



OXFAM

Oxfam GB Supplementary Ethical and Environmental Report for 2022/23

Oxfam's main Ethical and Environmental Report can be found in the full [Annual Report and Accounts for 2022/23](#). For those readers who are interested, the purpose of this supplementary report is to provide a more detailed review of Oxfam's activities in this area.

Our key impact areas

This section provides more detailed information about Oxfam's overall impact on the environment.

Building energy: 70.8% of our total carbon emissions in 2022/23 were from building energy use, with 81% of these emissions coming from energy use in our retail division.

Building energy use (kWh) in 2022/23 was 7% lower than in the previous year and associated carbon emissions were 14% lower. These savings were achieved through increased energy efficiency and reducing grid carbon intensity factors.

Although our electricity contract is for 100% renewable energy, our emissions reported here are calculated using location-based grid average emissions, as encouraged by the UK Government's Environmental Reporting Guidelines.

2022/23 was the first financial year since the COVID-19 pandemic when our shops were not affected by closures. This has allowed us to measure an almost 20% reduction in electricity use and an 8% reduction in gas usage in our shops, compared with before the pandemic (2019/20).

We have also been able to reduce the increased gas usage in our head office that was observed last year. Between 2021/23 and 2022/23, we achieved a 15% reduction in gas usage, though it does remain 14% higher than pre-pandemic levels. This has been investigated and our conclusion is that it relates mainly to higher heating demand: fewer people are present in the office and much less equipment is running (both of which produce heat), but a workable temperature still needs to be maintained for those who continue to work there.

We have also made very significant progress in our plans to roll out low-energy LED lighting to our shop network. We are on track to have installed LED lighting in our entire shop network by April 2024.

Air travel: 17.6% of our total carbon emissions in 2022/23 was from air travel.

Emissions from air travel grew by over 300% between 2021/22 and 2022/23 following the lifting of COVID-19 restrictions. However, distances travelled by Oxfam personnel in 2022/23 (including in response to emergencies) remained almost 59% lower than pre-pandemic

(2019/20) and associated carbon emissions were also 59% lower. Distance travelled by air for non-emergency travel has decreased by 69% compared with 2019/20 levels.

The relative reduction in flights compared with pre-pandemic levels, despite largely returning to business-as-usual following COVID-19 restrictions, can be attributed to the following changes within Oxfam:

- The pandemic has accelerated everyone's understanding of the tools available for global meetings and collaboration. In a context of escalating concerns about climate change and greater scrutiny of budgets, we are confident that this will help to keep us years ahead of where we otherwise would have been in reducing flight activity and associated carbon emissions.
- In August 2022 we approved a new Responsible Travel Policy covering all forms of transport. This includes a decision tree to support more responsible travel choices from very early on, first encouraging the use of online collaboration tools and going on to revised rules and limitations on locations and circumstances where flying is acceptable.

Land travel and logistics: 11.6% of our total carbon emissions in 2022/23 was from land travel and logistics, with our Retail division accounting for the biggest single proportion (approximately 49.8%).

The total number of miles travelled in 2022/23 was 65% lower than pre-pandemic (2019/20) and associated carbon emissions were also down 65%.

In autumn 2021 we began implementing major changes in the way that excess donated goods are collected and disposed of from our shop network, with support from our new partner CTR. This has eliminated the need for donated goods to be transported long distances to our sorting centre in Batley, hence the sizeable reduction seen in our land emissions.

We have continued to explore options to replace the fleet of lorries operating from our Batley site, and this is discussed more fully below in the section on Oxfam's Retail Ethical and Environmental Strategy (REES).

Other environmental impacts

Wood and paper: Our focus is on seeking to comply with Oxfam's policy that at least 90% of the wood and paper we use is either FSC-certified or recycled, with a current target of at least 95% compliance (by weight). In 2022/23 the compliance rate was 98.9%, up from 98.2% the previous year and the highest for six years. We continue to track information only for new products for sale and so have not included items purchased for internal use.

In the past few years we have been increasing our efforts to source more new products that use recycled materials, as a more environmentally sustainable choice. In 2022/23 the proportion of materials that were made from recycled sources was 29%, lower than in the previous year (34%).

Data and reporting

All of our reporting is based on our UK operations plus flights processed through our UK travel management companies. It does not include any of our overseas operations.

Our Streamlined Energy and Carbon (SECR) report, as included in the Annual Report and Accounts, is now in its third year. It is unchanged in its methodology, as is our view on the most appropriate intensity ratio to report against.

