



IG GROUP



CARBON NEUTRALITY STATEMENT (FY 2023)

PRODUCED BY ENERGISE LTD

Energise Ltd

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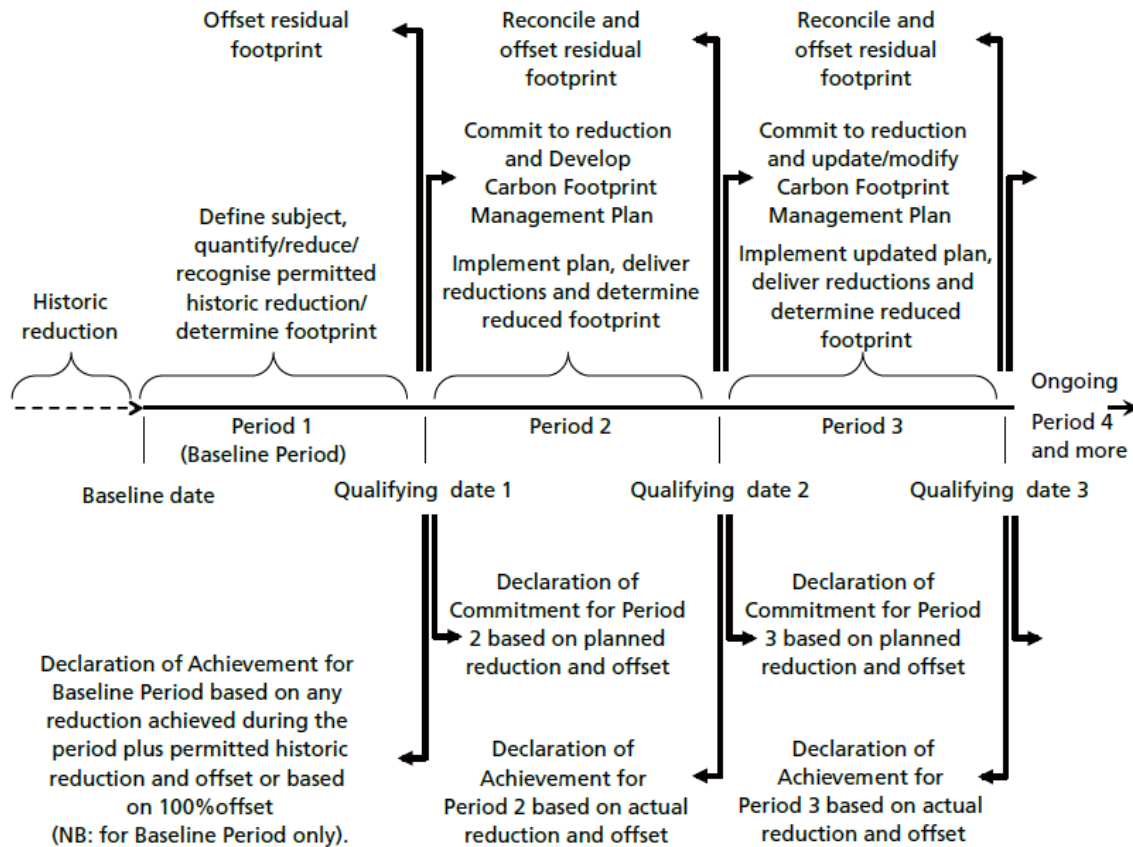
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1.1. INTRODUCTION

PAS 2060 INFORMATION REQUIREMENT	INFORMATION AS IT RELATES TO THE ORGANISATION SELF-CERTIFYING
Entity making the PAS2060 declaration	IG Group plc
Subject of the PAS2060 declaration	The global operations of IG Group plc and its subsidiaries.
Description of the organisation	IG Group provides trading in financial derivatives such as contracts for difference and financial spread betting and stockbroking to retail traders.
Rationale for the selection of the subject	The scope and subject of this PAS2060 includes all emissions based on the operational control principle defined in the WBCSD / WRI GHG Protocol – Corporate Standard.
Type of certification undertaken	Other party verification
Baseline period for the PAS2060 programme	1 st June 2019 to 31 st May 2020
Achievement period	1 st June 2022 to 31 st May 2023
Commitment period	1 st June 2023 to 31 st May 2024
Baseline date	1 st June 2019
Inclusion of historic reductions prior to the baseline date to allow declaration in Baseline period	Yes, historic emissions reductions prior to the baseline date were included to permit a Declaration of Achievement for the Baseline Period (FY20).

