Energy Management Arrangements

Introduction

Vertas Group brings together Facilities Management, Design and Property Consultancy and Recruitment Solutions with subsidiary companies (Vertas Group Limited, Vertas Derbyshire Limited, Vertas Ipswich Limited, Verse FM Limited, Diamond View Cleaning Solutions Limited, Vertas Environmental Limited, Churchill Catering Limited, Oakpark Security Limited, Opus People Solutions Limited, and Concertus Design & Property Consultants Limited.

Vertas Group holds certification to the ISO 50001:2018 Energy Management System Standard which demonstrates the Groups commitment to continual improvement in energy management, and to ensuring regulatory requirements are met. ISO 50001:2018 certification provides Vertas Group with a standard that ensures compliance with the Energy Saving Opportunities Scheme (ESOS).

Purpose

This document defines the arrangements in place for energy management within Vertas Group. It communicates HSQE Policy Statement (and other associated documents), defines the roles and responsibilities, and provides an overview of the arrangements in place to achieve the requirements of ISO 50001:2018.

Scope

The Energy Management aspects of the Integrated Management System (IMS) apply to all products and services (including support services) provided by Vertas Group. The scope includes all owned or leased energy consuming infrastructure, vehicles, plant, machinery, and equipment etc used within Vertas Group. It applies to all Vertas Group colleagues and, where applicable, persons doing work under the organisations control that can affect energy performance such as our primary contractors, other contractors, and agency workers.

For further information on Vertas Group operations, products, and services, refer to **VG-GD033a Context of the Organisation.**

The scope excludes energy consuming infrastructure, vehicles, plant, machinery, and equipment etc. that is owned by our clients and others outside of the organisations control. Where possible, Vertas Group will advocate the benefits of effectively managing energy consumption and influence the continual improvement of energy performance.

Roles & Responsibilities

For general roles and responsibilities, refer to **HS-PL002** HSQE Arrangements.

Statutory Directors and Associate Directors are responsible for:

- Ensuring that Vertas Group is suitably resourced to continually improve energy performance and achieve the intended outcomes of management system.
- Ensuring that the effectiveness and efficiency of the management system in accordance with legal, ISO and other requirements.
- Informing all relevant staff of any changes to documentation held within the management system.
- Implementing, maintaining, and improving the management system.

- Ensuring the formation of an energy management team.
- Ensuring that the Energy Baselines (EnB's) and Energy Performance Indicators (EnPI's) appropriately represent energy performance.
- Ensuring that processes are established and implemented to identify risks and opportunities, and address changes affecting.
- The management system and energy performance within the scope and boundary of the management system.
- Communication of responsibilities across the Vertas Group in relation to the management system and associated documented information, emergency preparedness and response requirements, and the potential consequences of departure from specified operating procedures.

The **Heads of Service** are responsible for:

- Ensuring their areas of responsibility are suitably resourced to continually improve energy performance and achieve the intended outcomes of management system.
- Reviewing energy consumption data for their areas of responsibility against the Energy Performance Indicators.
- Attendance and contribution to the Energy Review, as required.
- Reporting on energy performance, risks, and opportunities.
- Identification of variables that may affect current energy consumption and forecasting of future energy consumption.
- Communication of energy management responsibilities and expectations to all colleagues within their areas of responsibility.
- Informing the Energy Management Team of any changes that may impact (positively or negatively) energy performance.

The **Energy Management Team** consists of:

- Group Head of HSQE.
- Group Head of Quality and Sustainability.
- Systems and Performance Manager.
- Head of Fleet and Passenger Services.
- Head of Energy Services.
- Energy Compliance Contract Manager.

The **Energy Management Team** is responsible for:

- Ensuring that the management system is established, implemented, maintained, and continually improved.
- Ensuring that the management system conforms to the requirements of ISO 50001:2018.
- Implementing action plans to continually improve energy performance.

