

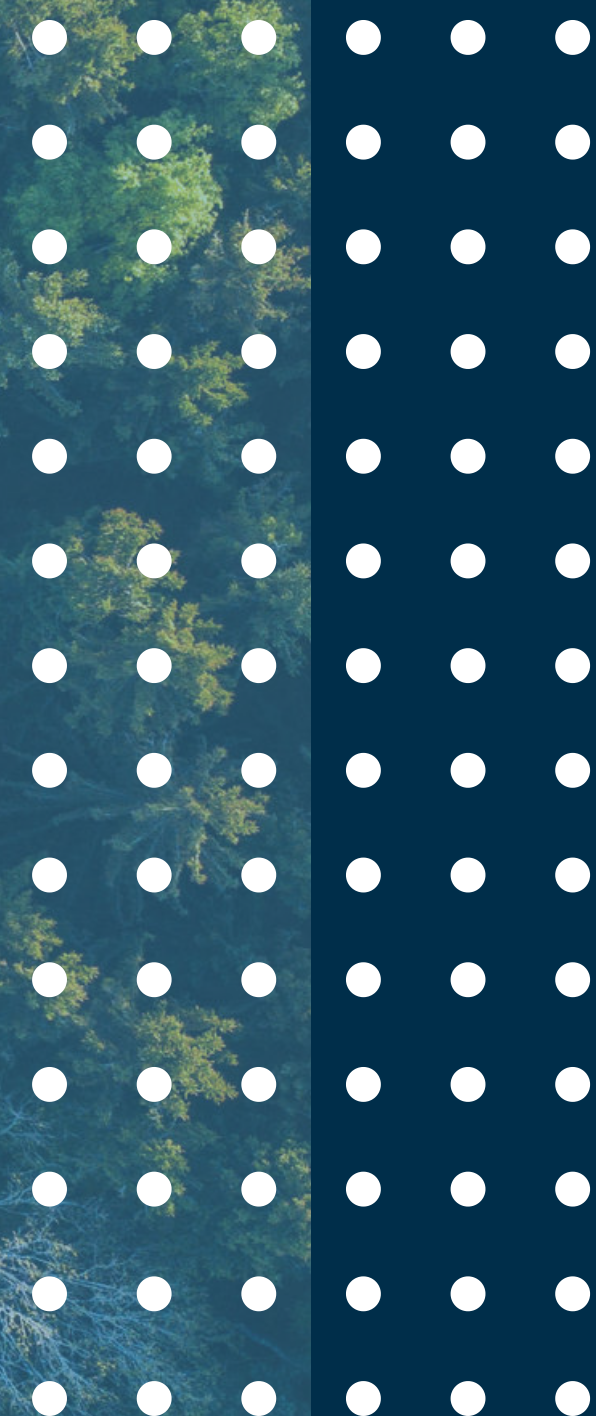
Company X | 2023

Towards a Sustainable Future

An ambitious Carbon Reduction Plan compliant with PPN 06/21

Prepared by Enistic Ltd.

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Our Approach

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Corporate Responsibility and Accountability

Company X is on a journey to create a sustainable future and we want to ensure that journey is transparent, credible, impactful, and measurable.

To ensure we achieve our aims, Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua. Ut enim ad minim veniam, quis nostrud exercitation ullamco laboris nisi ut aliquip ex ea commodo consequat. Duis aute irure dolor in reprehenderit in voluptate velit esse cillum dolore eu fugiat nulla pariatur. Excepteur sint occaecat cupidatat non proident, sunt in culpa qui officia deserunt mollit anim id est laborum.



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We are committed to providing [social responsibility projects, e.g. collaboration with charities). We are a big supporter of the **NNN**, and we collaborate with them to improve the health and well-being of apprentices in the industry.



Charity partner/b Corp logo, etc

Our Carbon Reduction Targets

Company X is committed to a 100% reduction in all scope 1, 2, and 3 emissions by 20XX.

20XX



**BUSINESS
AMBITION FOR 1.5°C**

enistic
carbon management

To support this target, we aim to complete a full GHG inventory by the end of 20XX using the GHG protocol standard. With this work complete, we will produce a carbon reduction plan by using the Science Based Targets Initiative (SBTi) corporate standard.

All our emissions reductions will be primarily achieved through ambitious carbon reduction projects and offsetting carbon emissions will only be considered in cases of unavoidable emissions or residual emissions. Company X will work with its partners to establish a yearly emission reduction target and this KPI will be integrated into our reporting system to ensure annual targets are met. Progress towards our targets will be externally verified through Enistic.