This qualifying statement contains information providing evidence that IG Group plc have demonstrated carbon neutrality. All information hereafter is believed to be correct at the time of publishing. Should any change in circumstance occur that affects the validity of a carbon neutrality claim by IG Group plc, this document will be updated accordingly.

2.1. BASELINE, ACHIEVEMENT AND COMMITMENT PERIODS



The baseline date is 31st May 2019; period 1 was 1st June 2019 to 31st May 2020. Qualifying Date 1 is 30th June 2020; Period 2 is 1st June 2020 to 31st May 2021. Qualifying Date 2 is 30th June 2021; Period 3 is 1st June 2021 to 31st May 2022; Period 4 is 1st June 2022 to 31st May 2023.

This diagram illustrates the baseline, achievement and commitment periods for demonstrating carbon neutrality in line with the PAS 2060 method. IG Group plc will fully offset all carbon emissions and produce a carbon offset strategy and carbon management plan in order to demonstrate carbon neutrality and commit to carbon emissions reductions relative to the baseline period in subsequent commitment periods.

To formally confirm this commitment, please see below statement from the Chief Operating Officer of IG Group plc:

We confirm our understanding that IG Group plc achieved carbon neutrality for the period 1st June 2022 to 31st May 2023 in accordance with PAS2060 with a commitment to maintain until at least 31st May 2024.

Jonathan Noble

Date:

3.1. DECLARATION OF ACHIEVEMENT OF CARBON NEUTRALITY

The below table outlines the key information required to be declared to be compliant with the self-certified declaration of carbon neutrality under the PAS 2060 method.

PAS 2060 INFORMATION REQUIREMENT	INFORMATION AS IT RELATES TO THE ORGANISATION SELF-CERTIFYING
State the period during which the entity is demonstrating achievement of carbon neutrality of the subject	1 st June 2022 to 31 st May 2023
Carbon footprint of the subject for the period stated above	25,186.20 tCO ₂ e
Which method, as defined by PAS2060, has been followed to achieve carbon neutrality?	OPV-2 (Other party validated – achievement)
How have the reductions in GHG emissions during this period been achieved?	Improvements to UK data centres; ongoing behavioural improvements; more efficient technology.
Location of GHG emissions report supporting this claim	Section 4.1 – Statement of Carbon Emissions
Location of the details describing internal reductions during the period	Appendix B: Carbon Management Plan Assessment
Location of the details describing the carbon offsets	Appendix C: Carbon Offset Strategy
Economic growth rate over the application period in the countries in which the carbon emissions have been emitted	0.2%
Individuals/entity responsible for the provision of data necessary for demonstrating carbon neutrality of the entity	Ben Hemington
Senior representative responsible for the declaration of carbon neutrality for the entity	Refer to section 2.1
Signature of the senior representative	Refer to section 2.1

4.1. STATEMENT OF CARBON EMISSIONS

The below section outlines the assessed carbon footprint that has been considered to be the subject of this declaration of carbon neutrality.

4.2.1. SCOPE 1 EMISSIONS

GHG PROTOCOL SCOPE	SUB-CATEGORY	2022-23 TCO2E	2021-22 TCO2E
Scope 1	Operation of facilities	521.90	0.00
Scope 1	Combustion	201.00	287.86
Scope 1		722.90	287.86

The table above states the total carbon emissions (CO₂e) for Scope 1.

4.3.1. SCOPE 2 EMISSIONS

GHG PROTOCOL SCOPE	SUB-CATEGORY	2022-23 TCO2E	2021-22 TCO2E
Scope 2	Scope 2 emissions	401.10	832.70
Scope 2		401.10	832.70

The table above states the total carbon emissions (CO₂e) for Scope 2.