- Reporting on the performance of the management system and improvement of energy performance to top management at determined intervals.
- Establishing criteria and methods needed to ensure that the operation and control of the management system are effective.
- Conducting energy reviews and reporting on performance at the management review meetings.

All Vertas Group **colleagues** are responsible for:

- Minimising and where possible, reducing energy consumption in the workplace e.g., switching off lights and electrical equipment when not in use, keep windows closed when the heating is on etc.
- Where possible, reduce the need to drive for work. When driving for work, drive in a safe and efficient manner as instructed by the IAM RoadSmart training.
- Ensuring suppliers are selected in accordance with **PR-PL001** Vertas Procurement Policy and **VG-PL003c** Sustainable Procurement Policy.
- To complete any relevant training provided.
- Report energy improvement suggestions to their line manager and the HSQE team.

Energy Management Planning & Control

Risks and Opportunities

Vertas Group maintains an Operational Risk Register (ORR) which is used to inform all aspects (internal & external) of the approach to leading and managing HSQE risks. The ORR is developed and maintained by the key. It is the starting point for identify risks and opportunities (internal and external) that can affect energy performance.

Risk and opportunities are also identified through assurance activities such as internal audits and inspections, trend analysis, strategy development, external audits, energy review, management review, working groups, and buying-in services from technical specialists.

Risks that are not reduced to a tolerable level or risks that need to be evaluated by the Operational Board or others within the Governance Hierarchy, are escalated via the Corporate Risk Register, in accordance with **VG-PL004** Vertas Group Risk Management Policy.

A critical element of the risk management is the identification of applicable legislation and evaluation of compliance. Vertas Group maintains a register of applicable legislation for operations, products, and services.

Statement of Intent

The HSQE Policy Statement (**VG-PL001**) provides the framework for setting objectives and continually improving our HSQE management system and its performance, including energy.

Strategy and Objectives

Our Group values underpin our operations and sustainability is our top value. Vertas Group aims to have a positive impact on the environment we work in.

Energy management is defined as a business priority in the Vertas Group Business Plan and communicated throughout the Group as part of our Net Zero 2030 objective.

Specific energy and carbon reduction objectives and targets are outlined within this document, the Sustainability Strategy, and the Vertas Net Zero Roadmaps.

Procurement

With sustainability being a Group value, this ethos is actively promoted in our procurement activities, specifically evidenced in the Supplier Approval processes, and the preferred use of local suppliers.

When procuring products and services which are likely to have an impact on a significant environmental aspect or a significant energy aspect, Vertas Group informs suppliers that procurement is partly evaluated based on energy management and performance.

Our basic principles are set out in **PR-PL001** Vertas Procurement Policy and **VG-PL003c** – Sustainable Procurement Policy.

Design

Vertas Group considers energy performance improvement opportunities and operational control in the design of new, modified, and renovated facilities, equipment, systems, and processes that can have a significant impact on its energy performance.

Design considerations are documented and evidenced in our Business Plan, Strategies, Procurement Policies and Processes, Risk Assessments Processes (including Design Risk Assessments), Risk Registers, Mobilisation Plans, Project Management Plans, Environmental Aspects & Impacts Assessments etc.

The results of energy performance evaluation are incorporated where appropriate into the specification, design, and procurement activities of the relevant processes and projects.

Communication, Training, and Awareness

The Energy Management Team shall be provided with the necessary training and information to ensure the management system is developed, implemented, and monitored as per the requirements of ISO 50001:2018.

Internal Auditors shall be trained on the requirements of ISO 50001:2018 and internal auditing in accordance with ISO 19011:2018 – Guidelines for auditing management systems.

Our colleagues and others working under the control of the organisation are provided with information and training that makes them aware of:

- ISO 50001:2018 certification.
- The HSQE Policy and HSQE Arrangements.
- Their contribution to the effectiveness of the management system, including achievement of objectives and energy targets, and the benefits of improved energy performance.
- The impact of their activities or behaviour with respect to energy performance.
- The implications of not conforming with the management system requirements.

