

JOURNEY TO NET ZERO

Climate Action Plan Update 2024

CLIMATE ACTION PLAN UPDATE



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SKYSCANNER'S NEAR-TERM TARGETS

42%↓

Scopes 1 and 2
42% absolute reduction
by 2030.

71%↑

Scopes 3.1 and 3.2
71% suppliers by emissions
commit to Science Based
Targets ('SBTs') by 2029.

25%↓

Scope 3.6
(corporate travel) 25%
absolute reduction by 2030.

Welcome to Skyscanner's Climate Action Plan Update, an annual follow up to our Climate Action Plan, where we committed to reach net zero by 2045 at the latest.

Within this document we share not only our updated carbon footprint figures under the Greenhouse Gas ('GHG') Protocol, but also the actions we've taken since the publication of our initial report.

For all businesses looking to achieve net zero, there is a long road ahead. Along this journey, we have set near-term targets, which are both ambitious and science aligned.

The vast majority of our emissions continue to lie in Scope 3 (98.9%) – that is, indirect emissions from our value chain. As such, working with our partners and suppliers to also reduce their emissions is key to achieving our net zero ambitions.

We continue to build upon several years of foundational work in the sustainability space. We remain conscious of the role we play as a company in impacting the environment. Moreover, we recognise that there is much the travel industry must do to address the causes and impact of climate change. While we're not going to be able to solve the problems immediately or alone, we will continue to work hard towards achieving our aims, sharing our progress yearly.

Thank you for joining us on our journey.

OUR CARBON FOOTPRINT



Using the GHG Protocol, we've partnered with leading climate platform Watershed to calculate our 2023 carbon footprint.

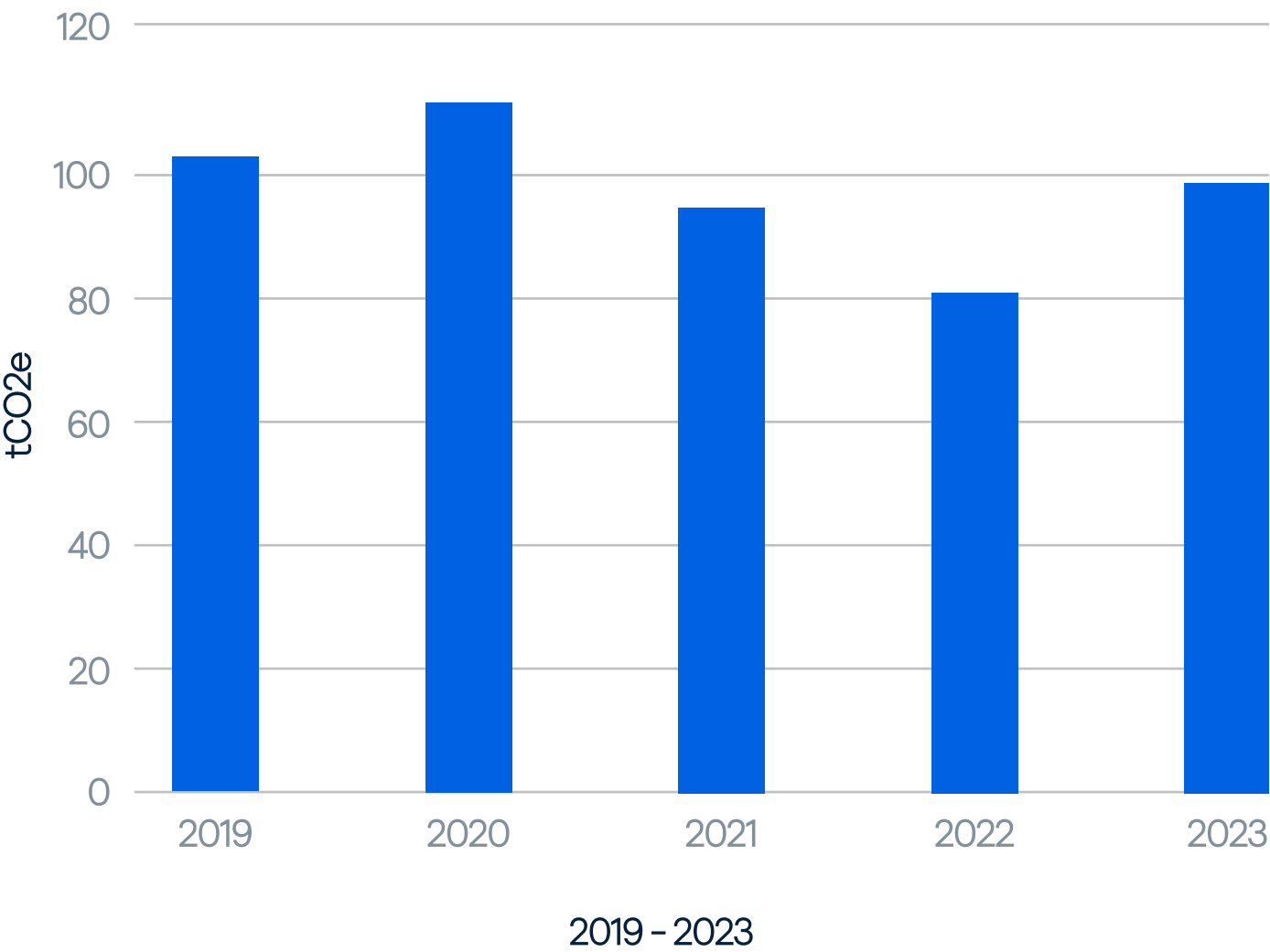


We collated our carbon footprint data and worked with Watershed to map our spend or usage by business category and activity type to the appropriate emissions factors ('EF'). By utilising activity and (where available) supplier specific EFs, Watershed measures emissions in tonnes of CO₂e, which includes equivalent greenhouses gases to carbon, such as methane and nitrous oxide ('tCO₂e').