4.4.1. SCOPE 3 EMISSIONS

GHG PROTOCOL SCOPE	SUB-CATEGORY	2022-23 TCO2E	2021-22 TCO2E
Scope 3	Business travel	552.0	83.51
	Employee commuting (inc. homeworking)	547.50	1,229.17
	Fuel and energy-related activities	779.60	860.33
	Purchased goods and services	22,124.50	20,297.48
	Waste generated in operations	88.40	116.50
Scope 3		24,062.10	22,586.98

The table above states the total carbon emissions (CO₂e) for Scope 3.

GHG PROTOCOL SCOPE	SUB-CATEGORY	2022-23 TCO2E	2021-22 TCO2E
Scope 1	Operation of facilities	521.90	0.00
Scope 1	Combustion	201.00	287.86
Scope 1		722.90	287.86
Scope 2	Purchased energy	401.10	832.70
Scope 2		401.10	832.70
Scope 1 & 2 Emissions		1,124.00	1,120.56
# Employees		2,665	2,424
Performance Indicator	<i>Scope 1 & 2 emissions</i>	0.422	0.462
Relevant Change		-8.66%	
Global Energy Use (kWh)	<i>Scope 1 & 2 only</i>	10,206,432	10,272,137
UK Energy Use (kWh)	<i>Scope 1 & 2 only</i>	9,027,165	7,888,644
Overseas Energy Use (kWh)	<i>Scope 1 & 2 only</i>	1,179,267	2,383,493
Scope 3		24,062.10	22,586.98
Grand Total:		25,186.20	23,707.54
# Employees		2,665	2,424
Performance Indicator	All 3 scopes	9.45	9.78
Relevant Change		-3.37%	

Table of scope 1, scope 2 and scope 3 breakdown

The total carbon emissions for IG Group plc for the reporting period 1st June 2022 to 31st May 2023 is 25,186.20 tCO₂e. This is the sum of all emissions as a result of the business activities – direct and indirect – of IG Group plc. The quantified footprint covered is as accurate as is reasonably possible.

APPENDIX A - METHODOLOGY

All calculations were made in accordance with the Greenhouse Gas (GHG) Protocol, categorising emissions as Scope 1, 2 and 3. Emissions are calculated from the DEFRA Conversion Factors for Company Reporting where available, which convert all emissions to CO₂e (Carbon dioxide equivalent). These methods are widely recognised and recommended for the reporting of GHG emissions for PAS 2060.

<p>Natural Gas/Diesel – Actual data used where possible from invoicing records. Comparable estimation techniques using FY22 data was used for sites where natural gas or diesel data was unavailable.</p>
<p>Electric Fleet Vehicle - No additional data treatment was applied.</p>
<p>F-Gas - No additional data treatment was applied.</p>
<p>Electricity – Actual data used where possible from invoicing records. Comparable estimation techniques using FY22 data was used for sites where electricity data was unavailable.</p>
<p>Purchased Goods & Services – Supplier-specific emission factors were determined for Equinix, Google Cloud EMEA Ltd, and Salesforce suppliers based on their CDP responses. The expenses from these suppliers (which represented 8% of total expenses) were subtracted from IG Group’s total purchases. The remaining purchases (92%) were mapped to EEIO purchasing factors using IG Group’s internal ledger codes.</p>
<p>Capital Goods – Capitalised purchases were assumed to be included in the purchasing ledger and therefore accounted within IG Group’s carbon footprint under ‘Purchased Goods & Services’. See ‘Purchased Goods & Services’ for accounting methodology.</p>
<p>FERA – This category is based on the consumption of Scope 1 & 2 fuel/energy. Well-to-Tank (WTT) and Transmission & Distribution (T&D) factors were applied to account for upstream fuel and energy emissions.</p>
<p>Upstream Transportation & Distribution – Although this category is anticipated to be immaterial to IG Group’s carbon footprint, no data is available. As a result, Upstream Transportation & Distribution was excluded from IGG’s carbon footprint report.</p>
<p>Waste – Waste type and treatment method were provided for several sites enabling the relevant carbon factor to be applied. A comparable period estimation technique of FY22 where waste data was unavailable</p> <p>Water – Water consumption and in some instances, sewerage charge, were provided for several sites enabling the relevant carbon factor to be applied. A comparable period estimation technique of FY22 where water data was unavailable.</p>
<p>Business Travel – Travel data was provided based on IG’s expense system, as a result, non-grey fleet data required the use of EEIO purchasing factors for air, rail, and other land transport (‘Public Transport’ was assumed to predominantly consist of rail travel). For grey fleet data, a 45p/mile reimbursement rate was used to convert expenses into miles travelled (vehicle type was assumed to be Car – Average Size – Unknown Fuel Type).</p>
<p>Employee Commuting – Commuting and homeworking data was based on attendance tracking of offices for several of IGG’s office locations. An average FTE attendance was determined and commuting (%) and homeworking (%) were derived for each of the locations where data was available. An overall average was determined to estimate the split between commuting and homeworking for offices where no attendance data was available. DEFRA’s homeworking factor was applied assuming 7.5 working hours/day and 48 working weeks/year. For employee commuting, employee commuting benchmark was used, however, both factors are based on UK commuting and homeworking trends.</p>