WorkVivo is the Colleague Hub and the primary method communications across the Vertas Group. It is used to provide information and updates on environmental performance (including energy) to all colleagues.

The Marketing Team provides energy performance information and updates to interested parties (including working under the control of the organisation) via website and social media.

Energy performance data and energy improvement opportunities are presented to the management team and other stakeholders at the Management Review meetings. The management team are required to communicate the outcomes of the Management Review meetings to their colleagues.

Collection of Energy Data

Energy is defined as electricity, fuels, steam, heat, compressed air, and other similar media. Vertas Group defines the applicable energy data to be collected as:

- Electricity – measured in kWh.
- Gas – measured in kWh.
- Petrol and Diesel (fuel) used for Fleet including grey fleet, Plant, Machinery, and Equipment – measures in Litres.

Energy data shall be collected and recorded at the end of each calendar month by the Energy Management Team. For building energy, this will be collected by the Head of Energy (or nominated person) as part of core activities.

Collection of fleet mileage is the responsibility of the Head of Fleet and Passenger Services.

Fuel card records are available on demand from our fuel card supplier, these will be collated according to cost code to which the invoice is charged, each head of department will be required to send corresponding mileage.

Energy Baseline

An Energy Baseline is defined as a quantitative reference which provides a basis for comparison of energy performance. An Energy Baseline is based on data from a specified period and/or conditions, as defined by the organisation.

The initial Energy Baselines for Vertas Group were established by reviewing data from a two-year period to calculate energy consumption per department per financial year. The Energy Baselines will be reviewed on an annual basis, as a minimum.

Adjustments to the Energy Baselines shall be made in the case of one or more of the following:

- Energy Baselines and EnPI's no longer reflect organisational energy use and consumption, or
- There have been major changes to processes, operational patterns, or energy systems.

Energy Performance Indicators

An Energy Performance Indicator (EnPI) is defined as a measure of energy performance, as defined by the organisation to measure results related to energy efficiency, energy use, and energy consumption.

Vertas Group aims to minimise energy consumption to reduce the environmental impact of our operations, products, and services. Vertas Group aims to reduce energy consumption (Electricity 1%, Gas 1%, Fuel 1%) each year and achieve Carbon Net Zero by 2030.

Significant Energy Users

Significant Energy Use is defined as energy use accounting for substantial energy consumption and/or offering considerable potential for energy performance improvement.

Vertas Group categorises Significant Energy Users (SEU's) as infrastructure (owned or leased), service areas, processes and activities, vehicles, plant, machinery, equipment etc. that contributes to 10% or more of the overall energy consumed by Vertas Group.

SEU's are identified and reviewed as part of the Energy Review process.

Relevant Variables

Relevant Variables are defined as quantifiable factors that significantly impacts energy performance and routinely changes e.g., Weather conditions, operating conditions (indoor temperature, light level), working hours etc.

Refer to Appendix A for a list of relevant variables that apply to all service areas within Vertas Group.

Significant Deviations

Vertas Group defines a Significant Deviation as a deviation from the expected results (positive or negative) by + or - 20% of the intended energy performance or variance by comparison to previous year.

TrackM8 telemetry efficiency scores below 70% are deemed as a significant deviation.

Significant Deviations shall be investigated by the Energy Management Team, as necessary.

Performance Evaluation

Internal Auditing

Internal audits are planned and conducted in accordance with **HS-PR047** Internal Auditing Procedure.

The Internal Audit Plan ensures that compliance and awareness of the management system is sampled across all service areas within the Vertas Group.

Energy Review Process audits are regularly conducted and target SEU's. Other requirements of the ISO 50001:2018 standard are audited as part of the Vertas Group Internal Audit Plan.

Results of internal audits are reviewed as part of the Energy Review and Management Review processes.

Energy Review

The Energy Review is the process of identifying energy types and the evaluation of energy use and energy consumption which leads identifying SEU's and opportunities for improving energy performance.

