

It is anticipated that by 2026/27 all TIAA lease vehicles will be a mixture of electric and hybrid vehicles.

% OF FLEET THAT ARE PHEV/ELECTRIC



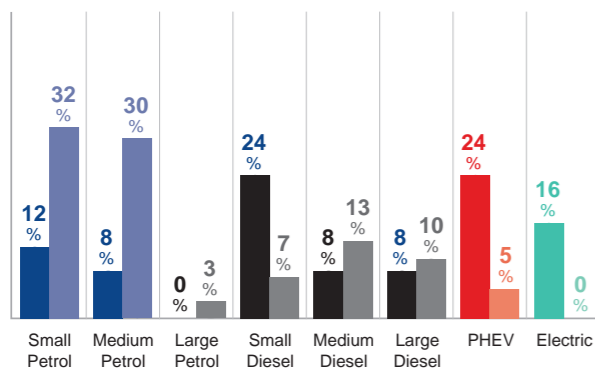
GREY FLEET

Data collection this year has established that over 50% of business mileage claimed has been as a result of use of grey fleet vehicles (a term that describes the use of personal vehicles for business purposes). This is the first year that grey fleet mileage has been incorporated into TIAA's reporting data.

The fleet breakdown shows a comparison of lease and grey fleet vehicles only where mileage claims have been submitted for business travel during 2021/22. This therefore may not reflect all cars owned or leased by staff.

The combined proportion of PHEV/Electric across the whole fleet is 20%. Our performance target has been met, but only as a result of the rapid transition of the lease fleet bolstering the percentage figure.

A salary sacrifice scheme has been in place for all staff since July 2021. Interest so far has been quite slow with a take-up of around 3%.



HOW IS THIS IMPACTING OUR EMISSIONS

The emission graph illustrates how switching to PHEV/ electric cars has significantly decreased the emissions our lease cars produce when used.

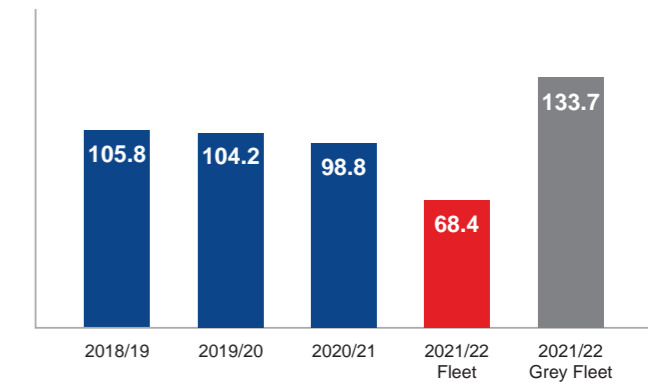
In comparison, only 5% of vehicles in the grey fleet that have been used for business purposes have been PHEV and none have been electric. These have also only accounted for 1.1% of claimed miles.

The make-up of the fleet undertaking business travel directly impacts our reported emissions. With 56.5% of the total mileage having been undertaken by the grey fleet in 2021/22, this has led to the carbon footprint of the fleet being higher than if the same journeys were undertaken by lease vehicles.

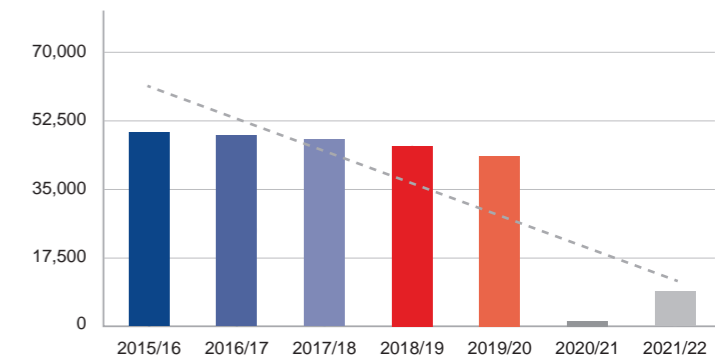
One positive is that mileage has substantially decreased, and even with inclusion of grey fleet figures, total mileage has decreased by 79% since 2019/20.