APPENDIX B – CARBON MANAGEMENT PLAN ASSESSMENT

The below outlines the carbon management plan that is to operate alongside offset to enable the carbon neutrality declared in this statement.

B.1. REDUCTION PLAN FOR THE COMMITMENT PERIOD

Our ongoing initiatives and investments in this area are developed as part of our Brighter Future programme and we continue to develop our specific focus on this area under our Carbon Management Plan. Our emissions reduction plan for the commitment period focuses on:

- 1) Engagement of employees in reduction of resource use via IG Brighter Future programme
- 2) Further Net Zero data and reporting system improvements
- 3) Engagement with suppliers in supply chain to increase data quality and reduce emissions where possible
- 4) Development of Net Zero standards to be adopted across the business to include Procurement, Buildings/Facilities, Data and Travel.
- 5) Ongoing optimisation of PUE (power usage effectiveness) in UK data centres
- 6) Further development of existing solutions

We summarise our activities in our Annual Report, and in the last year our activity can be summarised as:

IG Group is actively managing our energy efficiency. Our global team are collectively engaged in energy efficiency (and other sustainability initiatives) via our Brighter Futures programme. Our Pathway to Net Zero has been drafted and targets are in the process of being set. We are also working on a set of Net Zero standards across the business in key areas (such as Procurement, Data Handling and Facilities) which will support us in pushing this agenda forward.

B.2. EMISSIONS REDUCTION TARGETS FOR THE COMMITMENT PERIOD (AP2)

Our emissions reduction target for the commitment period is 2.5% on a relative basis.

B.3. TRANSPARENCY

We will report our activities to reduce emissions in our Annual Report moving forward and provide information on our actions taken within the Annual Report. This will be available on our website once published.

APPENDIX C – CARBON OFFSET STRATEGY

C.1. CARBON EMISSIONS TO BE OFFSET:

The total carbon emissions to be offset are 25,186.20 tCO₂e.

C.2. SOURCE OF CARBON OFFSETS

FY23 Carbon offsets are awaiting retirement. Documentation will be updated in due course with links to retirement (in line with the requirements of PAS2060).

Credits are valid for use in PAS 2060 standard

C.3. LOCATION OF THE RETIRED CREDITS

Retired credits can be located for the above projects (will be retired within 12 months of the required date):

UN CDM: https://cdm.unfccc.int/Registry/vc_attest/index.html

Gold Standard: <https://registry.goldstandard.org/credit-blocks>

VCS: <https://registry.verra.org/>

IHS MarkIt: <https://mer.markit.com/br-reg/public/index.jsp?s=ca>

C.4. COMMITMENT TO CARBON NEUTRALITY

The entity will commit to monitor, reduce and declare all of its carbon equivalent emissions for the commitment period and will subsequently offset the declared emissions using a genuine source of carbon credits for the same period.