Vertas Group reviews energy consumption against the EnB's and EnPI's at 6 monthly intervals.

A comprehensive review of energy performance is carried out annually by a 3rd party technical specialist, to ensure the accuracy of the Energy Baselines (and other data), and to identify further energy performance improvement opportunities.

The Energy Review is undertaken in accordance with the requirements of ISO 50001:2018 – Clause 6.3.

Progress against the strategy, objectives, and targets, and outputs from the Energy Review are communicated to top management, and other key stakeholders, and the Management Review Meeting.

The Agenda for the Energy Review Meeting will be, as a minimum:

- Previous minutes & actions.
- Energy Data Review:
    - Past & Current energy performance.
    - Baselines.
    - SEU's & review of relevant Variables.
    - Significant Deviations & Normalisation.
- Changes:
    - Energy types.
    - Processes & Equipment.
    - New contracts.
    - Organisational changes.
    - Future energy use & consumption.
- Opportunities for improvement.

Change Management

Any changes proposed changes (temporary or permanent) that may significantly impact energy performance, must be assessed in accordance with the Change Management Process and a Change Impact Assessment carried out.

If a service area procures or designs new equipment or processes that may impact (positively or negatively) the energy performance, the Energy Management Team must be made aware and energy performance to be reforecast.

Change Impact Assessments in relation to energy performance shall be carried out by the Energy Management Team.

Associated Documents

- VG-GD033a Context of the Organisation
- HS-PL001 HSQE Policy Statement
- HS-PL002 HSQE Arrangements
- VG-PL004 Vertas Group Risk Management Policy
- PR-PL001 Vertas Procurement Policy
- VG-PL003c Sustainable Procurement Policy
- HS-PR047 Internal Auditing Procedure.

Appendix A

Relevant Variables	Impact
Number of colleagues	Energy consumption may increase or decrease as the number of staff within the Group changes.
Working Hours	A longer or shorter schedule will require more or less energy.
Flexible Work Arrangements	May reduce energy consumption in our buildings but will increase energy consumption in our colleagues' homes.
Weather conditions	Temperature changes will require more or less energy for buildings and equipment as the seasons change. Other weather characteristics (e.g., humidity, wind, rain, etc.) may also affect energy consumption. Seasonal changes may affect fuel consumption due to managing climate control inside the vehicle. Colder times of year we use more diesel.
IT equipment such as laptops, VDU's, printers, video conferencing equipment etc	The use of IT equipment is a static factor. The energy efficiency of selected IT equipment and the quantity used across the Group can impact energy consumption positively or negatively.
Fleet Vehicles including Grey Fleet	The use of vehicles is a static factor. The type of vehicles and the number of vehicles used can impact energy consumption positively or negatively. Colleagues are encouraged to walk, cycle, car share etc to reduce energy consumption. Trend of colleagues asking for company cars -
Installation of EV charging points	EV's are becoming more popular amongst our colleagues, and fleet vehicles (where possible) are being changed for EV's. This requires more charging points which will increase electricity consumption at buildings. However, fuel consumption is expected to decrease.
Energy Efficiency of Buildings	Vertas Group operates in a range of different buildings, some are leased or owned by the Group, and others are owned by our clients. The age and energy efficiency of building may impact energy consumption, including the fixed assets such as HVAC systems.
Number of clients and contracts	As Vertas Group is awarded new business, the resources required to deliver our products and services will increase and require more energy.
Operational processes and equipment	The efficiency of a process and the type of equipment used may impact positively or negatively on energy consumption.
Supplier goods and services	Vertas Group aims to used locally sourced products and services as part of the ESG strategy. The use of national and overseas suppliers may impact energy consumption.
Number of buildings owned or leased by Vertas Group	The number and size of buildings owned or leased by the Group can impact energy consumption positively or negatively.
Night heaters fitted to Fleet Vehicles	Designed to be left running all night on the battery to keep the vehicle warm which used, can't be switched off. More fuel used in the colder months.