



BANK OF ENGLAND

Bank of England – 2030 carbon reduction target

There is a pressing need to reduce global carbon emissions to prevent catastrophic and irreversible climate change. The Bank is committed to playing its part in addressing the risks of climate change, including cutting the carbon emissions of its operations.

We are on track to meet the 2020 carbon reduction target we set in 2016, and are now setting our next target to 2030, in line with the aims of the Paris Agreement. Our target is supported by climate science and aligned with keeping global temperature rises to 1.5°C.

The Bank of England commits to cut the absolute GHG emissions from its Scope 1 emissions (use of gas, fuel and refrigerants), Scope 2 emissions (electricity) and business travel by 63% by 2030, against a 2015/16 baseline.

Further details

Context

In 2016 the Bank set the target of reducing its overall greenhouse gas emissions by 20% by 2020, against a 2015/16 baseline. We are on track to meet this target and our emissions have reduced by 19% so far (2018/19). The Bank is now committing to further cutting its greenhouse gas emissions by 2030, in line with the aims of the Paris Agreement.

Our target is informed by methodologies approved by the Science Based Targets initiative (SBTi), in line with best practice¹ when setting carbon targets. Science-based targets are developed in line with the latest climate science, and what is necessary to meet the goals of the Paris Agreement. The Bank's targets have been developed to be consistent with limiting global warming to 1.5°C above pre-industrial levels.

Target boundaries

The Bank's target includes:

- Direct emissions (Scope 1, which includes our building gas use, fuel use, and refrigerants),
- Emissions from electricity (Scope 2) and
- Emissions from business travel (Scope 3).

These *targeted emissions* represent 100% of the Bank's operational Scope 1 and 2 carbon footprint and 76% of the Bank's total² measured carbon footprint. The emissions sources

¹ The SBTi is a partnership between the Carbon Disclosure Project, the UN Global Compact, the World Resources Institute and WWF

² Baseline year 2015/16

included are considered to be those that we are directly responsible for and have the greatest influence.

Carbon footprint baseline

An effective target needs a robust baseline against which to measure progress. Changes to the Bank organisation and updates to the GHG Protocol made it important for the Bank to review its baseline. We have taken this opportunity to:

- Move to a *market-based* carbon factor for electricity to better reflect the impact of the type of energy we source.
- Remove our Roehampton site from our baseline footprint, as it is not planned to be part of our property portfolio from 2020.
- Include the emissions associated with the polymer used in banknote production (although this is not included in our targets).

As a result, our new 2015/16 carbon footprint baseline is different to the baseline we previously used and have reported progress against in our annual report since 2016.

Our revised 2015/16 carbon footprint baseline is 17,115 tonnes CO₂ equivalent (tCO₂e), equivalent to 4.3 tCO₂e per employee. The emissions covered by our new target (i.e. direct emissions, electricity and business travel) accounted for 12,976 tCO₂e of this baseline.

Methodology used

The 2030 target has been calculated using the Absolute Contraction approach, as published by the SBTi³. This sets an absolute target (meaning we will reduce our total emissions, rather than our emissions per employee).

We have used the SBTi 1.5°C scenario, which lays out a route to reducing emissions to limit warming globally to an average of 1.5°C. This scenario is based on the most recent climate science and the *Special Report on Global Warming of 1.5°C* from the IPCC.

2030 target

The Bank has committed to a target of reducing its *targeted emissions* to 4,797 tCO₂e by 2030, a drop of 63%, compared to a 2015/16 baseline.

Furthermore, the target has been assessed against the level of ambition from the most recent reporting year (2018/19) to confirm that the reductions from 2018/19 to the target year are also aligned with a 1.5°C scenario.

Tracking progress and reporting

We will present progress against our target in our annual report. We will also continue to report on the impact of our other main sources of emissions (such as polymer and waste).

³ <https://sciencebasedtargets.org/wp-content/uploads/2019/04/foundations-of-SBT-setting.pdf>