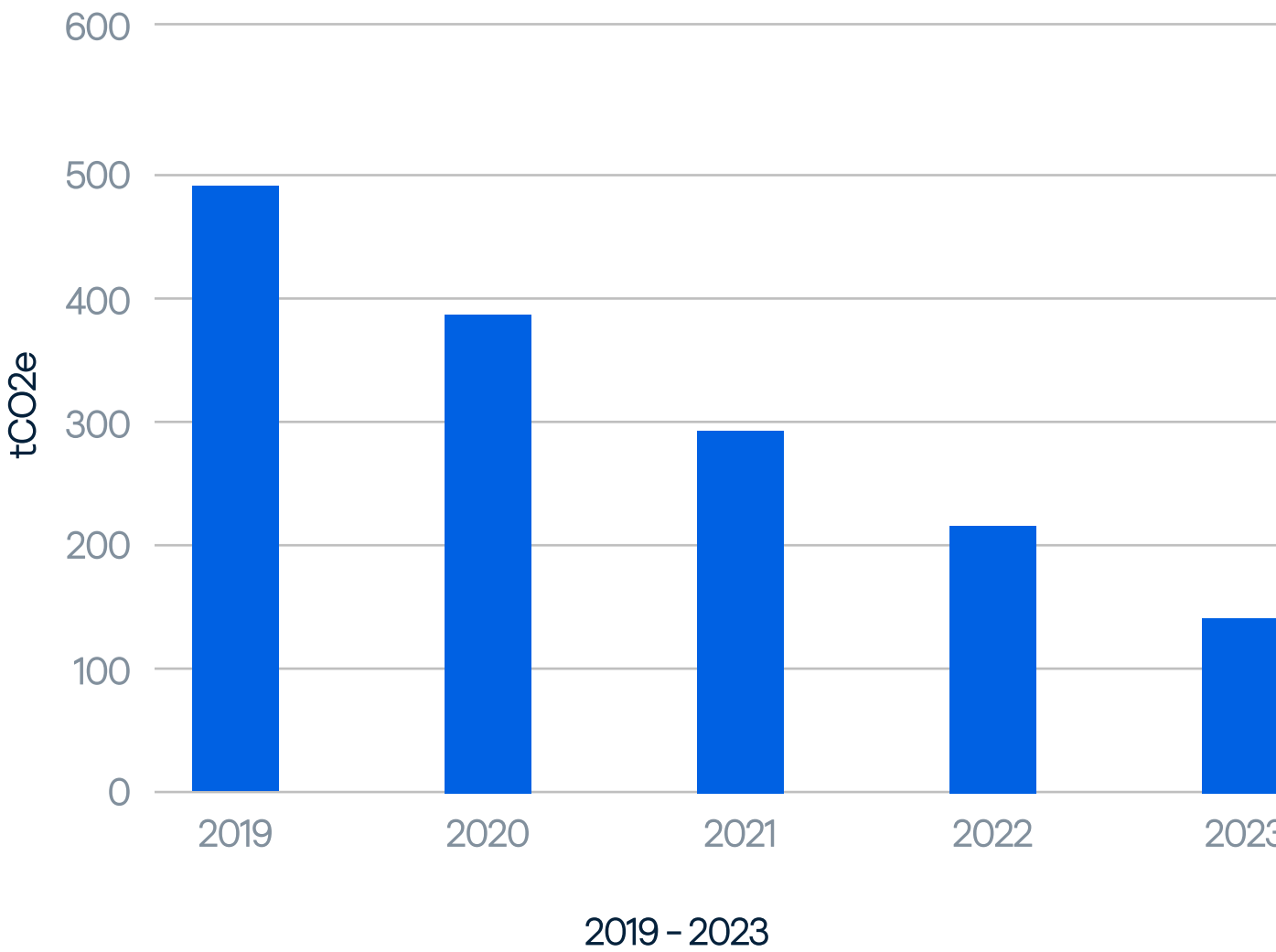


This report updates on our emissions in Scope 1 (direct emissions), Scope 2 (indirect emissions from energy we purchase) and Scope 3 (indirect emissions from our value chain).