APPENDIX D – PAS2060 QUALITY ASSURANCE CHECKLIST

CHECK #	PAS 2060 REQUIREMENT	SECTION
1	Define standard and methodology use to determine its GHG emissions reductions	Appendix A
2	Confirm that the methodology used was applied in accordance with its provisions and principles set out in PAS 2060 were met	Introduction
3	Provide justification for the selection of the methodologies chosen to quantify the reductions in the carbon footprint, including all assumptions and calculations made and any assessments of uncertainty. (The methodology employed to quantify reductions shall be the same as that used to quantify the original carbon footprint. Should an alternative methodology be available that would reduce uncertainty and yield more accurate, consistent and reproducible results, then this may be used provided the original carbon footprint is re-quantified to the same methodology, for comparison purposes. Recalculated carbon footprints shall use the most recently available emissions factors, ensuring that for purposes of comparison with the original calculation, any change in the factors used is taken into account)	Appendix A
4	Describe the means by which reductions have been achieved and any applicable assumptions or justifications	Appendix B
5	Ensure that there has been no change to the definition of the subject (The entity shall ensure that the definition of the subject remains unchanged through each and every stage of the methodology. In the event that material change to the subject occurs, the sequence shall be re-started on the basis of a newly defined subject.)	Introduction
6	Describe the actual reductions achieved in absolute and intensity terms and as a percentage of the original carbon footprint (Quantified GHG emissions reductions shall be expressed in absolute terms and shall relate to the application period selected and/or shall be expressed in emission intensity terms (e.g. per specified unit of product or instance of service))	Statement of Carbon Emissions; Appendix B
7	State the baseline/qualification date	Baseline, Achievement and Commitment Periods
8	Record the percentage economic growth rate for the given application period used as a threshold for recognising reductions in intensity terms	Declaration of Achievement of Carbon Neutrality
9	Provide an explanation for circumstances where a GHG reduction in intensity terms is accompanied by an increase in absolute terms for the determined subject	Statement of Carbon Emissions
10	Select and document the standard and methodology used to achieve carbon offset	Introduction; Appendix A

11	Confirm that:	
	Offsets purchased or allowance credits surrendered represent genuine, additional GHG emission reductions elsewhere –a	Appendix C
	Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage and double counting. (See the WRI Greenhouse Gas Protocol for definitions of additionality, permanence, leakage and double counting) -b	Appendix C
	Carbon offsets are verified by an independent third-party verifier -c	Appendix C
	Credits from Carbon offset projects are only issued after emission reduction has taken place -d	Appendix C
	Credits from Carbon offset projects are retired within 12 months from the date of the declaration of achievement -e	Appendix C
	Credits from Carbon offset projects are supported by publicly available project documentation on a registry which shall provide information about the offset project, quantification methodology and validation and verification procedures –f	Appendix C
12	Credits from Carbon offset projects are stored and retired in an independent and credible registry –g	Appendix C
	Document the quantity of GHG emissions offset and the type and nature of offsets actually purchased including the number and type of credits used and the time period over which credits were generated including: Which GHG emissions have been offset –a	Appendix C
	The actual amount of carbon offset – b	Appendix C
	The type of offset and projects involved – c	Appendix C
	The number and type of carbon offset credits used and the time period over which the credits have been generated -d	Appendix C
Information regarding the retirement/cancellation of carbon offset credits to prevent their use by others including a link to the registry where the offset has been retired –e	Appendix C	
13	Specify the type of conformity assessment a- Independent third party certification	Appendix C
	b- Other party validation	Appendix C
	c- Self-validation	
14	Include statements of validation where declarations of achievement of carbon neutrality are validated by a third party certifier or second party organizations.	N/A
15	Date the WES and have it signed by a senior representative of the entity concerned	Declaration of Achievement of Carbon Neutrality
16	Make QES publicly available and provide a reference to any freely accessible information upon which the substantiation depends	Y

QES openness and clarity – Entities should satisfy themselves that the QES:

1	Does not suggest a reduction which does not exist, either directly or by implication	Y
2	Is not presented in a manner which implies that the declaration is endorsed or certified by an independent third party organisation when it is not	Y
3	Is not likely to be misinterpreted or be misleading as a result of the omission of relative facts	Y
4	Is readily available to any interested party	Y