Emissions Categories

Currently, we measure all our scope 1 and scope 2 emissions following the GHG protocol, and we measure a subset of scope 3 emissions (PPN 06/21 requirement) following the Corporate Value Chain Scope 3 Standard

GHG Scope	Emissions sources
Scope 1	Direct emissions resulting from sources that are owned and controlled by Company X
Scope 2	Indirect emissions from purchase of electricity and onsite EV charging
Scope 3	Indirect emissions from other sources not included in Scope 1 and 2 categories



Our Driving Forces

1 Goal 1

During the Covid-19 pandemic, Company X faced the challenge of balancing the need to continue operations while also protecting the health and safety of employees and communities. In this challenging environment, Company X has stepped up to go above and beyond in our sustainability efforts. This has included implementing new health and safety measures, supporting communities and workers affected by the pandemic, and continuing to make progress towards long-term sustainability goals. As the world looks to recover from the pandemic, we have continued this momentum towards building a more sustainable future. By taking action to implement these new methods, we have not only mitigated some of the impacts of the pandemic on our business but also create a more resilient and sustainable future for all.

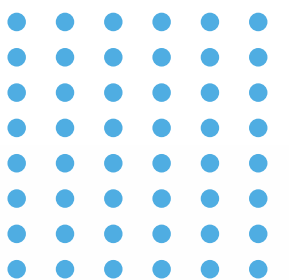
2 Goal 2

To effectively address our carbon reduction efforts, we will collaborate internally, engaging our procurement, design, and operational teams and seeking input from our supply chain partners. By doing so, we can ensure that we allocate the necessary resources to achieve our goals.

We will thoroughly evaluate each emission source to uncover opportunities for immediate carbon reduction, while also exploring new, cutting-edge technologies and utilising advanced construction techniques that may require additional investments and long-term commitments.

3 Goal 3

To ensure the best results, we use a defined approach and frameworks. Our carbon footprint is calculated using the GHG protocol corporate standard used by nine out of ten 500 fortune companies. Our emissions are calculated using the 'operational control approach' defined in the protocol. The factors we use to calculate our footprint are sourced from the UK government. We will continue to review carbon data, to close gaps and further improve quality.



Carbon Reduction Plan

In accordance with requirements for PPN 06/21



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Commitment to Net Zero

Company X is committing to become Net Zero by 20XX. Our carbon reduction goals align with the IPCC’s carbon reduction roadmap, following the Science-Based Target initiative (SBTi).

This report sets out a Net Zero roadmap, detailing the strategies we have put in place to achieve this goal.

Baseline Emissions

Baseline emissions are a record of the greenhouse gases that have been produced in the past - before introducing any strategies to reduce emissions – and are the reference point against which emission reductions can be measured.

202X/202X was the first year where we had a complete GHG inventory, required for PPN 06/21 compliance. Company X has not previously baselined emissions. Therefore, this current reporting year will be the baseline. Reasonable assumptions are made in calculating the Scope 3 emissions for this period.

Baseline year emissions: May 202X – April 202X	
Emissions	TOTAL (tCO ₂ e)
Scope 1	11,211
Scope 2	3,039
Scope 3 (Including Sources)	7,676
Total Emissions	21,926

Note: UK-specific emissions factors were used for all calculations – even for sites not in the UK.

Baseline Year Calculation Assumptions

- We worked with Enistic Ltd who helped to conduct a staff survey. The survey received a X% response and the data was used to calculate emissions from commuting and home working).
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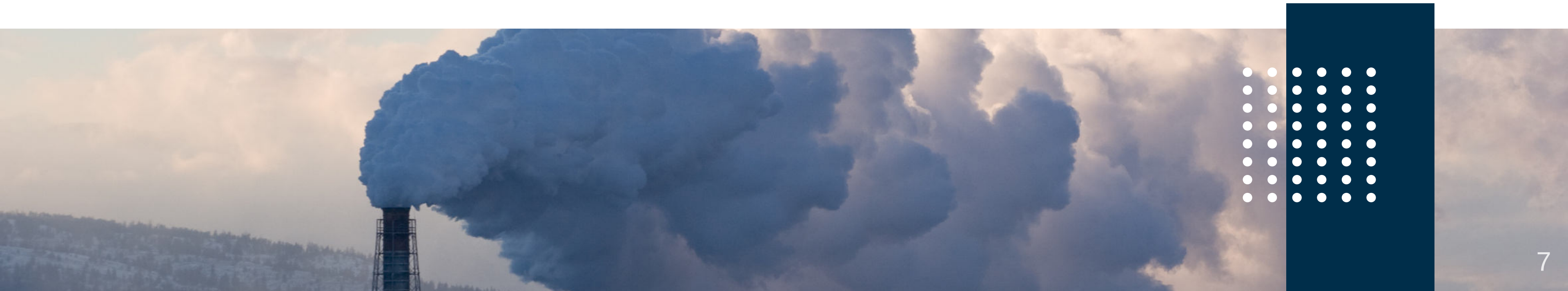
Emissions Breakdown