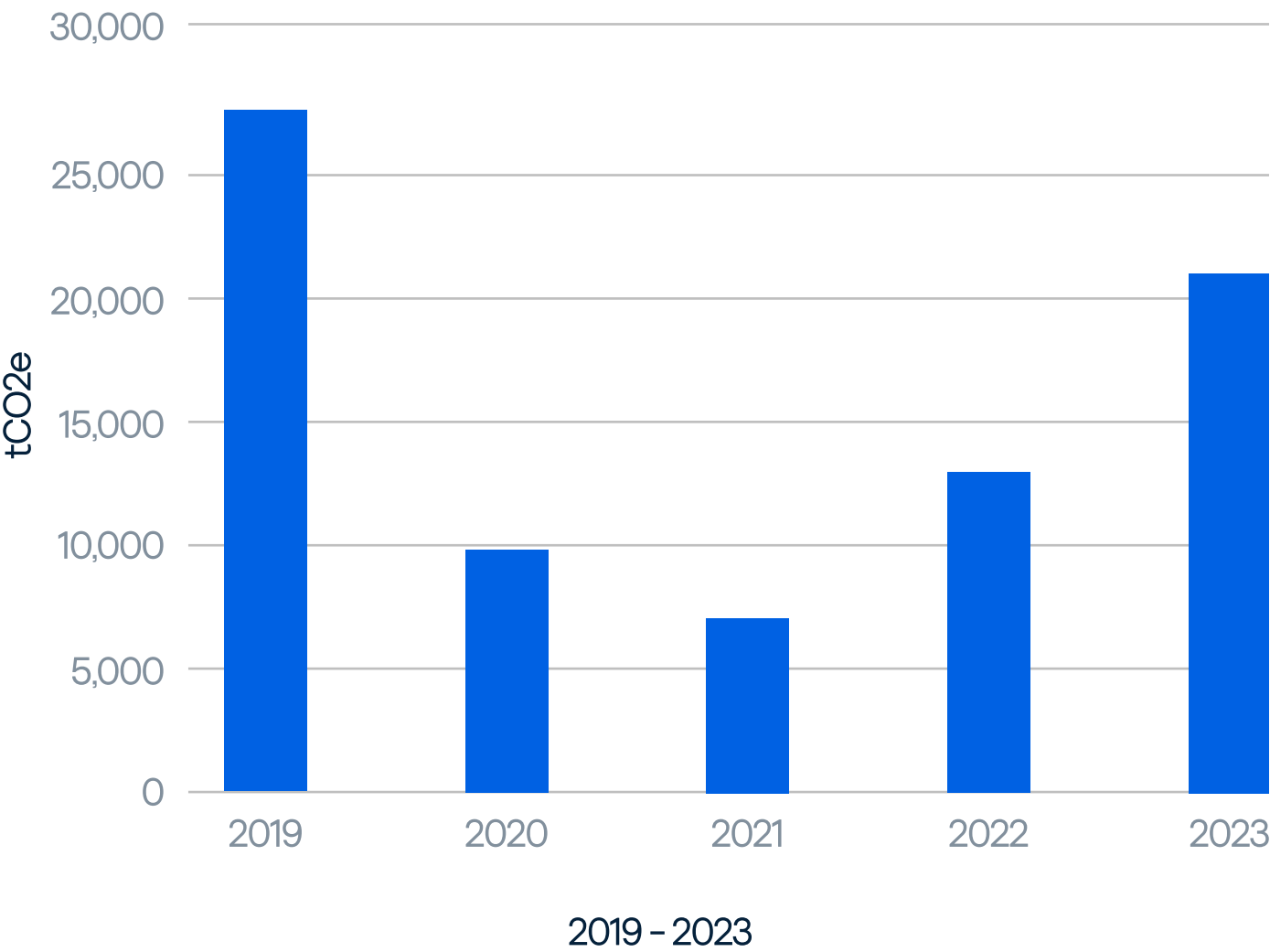
Scope 1 Emissions



Scope 2 Emissions



Scope 3 Emissions





Scopes 1 & 2

As a result of Skyscanner reducing our office footprint, we have seen a small decrease in our Scope 1 emissions versus 2019, as well as a steady decrease in our year-on-year Scope 2 emissions. Energy efficiency works have been undertaken across our offices, and these will continue. Office sustainability was a key driver in choosing our new London office, as it will be for our new Glasgow office later this year, while our Edinburgh office is currently being refurbished with sustainability front of mind.

Scope 3

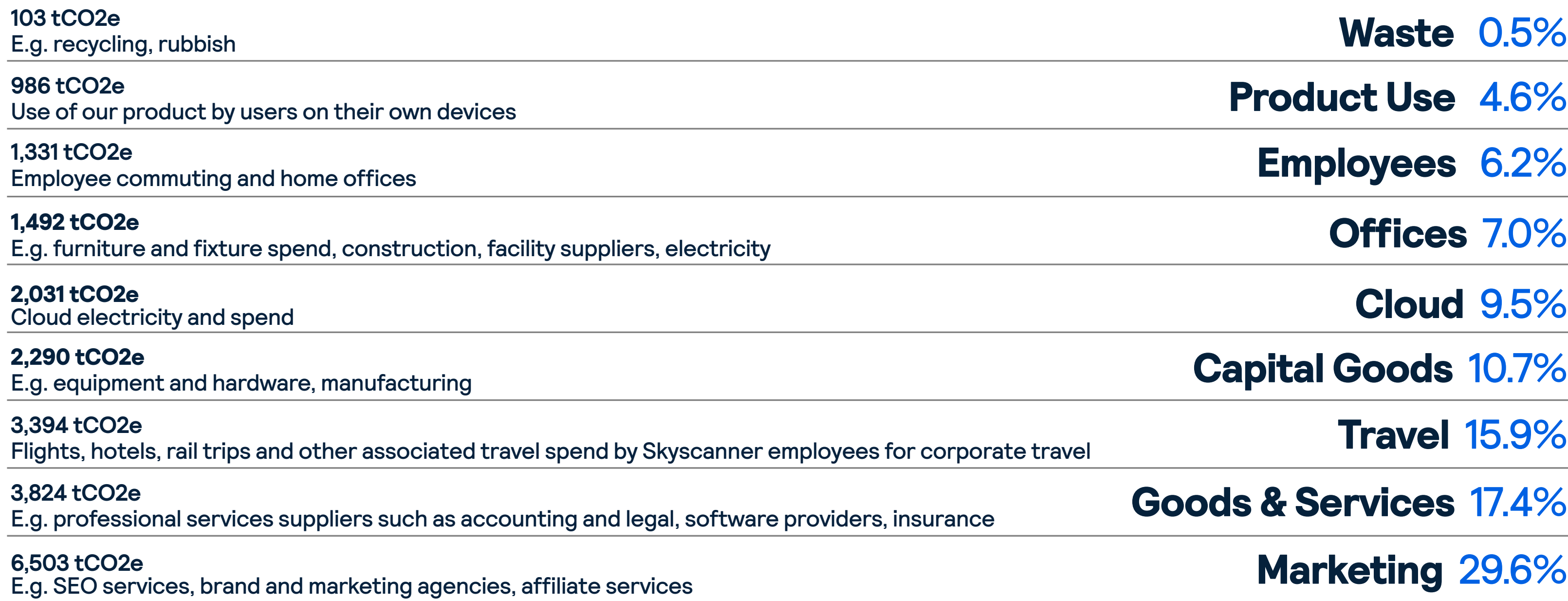
We saw a higher percentage of our emissions in 2023 sit within Scope 3: 98.9% in 2023 compared with 97.8% in 2022. These are emissions that come indirectly from our value chain. With these emissions not being 'owned' by Skyscanner, working with our partners and suppliers to reduce their emissions needs to be a priority focus area in our efforts to achieve our own emission reduction ambitions.



