

# Carbon Reduction Plan

FW Thorpe PLC - 2023

FW THORPE PLC



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PLC

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## Overview

*FW Thorpe PLC aims to achieve net-zero Scope 1, 2 and 3 emissions by 2040 from an FY20-21 base year.*

### Document Purpose

Our reduction plan is presented in response to the recent Procurement Policy Note (PPN) 06/21 and provides transparency and demonstrates our progress towards building a robust carbon reduction programme.

To achieve net-zero we are aiming for an at least 90% reduction in absolute emissions compared to our base year – any residual emissions will be offset with carbon sequestration offsets, as per the Science-Based Targets Initiative’s Net-Zero Standard guidance.

Our Scope 2 emission target will be reported using a market-based methodology.

FW Thorpe has committed to have its Science-aligned near-term and net-zero targets validated by the Science-Based Target Initiative in FY23-24.

### Short-term Targets

On the journey to net-zero, FW Thorpe commits to the following Science-aligned near-term targets:

FW Thorpe commits to reduce Scope 1 and 2 emissions by 42% by 2030 from an FY20-21 base year.

FW Thorpe also commits to reduce Scope 3 emissions per £ million revenue 51.6% by 2030 from an FY20-21 base-year.



## Baseline Emissions

Scope 1, 2 and 3 – FY20-21 (1<sup>st</sup> July 2020 – 30<sup>th</sup> June 2021)

Additional Details relating to the Baseline Emissions calculations.

The GHG emissions scope boundary, used to establish our FY20-21 baseline, was determined via an operational control model following the GHG protocol. The baseline includes all Scope 1 and 2 emissions in accordance with SECR requirements. Scope 3 emissions have been calculated as per the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard Guidance. Our baseline includes the following subsidiary companies: Thorlux (UK, Ireland, Germany, UAE and Australia), Lightronics (Netherlands), Famostar (Netherlands), Philip Payne (UK), Solite (UK), TRT (UK) and Zemper (Spain and France). This baseline may be restated if acquisitions are found to increase emissions by more than 5%.

Emissions	Source	tCO <sub>2</sub> e
Scope 1	Direct	1,493
Scope 2	Indirect	1,024 (market-based)
Scope 3	Total Value Chain	282,847
	1: Purchased Goods and Services	31,234
	2. Capital goods	1,791
	3. Fuel-related emissions	538
	4. Upstream Transportation and Distribution	1,737
	5. Waste generated in operations	127
	6. Business travel	435
	7. Employee commuting	727
	8. Upstream leased assets	150
	9. Downstream Transportation and Distribution	285
	10. Processing of sold products	N/A (only finished products sold)
	11. Use of sold products	239,086
	12. End-of-life treatment of sold products	61
	13. Downstream leased assets	N/A (no downstream leased assets)
	14. Franchises	N/A (no franchises)
15. Investments	6,675	
<b>Total Emissions</b>		<b>285,364 (market-based)</b>

## FY22-23 Emissions

Scope 1, 2 and 3 – FY22-23 (1<sup>st</sup> July 2022 – 30<sup>th</sup> June 2023)