Scope 1	Emissions TOTAL (tCO ₂ e)
1: Energy – Natural Gas	298
1: Aviation Turbine Fuel	26
1: Other Fuels	7
1: Company Owned Vehicles	10,830
1: Refrigerant Gas	50
Total Emissions Scope 1	11,211

Scope 2	Emissions TOTAL (tCO ₂ e)
2: Energy – Electricity	3,020
2: Electricity for EV's	19
Total Emissions Scope 2	3,039

Scope 3	Emissions TOTAL (tCO ₂ e)
3:01 Purchased goods and services	4
3.04: Deliveries (Upstream)	235
3.05: Waste generated in operations	1,404
3.06: Business Travel	119
3.07: Commuting and Home-working	3,098
3.09: Deliveries (Downstream)	2,816
Total Emissions Scope 3	7,676

TOTAL EMISSIONS	21,926 tCO₂e
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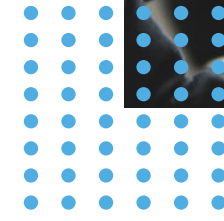


Emission Reduction Targets

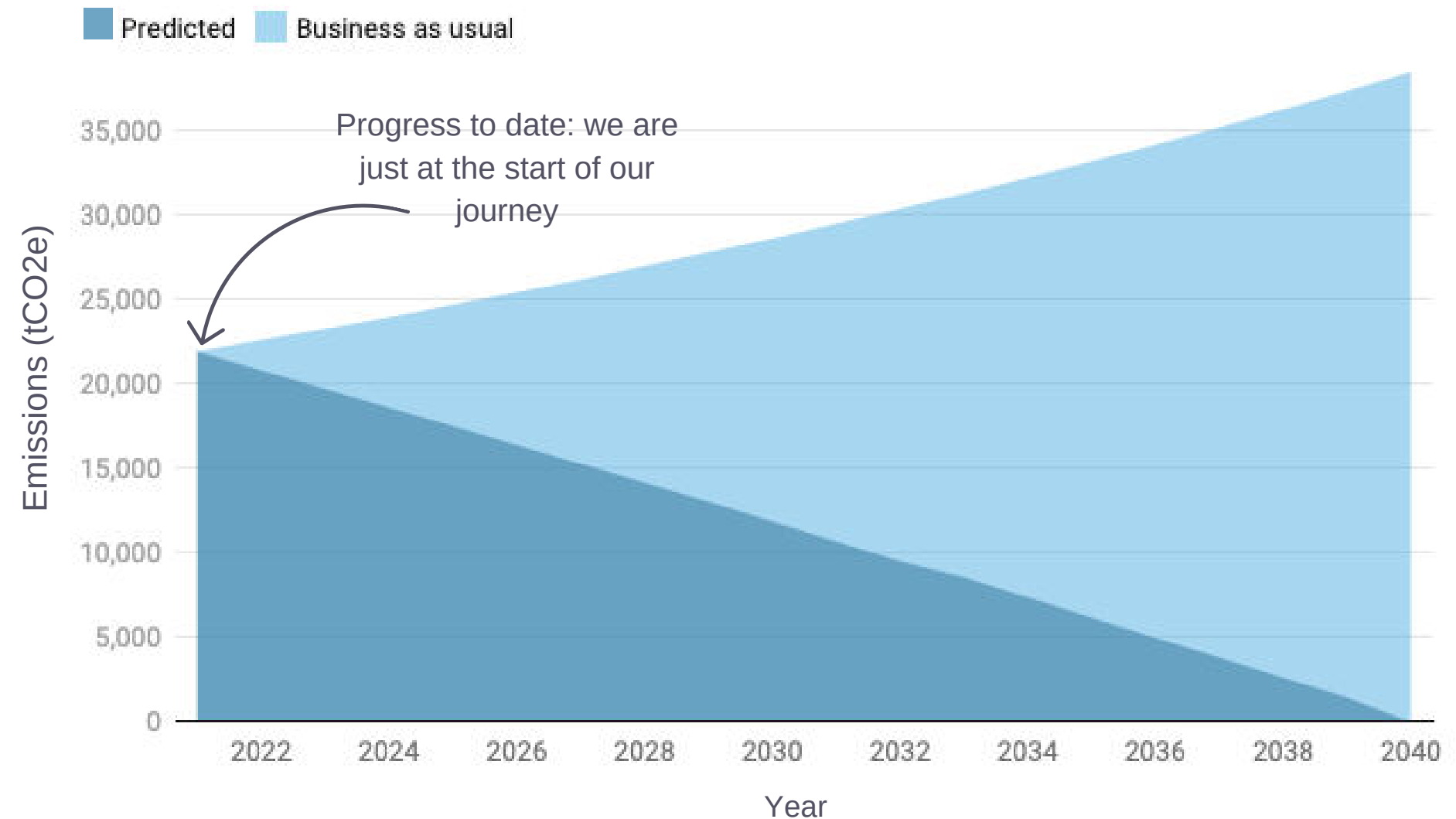
In order to continue our progress towards achieving Net Zero, we have developed a Net-Zero target for 20XX.