Overall Emissions

With the return to 'normal' post-pandemic, we saw an increase¹ in our overall emissions from 2022 to 2023. This can be attributed to offices reopening, increased spend on goods and services and essential business and conference travel returning. As an example, increased spending on marketing had a direct impact on our Scope 3 emissions indirectly generated from our supply chain. Marketing emissions are higher than other areas because the category's emissions factor accounts for not only the marketing outputs created, but the distribution and the full life cycle of a campaign. We also moved our affiliate marketing spend to our marketing category for 2023, where it is a better fit.

Breakdown of our Overall Emissions



OUR TARGETS





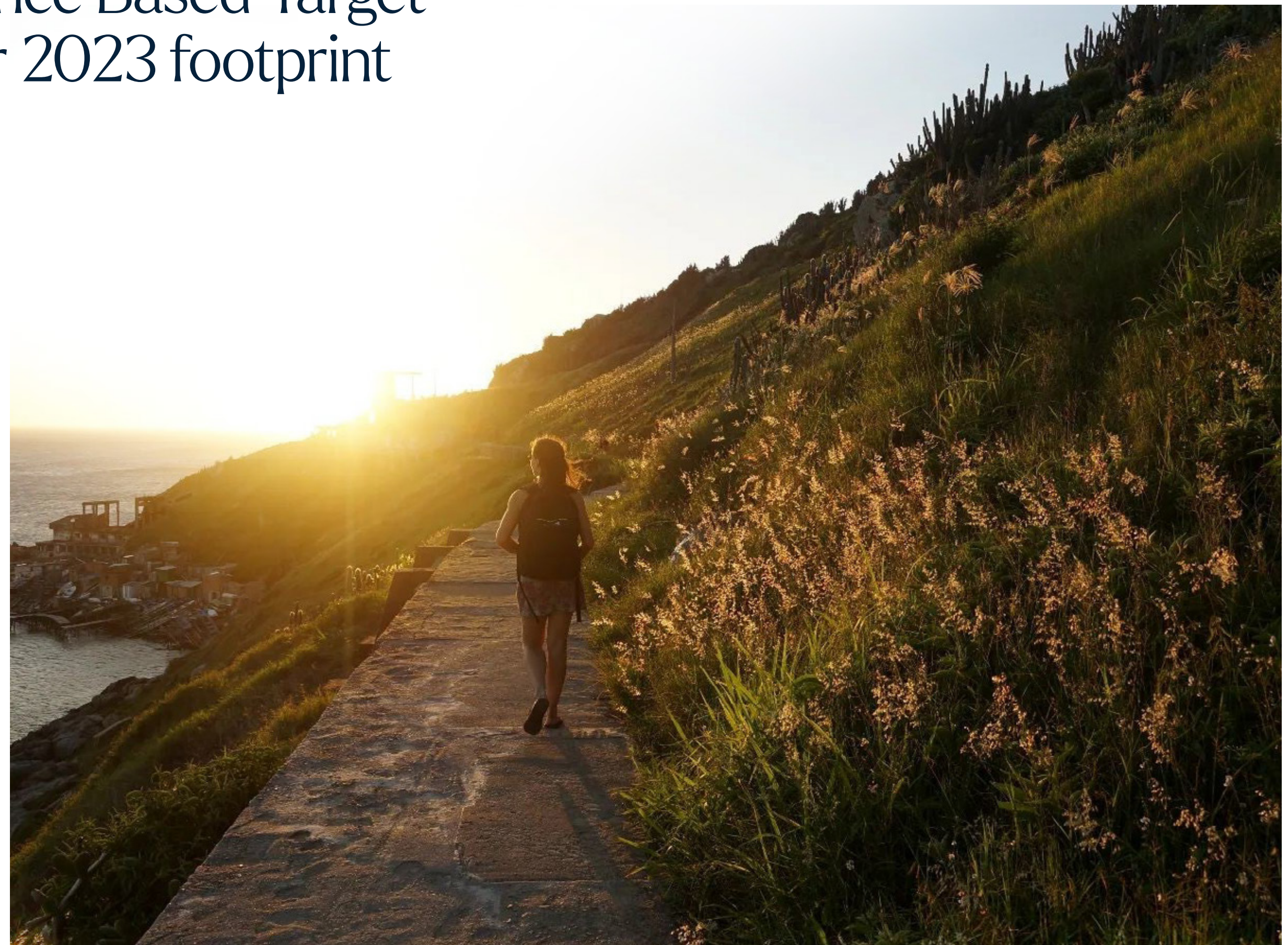
Our ultimate ambition is to drive emissions reductions consistent with the 1.5°C temperature goal of the Paris Agreement, and to reach net zero emissions by 2045 at the latest.

