

# Climate action

## Rationale

The Leathersellers has a responsibility to ensure environmental stewardship across all areas of its activity, from our investments and the management of the St Helen's Estate in the City of London, to our events, suppliers, and the added value we bring to our grantees helping to ensure they can contribute to a sustainable future. At the heart of all this activity is the recognition of the importance to reduce our carbon emissions to help limit global warming. The last three years has focused on ways we can achieve this and, importantly, taking the necessary action.

## Experience and progress

In 2023/2024 consultants were engaged to carry out a carbon emissions audit of Scope 1, Scope 2, and Scope 3 emissions. The audit revealed an 84% decrease in investment emissions which led to a 54% overall decrease in carbon emissions. This was primarily driven by a change in the Foundation's investment portfolio, which was moved to new fund managers with a specific ESG mandate.

However, Scope 1 and 2 emissions increased between 2021 and 2023 due to higher occupancy levels of buildings across the St Helen's Estate (the Company's home and main property holdings in the City of London); following more people returning to the workplace post Covid-19, and the completion of the redevelopment of 3 St Helen's Place. A key component of the Leathersellers' plan is to reduce these Scope 1 and 2 emissions by 50% by 2030.

Following the audit, the decision was made to pursue SBTi (Science Based Targets initiative) validated targets to set a clear course for achieving net-zero carbon emissions by 2050. Leathersellers' targets were validated by SBTi in October 2024 and published in December 2024.

Approval of the targets by the SBTi, defined as goals in line to limit global warming to 1.5 degrees above pre-industrial levels, required the Leathersellers to make a commitment to:

1. Measuring carbon emissions each year.
2. Reducing Scope 1 and 2 carbon emissions by 50% by 2030.
3. Monitoring and reducing Scope 3 emissions, though without a near-term target.
4. Achieve net-zero by 2050.

## Plans for the future

Work is currently underway to move the Leathersellers' Company's investments to a fund with an ESG mandate, further decreasing Scope 3 emissions by a significant margin.

The core plan to reduce Scope 1 and 2 emissions by 50% before 2030 is focused on the adoption of the City of London Corporation's district heating network. Although other mitigations have been identified this remains the most logical and effective option. We look forward to engaging with partners to support the project and learn more about its implementation.





## The Leathersellers join the Science Based Targets initiative with approved plans to achieve net-zero carbon emissions

The Leathersellers' net-zero targets have been validated by the Science Based Targets initiative (SBTi), an organisation providing certification of clearly defined pathways to reduce carbon emissions and limit global warming.

As part of the Leathersellers' target submission process, a carbon emissions audit covering the last three years found significant reductions have already been achieved with total emissions decreasing by 58% between 2021 and 2023.

The total decrease in emissions was primarily driven by a change in the Foundation's investment portfolio, which was moved to new fund managers with a specific ESG mandate. As a result, emissions from investment related activity fell by 84% in this period.

The scope of emissions included in the audit were: Scope 1. Direct emissions. Scope 2. Electricity consumption, renewable, and non-renewable energy. Scope 3. Indirect emissions, including operations, property, and investments.

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Routes to achieve further reductions of emissions include continued analysis of proposed investments and systems and technology for local energy production and distribution, such as district heating schemes.

The SBTi comprises a group of nearly 7,000 companies, worldwide, who have science-based targets, and a group of around half that number who have committed to achieving net-zero carbon emissions by 2050, including the Leathersellers.

The Leathersellers is the first livery company to have net-zero targets validated by the SBTi.



Nicholas Tusting, Master (Chair) of the Leathersellers said:

Our commitment to the Science Based Targets initiative speaks to the importance of our roles as stewards. From our membership to our historical and cultural assets there is an expectation that we must pass on a better organisation – an ambition we have endeavoured to achieve from our home in the City of London for 600 years. Our net-zero targets recognise that environmental security is a significant factor in the accomplishment of our long-term objectives and helps us plan, sustainably, for the future.

\* The Science Based Targets initiative (SBTi) Net-Zero Standard

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## NOTES

### CARBON EMISSIONS AUDIT DATA

tCO <sub>2</sub> e	2021	2022	2023
Scope 1	180	240	236
Scope 2	48	55	77
Scope 3 (operations and employees)	81	N/A	118
Scope 3 (properties)	3,887	N/A	4,326
Scope 3 (investments)	11,382	2,995	1,870
Total	15,530	3,235	6,550

### THE LEATHERSELLERS

The Leathersellers is a 600-year-old organisation in the City of London. Its members and staff work towards the long-term stewardship of assets and support the work of the Leathersellers' Foundation. Combined they are focused on enabling individuals and communities, fostering opportunity through education, and supporting the UK leather trade.

The Leathersellers' Company was established by Royal Charter in 1444 to regulate the leather trade in the City. But its role wasn't just regulatory, their earliest surviving records tell us that the



Leathersellers was established to not just protect leatherworkers and their trade, but to support others who fell on hard times.

This enduring charitable spirit continues today through the Leathersellers' Foundation - a grant funder with its own independent income, generated from its investment portfolio. From this the Foundation distributes around £4m annually to a range of charities, educational partners, and those working in the leather industry.