We project an absolute linear reduction in our emissions from our baseline year to net zero emissions by 20X0. These targets may change as new projects are implemented. Before our baseline year, we tracked scope 1 and 2 emissions. In the future, we aim to work with our supplier to tackle our scope 3 emissions.

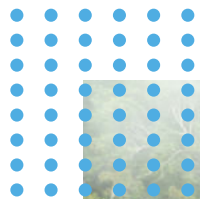
The graph on the right projects our future carbon emissions in two different scenarios. Starting with our emissions from the baseline year (202X-2X), the light blue area shows our potential emissions in a business-as-usual scenario, with no further carbon reduction projects implemented. The dark blue area shows our predicted carbon emissions based on our 20XX Net Zero target.



20X0 Net Zero Target: Predicted vs Business-as-Usual



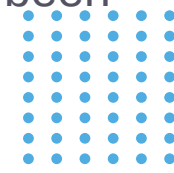
These projections suggest that Company X could save nearly X tCO2e by continuing existing or implementing new carbon reduction projects detailed in the next section.



Completed Carbon Reduction Projects

[EXAMPLES]

The following environmental management measures and projects have been completed or implemented before the 202X baseline.



Tracking our carbon footprint

We are working with Enistic Ltd to keep track of our carbon emissions for all scopes. This enables our understanding of the major sources of emissions within our business operations and helps us to identify where emission reduction measures should be introduced. With the help of our partners, we also comply with the government's ESOS and SECR schemes.

Sustainable products and solutions

We're making it easier for our customers to improve their energy efficiency through smarter technology. Our Smart Home offering is helping people make their homes or office more efficient by providing them with the data and tools they need to make sustainable choices. As well as saving time, the enhancements to heating, lighting, security make for a more comfortable and environmentally friendly solution.

Fabricated solutions

Fabricated Solutions creates ready-made units with a focus on minimising the use of carbon-intensive materials. The designs help to design out carbon by reducing waste and energy use on site. It also supports the delivery of a safer working environment.

Environmental management system - ISO 14001

Since our certification in May 2017, ISO 14001 has helped us make our day-to-day operations more sustainable, enabled us to engage our employees and build resilience against uncertainty as well as being able to rapidly adapt to change. It has also allowed us to evaluate how we manage emergency response, customer expectations, stakeholders and our relationships with local communities.

Realtime Telematics

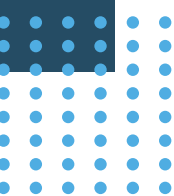
In 2017, we were the first large fleet to install Lightfoot in-cab technology on our van fleet, empowering our drivers to be energy efficient whilst still maintaining high standards and delivery times. The telematics system provides real-time feedback to drivers so they can adjust their behaviours immediately. To date, we have saved 1,279 tonnes of CO2e whilst also increasing safe driving

Enabling a sustainable future - Acquired a sustainable business

As the world further moves towards full electrification Company X recognises we are enablers of a sustainable future. That's why our product range includes everything from energy-efficient lighting to electric vehicle [EV] charging. As part of our commitment to renewable energy Company X parent company acquired The Segen Group Limited, a leading global distributor of residential and commercial rooftop solar photovoltaic [PV] systems in 2021. This end-to-end approach to sustainability helps ensure that we are truly embodying our commitment to people and the planet.

Benchmarking carbon reduction achieved during Covid - 19

The pandemic caused significant disruption to the way we conducted business. However, it also provided an opportunity to rethink our practices. Our stores remained open during the pandemic to provide essential services to the community. But, we also ensured all our operations were conducted with customer safety and sustainability in mind. We travelled less and promoted video conferencing for all meetings. Furthermore, we ensured that all stores used minimal energy during the pandemic. As a result, we were able to reduce our operational emissions by 18.9%.