In 2023's Climate Action Plan, we announced our target to achieve net zero by 2045 at the latest, as well as the target of a 50% reduction in our carbon emissions by 2030. Having closer examined our own footprint and the lessons learned by our peers in their net zero journeys, we now recognise that the best way for Skyscanner to support “the global commitment to halve emissions by 2030” that we signed up to in the [Glasgow Declaration](#) is through a supply chain engagement strategy. Setting a supplier engagement target is the way Skyscanner can have the most impact where we have an outsized contribution of upstream emissions in our own footprint. Engagement across the industry is what is going to drive the necessary change we're looking to achieve, at scale.

In 2023's Climate Action Plan, we set 2019 as our baseline year, as that had been our last 'business as usual' year before the Covid-19 pandemic. Moving forwards, we will use 2023 as our baseline, allowing us to evaluate our impact based upon the business we are today, and our future projections.



Our emission reduction plan is informed by our footprint and where we should focus our efforts to achieve our net zero goals. These near-term targets for reducing our emissions are in line with the Science Based Target Initiative's ('SBTi') standards, using our 2023 footprint as a baseline.



Our Targets

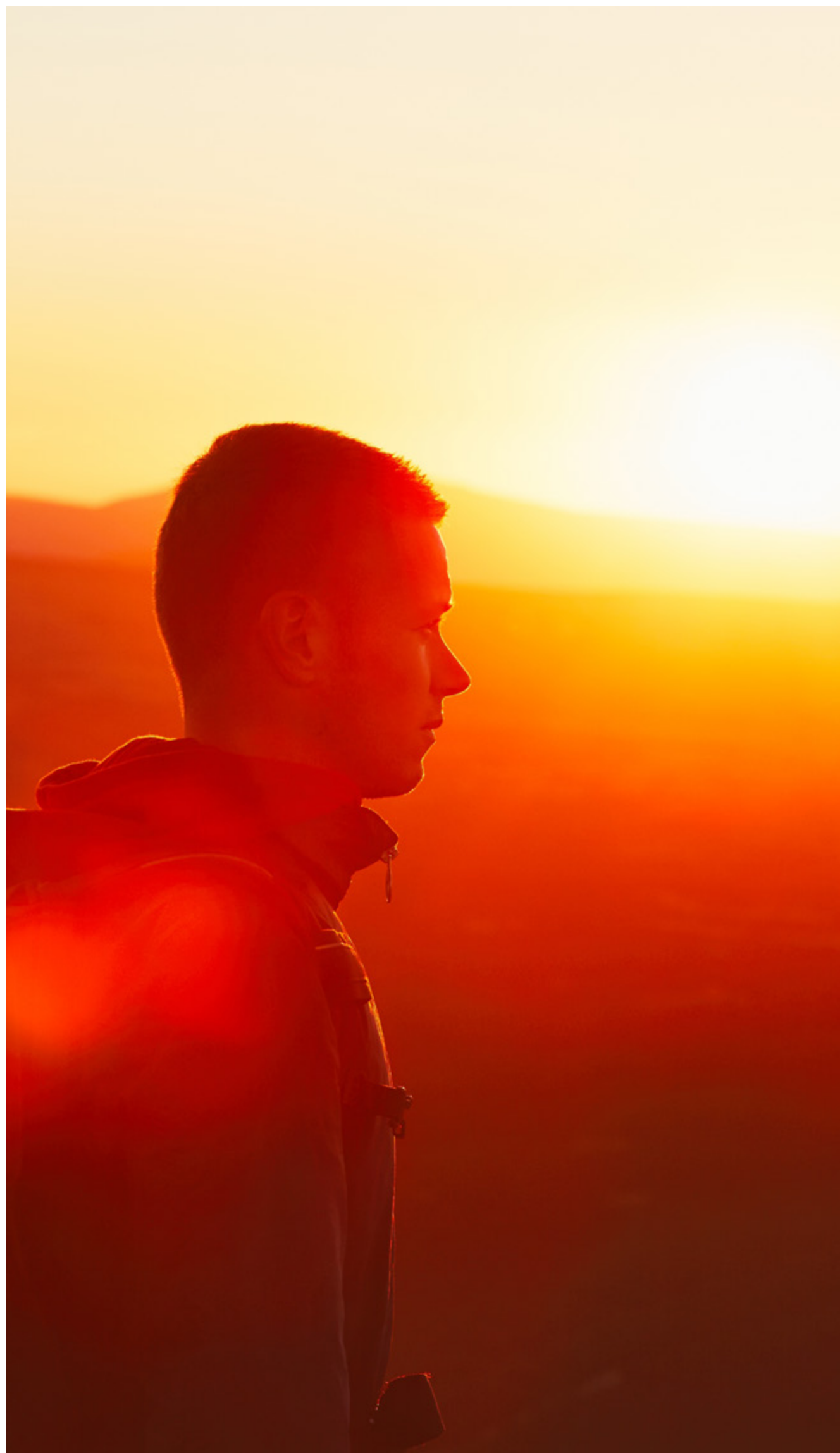


Scope 1 & 2 Targets

42% absolute reduction by 2030

To address our Scope 1 and 2 emissions we are focused on two reduction strategies. For our electricity emissions, our primary focus is on directly procuring clean energy from our utilities. This has reduced our Scope 2 emissions. Where direct electricity procurement isn't available, we purchase energy attribute certificates ('EACs') in proportion to our electricity consumption in those markets to neutralise remaining emissions. However, we have not included these in our Scope 1 and 2 emissions (as shown in this report) to maintain our focus on procuring clean power directly. If EACs were included, our Scope 2 emissions would be 0 tCO₂e. To address Scope 1 emissions, we are working with our building landlords and management companies to increase energy efficiency and reduce the amount of heating and cooling that our offices require.

Our Targets



Scope 3.1 and 3.2 Target: Supplier Engagement

71% of our suppliers by emissions commit to SBTs by 2029