We will be reviewing our policies to see if other staff who may not previously have been eligible for a lease car but carry out significant business mileage may be incorporated into the lease scheme. We are also actively encouraging staff who do not have lease vehicles to take advantage of the salary sacrifice scheme in place, so that our grey fleet vehicles can be largely low carbon emitters.

AVERAGE CO₂ EMISSIONS PER CAR (gCO₂/km)



TIAA MILEAGE YEAR ON YEAR



OTHER MEANS OF TRAVEL

FLIGHTS:

As a general rule, flights are only used as a means of travel when there are no other reasonable options, and all flights booked are economy with hand luggage allowance only. We have several clients in Northern Ireland and in the Scottish islands. To limit the distance travelled by air, auditors based in the North and Scotland generally carry out this work. No flights have been booked in the previous 2 years as businesses embraced remote working. Prior to this, flights made up under 5% of transport mileage.

PUBLIC TRANSPORT:

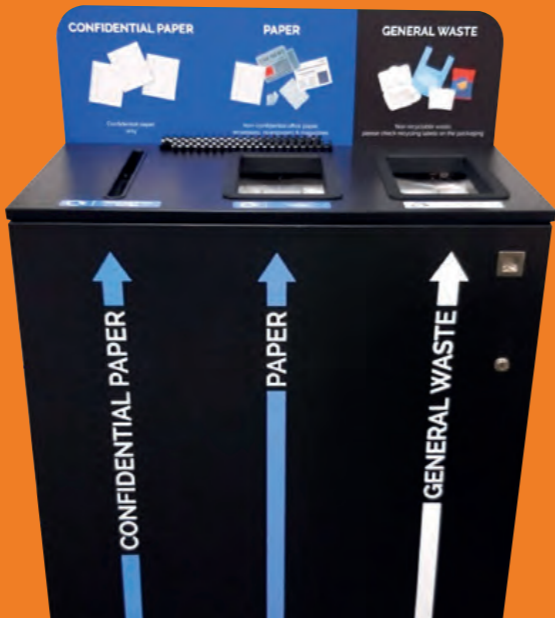
This has not been previously measured as processing the data in its current format would be too time-consuming. A new Finance system is planned and may enable more effective data extraction. In the meantime, it is planned that prebooked rail journeys will be incorporated for 2022/23.



Waste Management

Across the company, we have made every effort to adopt a waste hierarchy of ‘Prevent-Reduce-Reuse-Recycle-Resource Recovery’.

Since monitoring of waste streams commenced in 2013, TIAA has consistently achieved a recycling rate of over 88%, with an average of 94% across the 9 years of monitoring data. The percentage of waste recycled in 20p 21/22 is 88.7%.



Where has TIAA’s waste gone?

REPURPOSED AND RECYCLED WASTE

This year, there has been an increase in non-recyclable waste due to the repurposing of office space. To minimise waste:

- surplus furniture has been repurposed where possible for home use by staff or for the ground floor hot-desking area;
- a significant amount of furniture has also been redistributed to charities, local schools and social clubs.
- damaged chairs and desks have been broken down to ensure there is maximum potential for reuse of component materials by certified waste brokers.

- redundant light fittings have been redirected to the landlord for communal areas, as more energy efficient LED lighting has been installed in TIAA office areas.
- Our offsite storage units have also been reorganised, resulting in a large donation of surplus IT equipment to Jamie’s Computers, a community driven social enterprise providing professional volunteering opportunities for graduates, students, unemployed individuals, as well as people with disabilities and mental health issues to learn new skills and work in a team in a real business environment. They refurbish, repair, recycle and then sell on unwanted IT equipment ensuring that nothing goes to landfill, whilst raising funds to tackle homelessness in the South.

MUNICIPAL WASTE

As a result of the refit, there was an increase in non-recyclable waste in the first half of the year, despite our best effort to mitigate against this. It is frustratingly apparent from this process that with the best intentions, it is difficult to repurpose good quality fixtures and fittings.

TIAA’s other non-recyclable waste is generally minimal and comprises packaging material (bubble wrap, polystyrene etc. – plastic that cannot currently be recycled in our local authority or is single-use), small stationery items, and binding material for presentations. These are reused where possible.