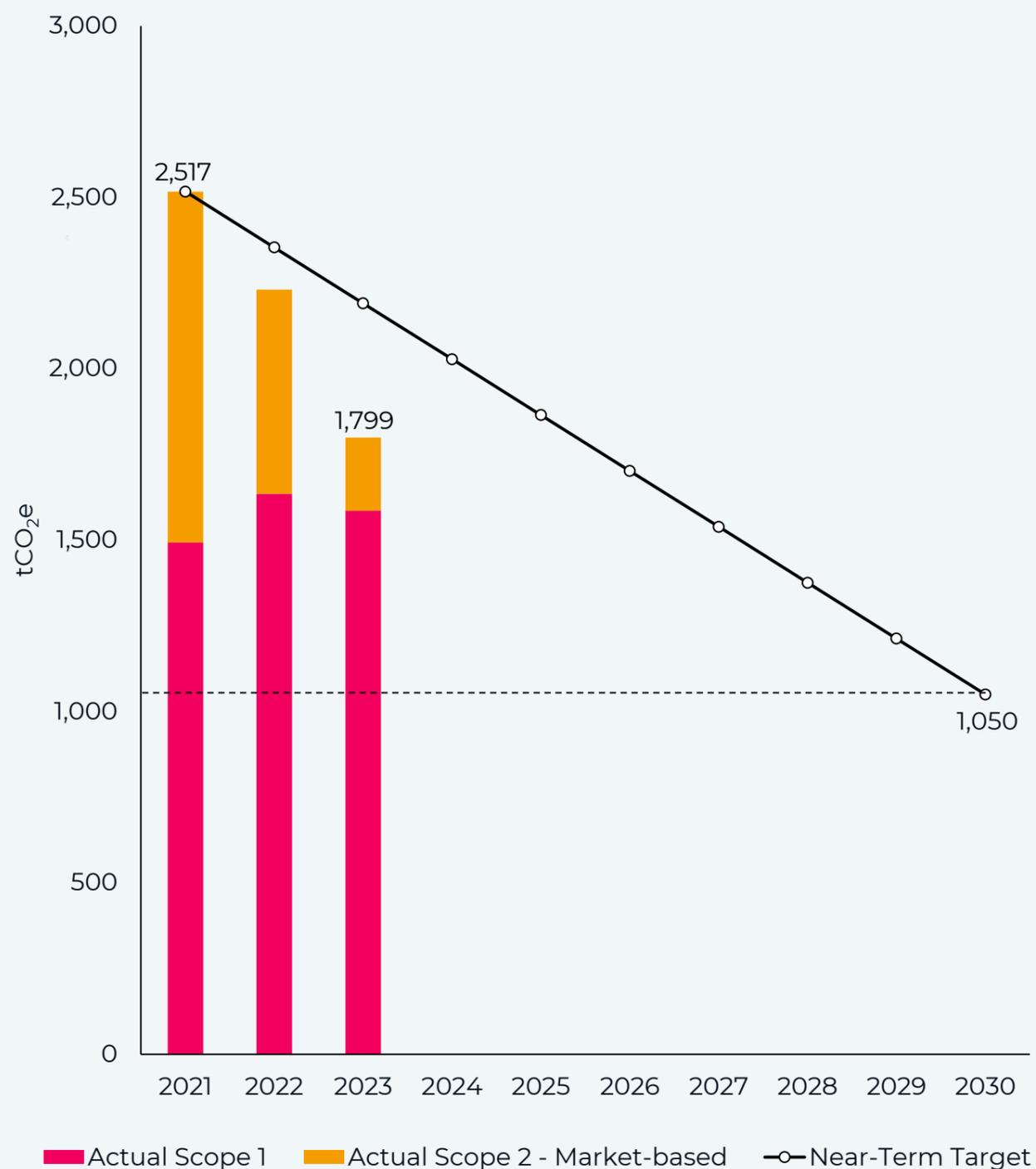
Additional Details relating to the Baseline Emissions calculations.

The GHG emissions scope boundary, used to calculate our FY22-23 emissions, was determined via an operational control model following the GHG protocol. This includes all Scope 1 and 2 emissions in accordance with SECR requirements. Scope 3 emissions have been calculated as per the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard Guidance.