The vast majority of our emissions are within Scope 3 (98.9%), with Scope 3 emissions being emissions not controlled by Skyscanner, but rather by our use of goods and services from partners and suppliers. As such, we will work with our partners and suppliers to set science-aligned targets to support them in reducing their own emissions and in their own net zero journeys. This is a recognised strategy for lowering a business's carbon footprint and is aligned to the requirements for SBTi accreditation. We have already reached out to our top 56 suppliers by emissions and will be assessing their net zero plans and commitments in the coming months.

Our Targets



Scope 3.6 Target: Corporate Travel

25% absolute reduction by 2030

We want all our colleagues to travel more mindfully. We rolled out a new Travel & Expenses Policy in late 2023 with sustainability at the forefront, setting more stringent guardrails on higher class air travel, recommending rail travel for journeys within the UK and containing information on the climate impact of corporate travel.

As we progress in our efforts, and as climate science evolves, we anticipate we may need to update our near-term targets. Where we do so, we will always look to follow best practice and the science. As recommended by SBTi, we'll ensure all near-term targets cover a minimum of 67% of our Scope 3 emissions.



OUR ACTIONS



Our Actions



Recycling in our offices and reducing energy usage

All our offices have dedicated recycling units for plastic bottles, cans, glass, cardboard, paper and used batteries. In our office refits, we've looked to reuse unwanted items from our other offices and donate items where we couldn't find a use. For example, we donated sofa segments and floor tiles to a rescue facility for animal bedding, and plants and planters to care homes. We are also investigating ways to reduce energy usage for in-office monitors and screens and trialling the use of chemical free cleaning products.

Office space improvements

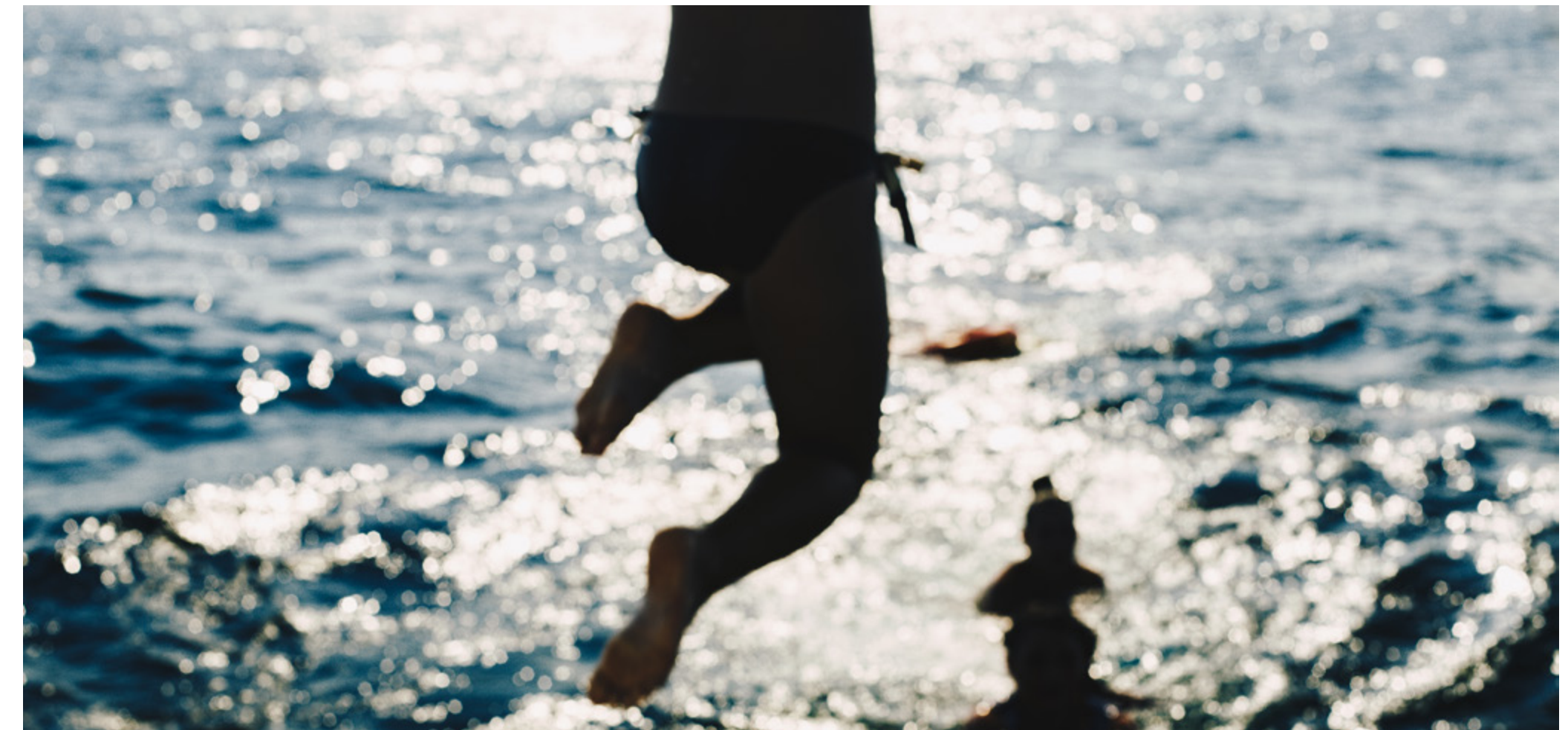
We have invested in an energy monitoring system to allow us to more accurately track our energy and water usage in our London office. This new office achieved an 'Excellent' BREEAM (Building Research Establishment Environmental Assessment Methodology) rating, making it in the top 10% of UK new non-domestic buildings, and considered best practice. We also moved to a new office in Singapore in late 2023, the design for which used the sustainability blueprints from our London office. We plan to do similarly for our Glasgow office move, planned for 2024. Our Edinburgh office is currently undergoing a refit, with sustainability consultants advising the best way to reduce energy usage as part of this refit.