The routine revision of estimates means that our 2021/22 emissions have been revised by 14 tonnes CO₂e (<1%), from the 3,069 tonnes CO₂e reported last year to 3,083 tonnes CO₂e.

Retail Ethical and Environmental Strategy (REES)

Oxfam began developing the Strategy in late 2018, with a core research phase consisting of the following elements:

- Current practice: understanding the impact of our current operations.
- Horizon review: looking at current and proposed legislation and regulations already known about, as well as considering what might also emerge in the near future.
- Peer review: looking at publicly available information on a selection of commercial and charitable retailers and understanding what we can learn from them.
- Stakeholder views: considering insights and observations on stakeholders' expectations of us.

We have defined our aspiration for this strategy and have developed five key strategic objectives, with currently over 40 actions sitting below these objectives.

Our aspiration is to be a driving force in the area of sustainability, continually improving our ethical and environmental impact, seeking innovation and upholding the integrity of Oxfam's brand and public positions.

We have continued to make progress during 2022/23, with the governance group that manages the strategy having met four times. In the past year the group has reviewed and refreshed the strategic objectives and the 40+ actions, and in the table below we share the key REES targets. The range of actions that sit beneath the five objectives include significant pieces of work such as:

- **Driving improvements in our waste management processes:** Our partnership with CTR means that the majority (59%) of shops have the capacity to send a wide range of excess donated goods for reuse and recycling– for example, vinyl, soft toys, homeware items, plastic bags and cardboard.

To continue to minimize waste, we work with our partners Textile Recycling International (TRI) and Precycle who now collect textiles and books, respectively, from 137 shops, which are no longer serviced by CTR. We continue to face challenges in the reuse and recycling of vinyl, plastic bags and soft toys from these shops. Due to this, we expect our waste to increase this year until we identify robust solutions through our REES working group. We are carrying out ongoing bin audits with our waste collector, Biffa, to identify and reduce the percentage of shop waste that goes to landfill.

- **Implementing actions arising out of our Energy Savings Opportunities Scheme (ESOS) report:** The financial year 2022/23 was year two of a three-year, £500,000 plan to roll out low-energy LED lighting in our shop network, taking forward a key recommendation from our ESOS report in 2019. At the start of the year, 72% of shops had LED lighting in at least some of their shopfloor areas, and by the end of the year that had increased to just under 100%. We expect that all shops will have complete LED installation by April 2024. The impact of this work has been seen in our retail energy consumption this year, giving us notable energy savings and lower carbon

emissions. We are currently partaking in ESOS phase 3, which will be complete by June 2024 and will allow us to identify further energy saving opportunities.

- **Batley logistics**

Our site in Batley, Yorkshire, processes excess textile donations from the 16% of our shop network that is not serviced by third parties. In light of our 2019 ESOS report, we continually review market offerings with the aim of increasing the efficiency of our lorry and car fleets.

In September 2023, we received four new Euro 6 diesel lorries. These lorries comply with the latest European exhaust emission standards and are compliant with clean air zones and low emission zones. In addition to increasing our fleet's average efficiency from 11mpg to 18mpg, these lorries provide further fuel savings as they can now be driven directly into cities to service our shop network, without the need to drive longer routes avoiding clean air zones. We estimate that these savings combined will achieve a saving of 1,768 gallons of diesel per vehicle per year.

In addition to our lorry fleet, we have upgraded our car fleet to reduce our emissions. Before the upgrade, 62% of our 58-car fleet had diesel engines. This year we reduced our fleet size by five vehicles and replaced our vehicles with Hyundai hybrid models, eliminating diesel vehicles from our fleet offering. We are currently trialling two plug-in electric vehicles. If successful, we will offer them as part of the fleet where viable.



- **Further improving on ethical and environmental considerations in the products we stock in our Sourced by Oxfam (SbO) range, and working with our suppliers in doing so:** Our [Ethical and Environmental Supplier Framework](#) is now embedded into our product selection process and into ongoing relationships with our suppliers. It enables us to work with suppliers in ways that are more likely to raise standards and ensure fair outcomes for people and the planet from the new products we sell online and in our shops. We have joint action plans with key suppliers which define starting points and actions that Oxfam and its suppliers will take and which measure progress over time, holding us mutually accountable for the impacts of our supply chains. Commercial incentives reward suppliers as they improve their performance in terms of impacts, and we have now set targets to drive an increase in the number of suppliers who achieve a level 3 rating or above in that framework (please see pages 8–9 of our [Modern Slavery Statement](#) for more details).