Future Carbon Reduction Projects

[EXAMPLES]

We aim to implement the following carbon reduction projects to reach our emission goals.

Strategic review

In 2022, we initiated a process to regularly review the impact our business is having on the environment, and the progress of our carbon reduction projects. We review our emissions data on a monthly basis to determine any opportunities for improvement in reducing consumption and increasing efficiency. Furthermore, we aim to set up an ESG committee that will hold quarterly review meetings on our sustainability goals and provide suggestions to our board for improvement.

Working with our supply chain

Transitioning to a low carbon business model cannot be achieved without the help of our suppliers. Our supply chain contributes significantly to our scope 3 footprint. Hence, we aim to work with our suppliers to implement environmental management systems across their operations. In addition to that we will be creating a system to which our suppliers could report their emissions data which will inform possible savings opportunities.

Fleet electrification

Nearly 60% of our total carbon emissions are created by emissions from our company vehicles. This provides us with an excellent opportunity to reduce emissions through electrifying our road fleet. In 2022, 67% of all new vehicle purchases were electric, with electrification of our vans being considered. This would enable us to reduce a significant amount of our emissions and also future proof our business against the effects of anthropogenic climate change.

Increasing building efficiency

Increasing the energy efficiency of our buildings will be a priority as we move towards our net zero goal. With the help of Enistic we ensure that we are compliant with the UK governments Energy Savings Opportunity Scheme (ESOS). But with a view to go above and beyond we aim to implement the following measures.

- On site energy generation using solar to ensure energy security
- Purchase renewable electricity for all our buildings
- Switch to LED lighting
- Retrofit all our buildings to reduce energy consumptions
- Conduct workshops for staffs which train them on sustainable work practices



Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans. Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, and the subset of Scope 3 emissions have been reported in accordance with the published standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

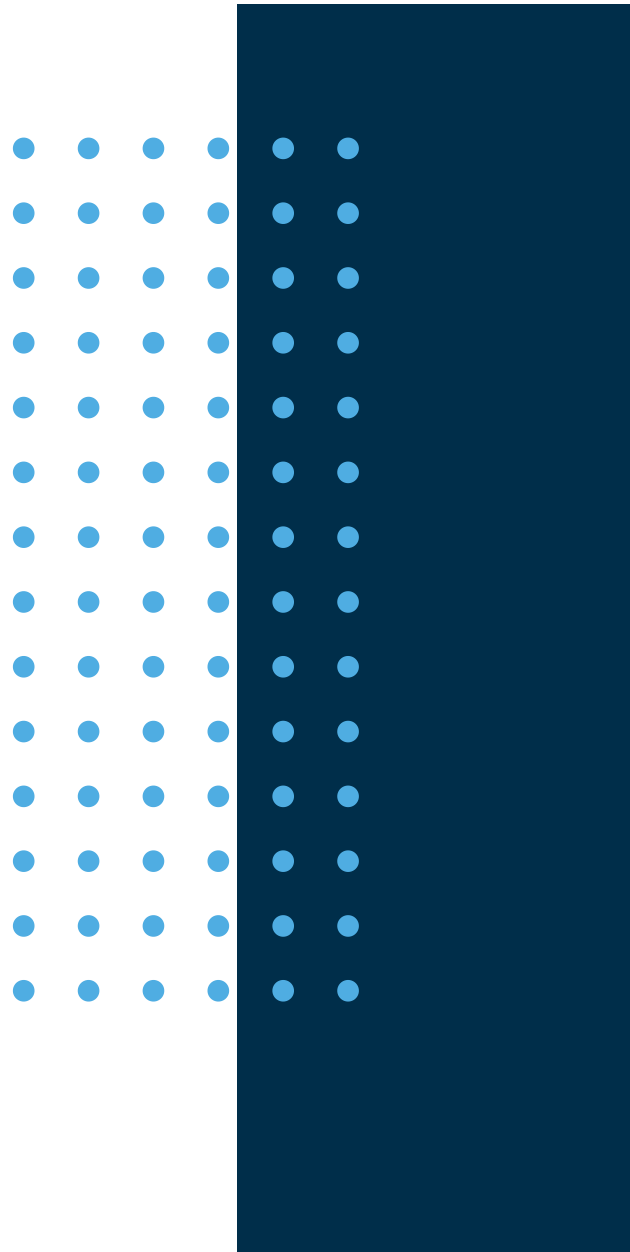
This Carbon Reduction Plan has been reviewed and signed off by the Board of Directors for Company X

Signed _____

Position _____

Date _____

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