Our Actions

New climate pledges

We have joined Tech Zero, a climate action group for tech companies of all sizes committed to fighting the climate crisis. Tech Zero's ambitions match ours, and it will give us access to peers facing the same challenges so we can learn from one another's journeys. We also signed the Associate Greener Litigation Pledge, so we can use our influence instructing external counsel globally to further our net zero efforts.



Platform energy efficiencies

Our Production Platform Tribe within our Engineering discipline has been looking at ways to achieve energy efficiencies across our platforms. In late 2023, they transitioned our observability service to New Relic, streamlining our setup to eliminate the need for excess storage capacity and significantly reducing the footprint of our server infrastructure. Work has also been undertaken to implement AWS Karpenter to achieve more efficient ways of running services on existing servers, as well as starting a move to ARM-based processors through AWS's Graviton, which will give Skyscanner improved performance for lower power consumption. Future plans include exploring the implementation of AWS's Bottlerocket which, in conjunction with Karpenter, could facilitate further efficiencies in resource optimisation and overall system performance.

Our Actions



Increased employee engagement and knowledge

Our sustainability team has participated in three company-wide presentations about our sustainability plans and progress. Sustainability information has been regularly communicated via office screens, internal blogs, lunch & learn sessions, an internal sustainability hub, and the sharing of weekly 'sustainability snippets'. Our Executive team regularly undertakes sustainability strategy information sessions, and the teams involved in both sustainability messaging and product work have received training on best practice.

Investment with Frontier

Through our partnership with Watershed, we identified Frontier as a strategic investment opportunity for Skyscanner and made a \$1million commitment. Our investment with Frontier will help to drive the scalability of new carbon removal technology, while guaranteeing Skyscanner access to high quality, vetted carbon removals in the near-term through to 2030.



