



Our headline commitment is to be a net-zero carbon business by 2030

STV Zero is STV's sustainability strategy designed to enable the business to become net zero carbon by 2030.

This goal will be achieved through changes to current business processes, the adoption of new ways of working and behavioural change. Our programme of activities and related targets to reduce the carbon impact of the business covers five key areas:

- **energy consumption**
- **waste reduction**
- **programme making**
- **promoting sustainability using STV's reach**
- **achieving a sustainable supply chain.**

External validation of the impact of STV Zero is currently pending through a submission to the Science Based Targets initiative (SBTi) to ensure that this strategy will deliver a carbon reduction in line with the aims of the Paris Agreement.

By the end of 2021, STV had achieved the first target set under the STV Zero sustainability strategy and was a carbon neutral business. This was achieved through offsetting all emissions from business operations, energy use and business travel through the purchase of certified carbon offsetting credits in sustainability projects.

We are using our unique position as a public sector broadcaster and Scotland's pre-eminent marketing platform to inform and raise awareness of environmental issues and challenges and positively influence consumer behaviour through our relationships with our audience and our advertisers and commercial partners.

Target setting and delivering on our commitments

The PLC Board has established a Sustainability Committee. This Committee meets at every scheduled Board meeting and additionally, sustainability is formally scheduled in the Board meeting agenda on a tri-annual basis.

The sustainability strategy is reviewed quarterly by the Management Board. Each member of the Management Board has a personal objective to support achievement of the Company's sustainability targets.

To create engagement and support a collective drive to improve environmental sustainability, the STV Sustainability Group, which brings together colleagues from

across each area of the business, was formed in 2020. This group champions sustainability; working in partnership with the business to develop and implement sustainability initiatives and activities and monitor progress. The group meets monthly creating a forum within the business for ideas, discussion and development of actions.

Five key areas to reduce our carbon impact

Energy consumption

Targets:

- **Achieve 100% of electrical energy used from renewable sources by the end of 2022**
- **Reduce business travel by 50% by the end of 2022**

Our properties and business travel are the principal contributors to the Company's energy usage with over 1,000 tonnes of CO₂ emitted from our properties in 2021. In 2020, c.10% of electrical energy used was generated from renewable sources and by the end of 2021, this had increased to 97%.

Further work was undertaken during 2021 to assess our energy consumption using the Science-Based Target Initiatives criteria as the basis for our future measurement and reporting and disclosure.

To achieve our headline target we will:

- Secure all electricity from renewable sources upon expiry of current electricity supply contracts during 2022
- Continue to roll out a comprehensive programme of measures to reduce energy consumption. This includes a behaviour change programme, investment in 'smart building' infrastructure, including LED lighting installation, and temperature control measures
- Introduction of a new business travel policy in early 2021 and reduce business travel by 50% by end of 2022 (against 2019, pre-pandemic, levels)
- Convert the Company's car fleet to be hybrid/electric

Waste reduction

Target:

STV will become a zero-waste business by 2030

We will achieve our headline target through a programme of 'avoid', 'reuse' and 'recycle' which will include:

- Removal of all single use plastics by corporate catering suppliers
- Removal of waste paper bins at each desk across our offices to encourage recycling and a general reduction in litter
- Installation of 'smart' photocopiers to drive reduction in paper usage and improve monitoring of waste

- Launch of an internal communication campaign to increase understanding of opportunities to 'avoid', 'reuse' or 'recycle' and to enable each area of the business to begin to develop action plans to achieve waste reduction

Programme making

Target:

Achieve net zero carbon emissions on all programming, including commercial production, produced by STV and STV Studios by 2030

An industry wide initiative, led by BAFTA, has established a recognised benchmark and standard for the production sector to measure emissions arising from its activities. Project albert is successfully supporting the film and TV industry to make positive contributions to the environment by actively seeking to eliminate waste and carbon emissions.

Since 2021 all programmes produced by STV Studios have been registered with albert which enables a calculation to be made to assess the carbon impact of a production. Where required by the commissioner, productions will attain albert certification. This further commitment requires the production to use carbon offsetting to become net zero.

Programmes made by STV's broadcast business, including the output of STV News, have become albert certified during 2022.

STV's in-house commercial production business, STV Creative, delivered over 500 advertising and promotional campaigns in 2021. STV Creative is an active supporter of Ad Net Zero, the UK's response to achieving environmental sustainability, which shares STV's headline target to become net-zero carbon by 2030.

To achieve our headline target:

- All programming made by STV, including news and current affairs, and STV Studios will achieve albert certification by end of 2022
- STV Creative is supporting sustainability within the advertising industry as an active supporter of Ad Net Zero and will introduce Ad Net Zero's advertising production carbon impact calculator in H2 2022

Promoting sustainability

Target:

We will use STV's reach to inform and raise awareness of environmental sustainability with our viewers and to support our advertisers to embrace sustainability

As a trusted public service broadcaster, we have a strong platform to encourage behavioural change by raising awareness, stimulating discussion of environmental issues and promoting sustainable lifestyles and behaviours. We will achieve this through our programming and self-promotional airtime.

We will also work with our advertisers and commercial partners to support them in

making their organisations, products and services more environmentally sustainable.

To achieve our headline target we will:

- Ensure environmental sustainability is represented in the editorial content of our programming
- Use promotional airtime to celebrate STV's commitment to environmental sustainability and encourage positive behaviour change from our viewers and advertisers
- Support our advertisers and commercial partners in becoming environmentally sustainable businesses through the launch of the STV Green Fund

Achieving a sustainable supply chain

Target:

Our supply chain will be 100% sustainable by 2030

Currently, suppliers providing c.80% by value of our procured goods and services have confirmed sustainability commitments consistent with our overall objectives. We are currently identifying criteria that will address sustainability and ethical requirements that all suppliers will be expected to meet by 2030. As we develop these criteria, we will undertake a review of our supplier base and our procurement and sourcing processes to ensure these are efficient, streamlined and aligned with our sustainability and ethical values, including the Modern Slavery Act and diversity and inclusion principles.

The review of our supplier base will therefore be focused on the remaining suppliers, estimated to represent c.20% of the value of goods and services purchased by the Company.

To achieve our target we will:

- Develop environmental sustainability criteria for all suppliers
- Undertake a review of sourcing and procurement processes to ensure sustainability and ethical criteria can be incorporated into the supply chain in the long term
- Perform a supplier data base cleanse to remove dormant suppliers and focus our activities on those suppliers who are actively engaged with the business at present.