New legislation on packaging is due to come into force by April 2022, impacting TIAA’s suppliers. As they look to reduce their packaging to meet the more stringent requirements, we should begin to see an improvement in the amount of packaging we have to repurpose or dispose of.

With the commitment to being net zero in our supply chain by 2030, TIAA will be looking at ways to avoid the purchase and use of single-use items, putting materials to better use and ensuring waste is only sent to landfill as a last resort.



Environmental Statement/Report Validation

The information contained within this Environmental Statement/Report has been sampled and validated by the Green Dragon auditor and found to be a fair and accurate assessment of the organisations activities and environmental performance over the past year within the organisations defined scope.

LEAD AUDITOR	Bethan Harries
AUDITING ORGANISATION	Groundwork Wales
DATE OF AUDIT	01/02/2022
VALID UNTIL	01/02/2023

Validation of the Environmental Statement/Report does not confirm certification of the organisations Environmental Management System to the Green Dragon Standard. Confirmation of certification can be made by obtaining a copy of the organisations valid Green Dragon certificate or visiting the Green Dragon website at

www.greendragonems.com



Appendix A

ENVIRONMENTAL TARGETS FOR 2021/22

ENVIRONMENTAL OBJECTIVE	ACTION	YEAR END TARGET		2021/22 RESULTS
REDUCE CONSUMPTION OF ENERGY	Switch off lights & other electric equipment when not in use. Check thermostat settings match hours of occupancy and that boiler is shut down when not in use.	Cumulative Usage (kWh) per Employee/month	Less than 200kWh / month/ employee (target has not been changed as large-scale decreases in this area depend on structural improvements that can only be instigated by the landlord)	34.35kWh
IMPROVE WASTE MANAGEMENT & PRACTICES	Ensure wherever possible, business generated waste is disposed of through recycling.	Cumulative General Waste per Employee:	Less than 2kg / Head Office employee	32.5kg
		Maintain a minimum recycling rate	97%	88.7%
IMPROVE TRAVEL EFFICIENCY	Reduce unnecessary travel by continuing to promote conference calling & video conferences to all staff. Encourage use of public transport where possible. Encourage selection of low emission cars when leases are due for renewal. Ensure that staff have a local office that they can work from providing good public transport links where possible.	Increase Lease PHEV/Electric fleet	Minimum 30% of fleet	63%
		Increase combined Lease & Grey PHEV/ Electric fleet	Minimum 20% of fleet (where business mileage is claimed)	20%
		Average CO ₂ % of fleet	Less than 100gCO ₂ (target has not been changed as 'grey fleet' figures have been incorporated for 2021/22)	111gCO₂
		Cumulative Mileage per Employee/month	Less than 200 miles	54 MILES
REDUCE PAPER CONSUMPTION	Only print when necessary. Print double sided where possible. Use scrap paper where possible.	Cumulative Sheets per Employee based on reams ordered	Less than 40 sheets / month (target has been reduced in anticipation of positive benefits of Paperless Office initiative)	7.38 SHEETS/ EMPLOYEE
REDUCE ANNUAL GREENHOUSE GAS (GHG) EMISSIONS	Monitoring and where possible, minimising of key impacts (transport, energy consumption, waste production) using actions detailed above.	Annual GHG emissions	Less than 135,000kg CO ₂ e (reduction of the KPI of 15,000 to reflect goal of net zero by 2030).	35,936kg CO₂e
ACTIVELY SUPPORT CHARITABLE CAUSES	Encourage staff to voice their opinions on charities with special meaning to them, both national and local. Identify environment-related charities and initiatives to support.	Raise £250 at Head Office level in monetary terms and/or equivalent value in volunteer work		£1,218
RETENTION OF EMS CERTIFICATION	Ensure full compliance with environmental legislation, protection of the environment, including pollution prevention and other environmental issues, and the principal of continual environmental improvement.	Retain current EMS certification with no major non-conformances.		LAST ACCREDITATION FEBRUARY 2022 NO NON-CONFORMANCES