Our Actions

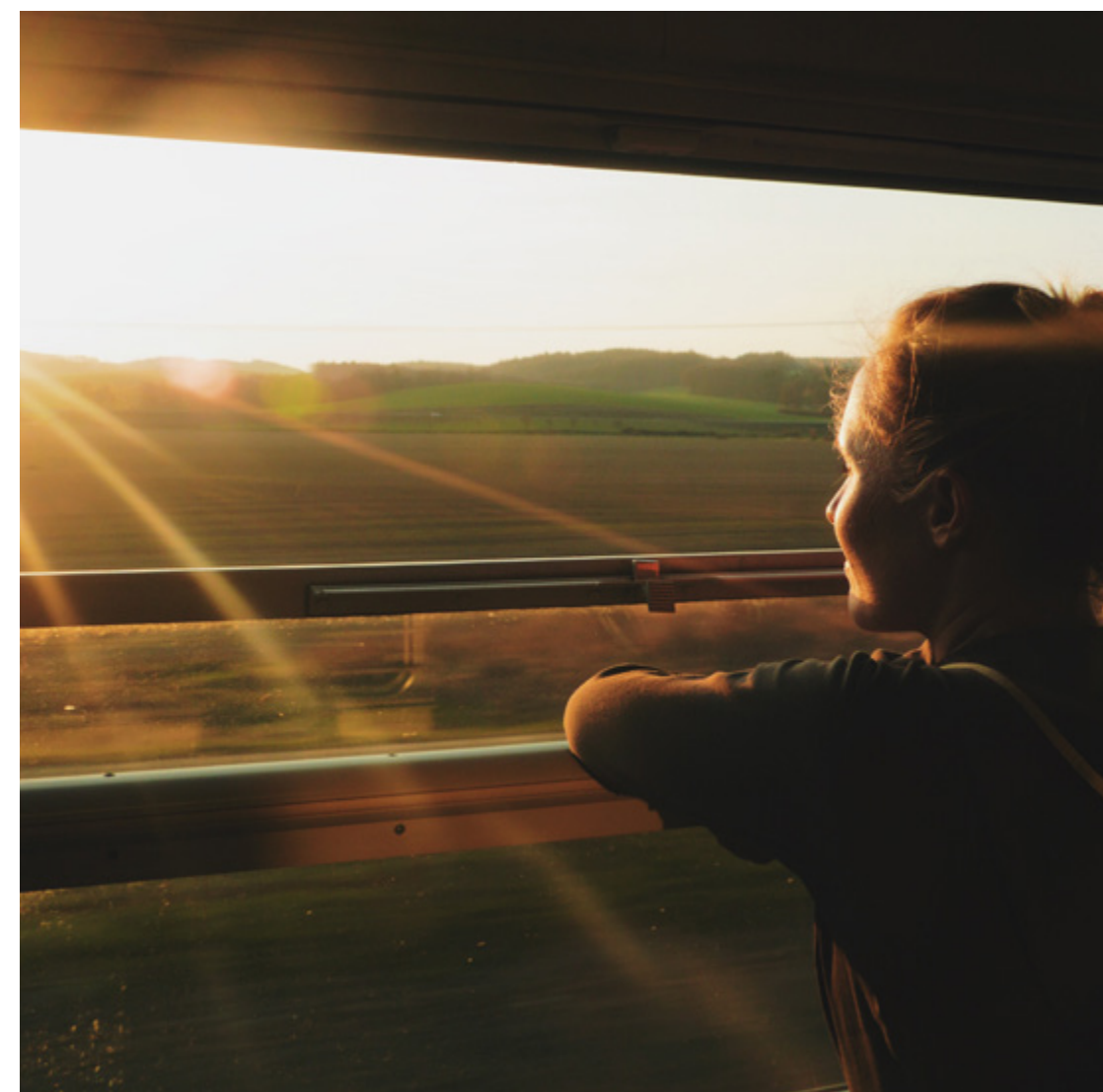


Promoting underrated travel destinations

Skyscanner is currently trialling a new destination inspiration feature in our Everywhere search, which we're calling 'Underrated Destinations'. By inspiring travellers to look at alternatives to big ticket capital cities and popular destinations, we can not only help them to support more local communities, but also help reduce areas struggling with over-tourism.

Testing a rail offering in our product

We recognise travellers might want to see alternative transport to flights for their travel, and as such have been testing a rail product. Rail has been offered initially in five markets (Italy, Germany, South Korea, Spain and the UK). We'll be looking to bring the product to more markets and platforms over the next year.



Creation of a traveller-facing sustainability hub

In December 2023, we launched our sustainability content hub. This public-facing space gives us a platform to be transparent about our own sustainability journey, sharing learnings and insights with travellers. We hope to engage with our travellers by educating them more about the complexities of sustainable travel. We also want to encourage best practice from our travellers, our partners and the wider industry with inspirational content, driving more momentum in the sustainable travel flywheel. See our [Sustainability Hub](#) for more information.

Our Actions

Updating our product emissions display to CO₂e

To help our travellers make informed choices, since 2019, we have highlighted flights with lower-than-typical carbon dioxide ('CO₂') emissions for a route on flight search results. Skyscanner's emissions information is powered by the [Travel Impact Model](#), using data supplied by one or more of the Coalition Partners of Travalyst. In February 2024, this data source was updated in our product to account for CO₂e. This means it includes equivalent greenhouses gasses to carbon and emissions such as those produced from the processing and transport of the fuel, so we're now showing travellers well-to-wake (lifecycle) emissions for their flights. This change gives our travellers even more accurate aviation emissions data.



Continuing our partnership with SkyNRG's Board Now programme

We continue to invest in Sustainable Aviation Fuel to support the path to decarbonise aviation, especially for long-haul flights where other technological advances are less likely to make a significant impact in the near-term.

Our Actions

Procurement RFP updates

To ensure our sustainability plans for engaging with suppliers are effective, we have updated our procurement due diligence questions. Now, we'll be able to assess suppliers against one another based on their climate efforts during this process. Through Workday Strategic Sourcing, we can also ensure procurement scores are adequately weighted for sustainability answers, both to help us work with other companies who share our climate goals and to also work towards meeting our own Scopes 3.1 and 3.2 near-term target.



Engaging with our partners

In collaboration with our partners and the wider industry, including Travalyst, we have worked to amplify the call to action on sustainability to help drive solutions at scale. We have continued to share sustainability best practice ideas and learn from our travellers and partners through research and partner meetings, so we can then look to bridge the gap between them.



Footnotes

¹ The US environmentally extended input-output ('EEIO') model, a comprehensive, top-down view of the economic activity and their environmental impacts in a given region, was used last year to measure our footprint for 2019 to 2022. Watershed has now introduced use of a Comprehensive Environmental Data Archive ('CEDA') for carbon accounting, which is an upgrade for measurement methodology accuracy. CEDA's database is multi-region vs. US EEIO is US-only - meaning CEDA better reflects the global nature of Skyscanner's supply chain, capturing differences in emission profiles that vary significantly from one country to another. Using CEDA effects around a 5% increase in our footprint emissions, but it paints a more accurate picture of our actual emissions for us to work to reduce. We have therefore now re-calculated our entire footprint from 2019 to 2023 using CEDA.



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