Finally, as mentioned above, the SbO team are tracking and targeting a higher proportion of new products made from wood and paper that use recycled materials.

REES targets

As noted earlier, in the past year we have set a range of targets for the REES, and below we describe the key targets across a range of areas that we will report on annually via this publication. In this report we have included the description, baseline and progress against target for each area of the strategy.

We are pleased that we have exceeded two of these targets ahead of the deadline and are on track to meet all seven of the other targets.

Area	Description	Baseline	Progress	Target	
Waste and donated goods	Reduce the percentage of total waste that goes to landfill	16% in 2019/20 (July 2019–March 2020)	6.4% in 2022/23	<5% by 2023/24	 Target exceeded two years early
	Reduce the amount of waste in tonnes per £m of turnover from donated goods	72 tonnes per £m (2019/20: part known, part estimated)	36 tonnes per £m (2022/23) down 50% v 2019/20	40 tonnes per £m by 2024/25 down 44% v 2019/20	
Energy and carbon	Increase the percentage of shops with LED lighting in at least the shopfloor area (i.e. may or may not also cover back office lighting)	15% as at March 2021	Just under 100% as at March 2023 ¹	95% by March 2024	 Target exceeded one year early
	Reduce building energy use in the Retail division per 1m ² of total shop floorspace per year	151 kWh per 1m² in 2018/19	136 kWh per 1m² in 2022/23 (down 10% v 2018/19)	<89 kWh per 1m² by 2029/30 (down 41% v 2018/19)	
	Reduce the absolute amount of carbon emitted by the Retail division ²	Down 37% by 2018/19 v 2011/12	Down 56% in 2022/23 v 2011/12	Down 73% by 2029/30 v 2011/12	
Sourced by Oxfam (new products)	Increase the percentage of total new SbO products made from wood and paper that are made with recycled materials (not including packaging)	11% in 2018/19	29% in 2022/23	50% by 2023/24	
	Increase the percentage of suppliers rated at level 3 and above in the new SbO Framework as a percentage of the total value of SbO business	44% in 2021/22	70% in 2022/23	85% by 2024/25	

¹ Audit in progress.

² Based on our current scope of emissions reporting as set out on the next page; scope 1, 2 and some scope 3.

	Increase the percentage of products whose primary packaging is deemed compliant with our standards for decisions on new SbO products in each calendar year	60% in the 2021 calendar year	78% in 2022/23	90% by the 2025 calendar year
	Increase the percentage of SbO suppliers with a Supply Chain Transparency Agreement signed as a percentage of the total value of SbO business	65% in 2021/22	87% in 2022/23	90% by 2024/25

Widening the scope of our carbon commitment

In 2019 we set a new carbon reduction commitment and in 2021 we revised and improved that commitment, as set out below:

'We know that we must play our part in tackling the climate emergency, for the world's poorest people, and for all of us. As a priority, we are significantly reducing emissions related to our own activities and have committed to at least a 71% absolute reduction by 2030 (from a 2011/12 baseline, without offsetting), with a commitment to having net zero emissions from our UK operations before 2040. This will be reviewed each year and increased as new opportunities and technology become available.'

This target hasn't changed from our previous target, but we have adjusted the wording to omit potential confusion with the SBTi (Science Based Targets Initiative) Corporate Net-Zero Standard. We have set our target over the specified scope to achieve carbon reductions in line with the SBTi carbon reduction pathways to limit global warming to 1.5°C and the 2015 Paris Agreement.

The commitment currently covers the following carbon emissions:

- all UK scope 1 emissions (gas and vehicle fuels)
- all UK scope 2 emissions (electricity)
- some scope 3 emissions mainly in the UK and including business travel (staff using their own cars and UK-processed flights), some third-party logistics and indirect emissions (e.g. 'well-to-tank' emissions for diesel) relating to scope 1, 2 and 3 emissions).

Further to the mandatory and optional reported carbon included in our commitment and which we have reported in previous years, in 2022/23 we have widened the scope of our reported emissions. This year, for the first time we are reporting emissions from home working, transportation of humanitarian goods within the UK, waste and water processing, well-to-tank emissions of fuels used, and transmission and distribution losses.

In line with our commitment to review these targets each year, in 2022/23 we are working on widening the scope of this carbon commitment and routine reporting to include more scope 3 emissions. The outcome of this process will be a further revised carbon reduction commitment based on this new wider scope of carbon emissions. This work and the revised commitment will continue to have a UK focus and will not include any of our international operations. Emissions from our international operations for 2022/23 will be reported by Oxfam International.