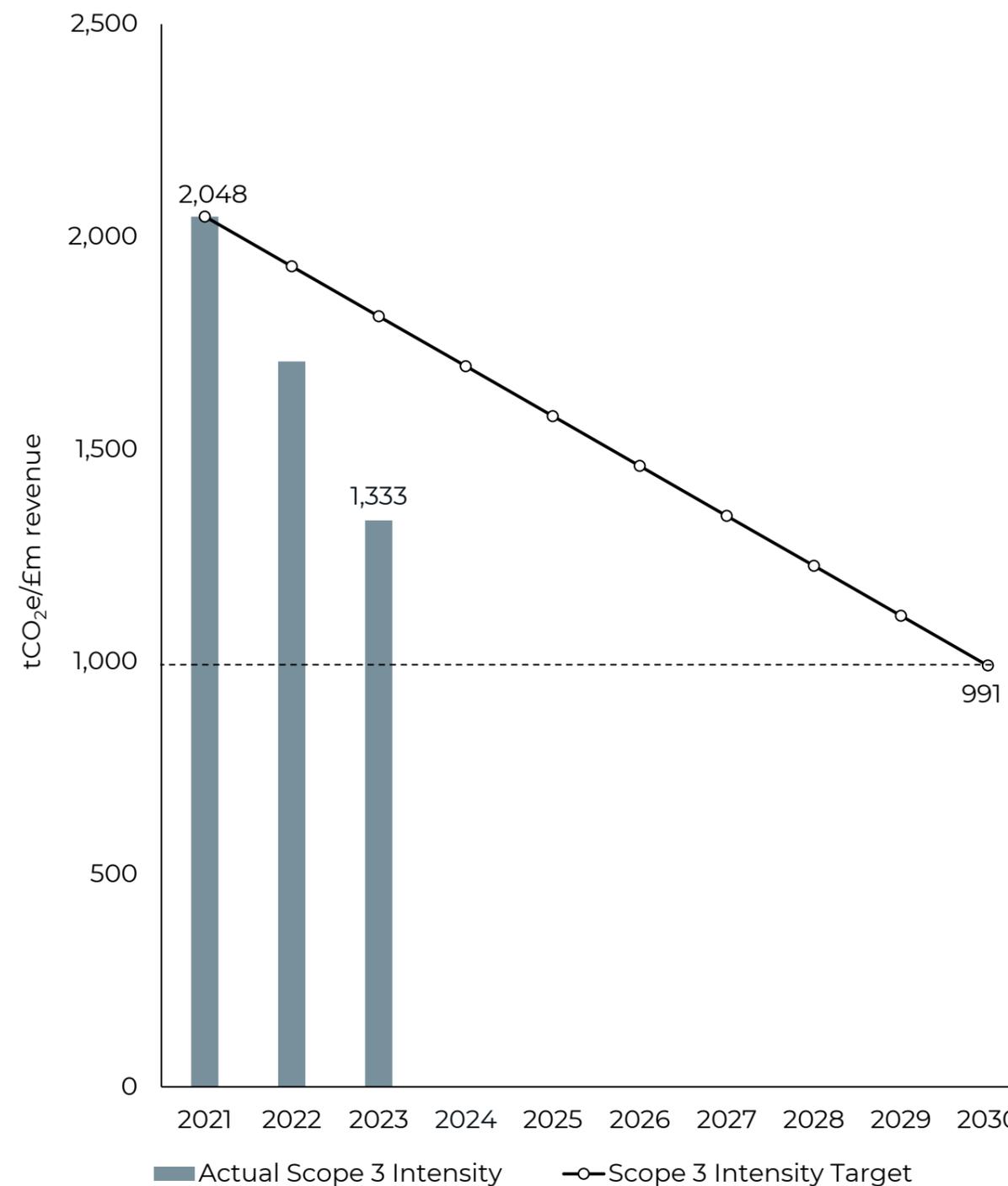
Emissions	Source	tCO <sub>2</sub> e
Scope 1	Direct	1,586
Scope 2	Indirect	213 (market-based)
Scope 3	Total Value Chain	213,071
	1: Purchased Goods and Services	32,452
	2. Capital goods	2,222
	3. Fuel-related emissions	571
	4. Upstream Transportation and Distribution	2,780
	5. Waste generated in operations	100
	6. Business travel	379
	7. Employee commuting	1,063
	8. Upstream leased assets	278
	9. Downstream Transportation and Distribution	12
	10. Processing of sold products	N/A (only finished products sold)
	11. Use of sold products	166,714
	12. End-of-life treatment of sold products	29
	13. Downstream leased assets	N/A (no downstream leased assets)
	14. Franchises	N/A (no franchises)
15. Investments	4,449	
<b>Total Emissions</b>		<b>214,870 (market-based)</b>

## Near-term Emission Reduction Targets

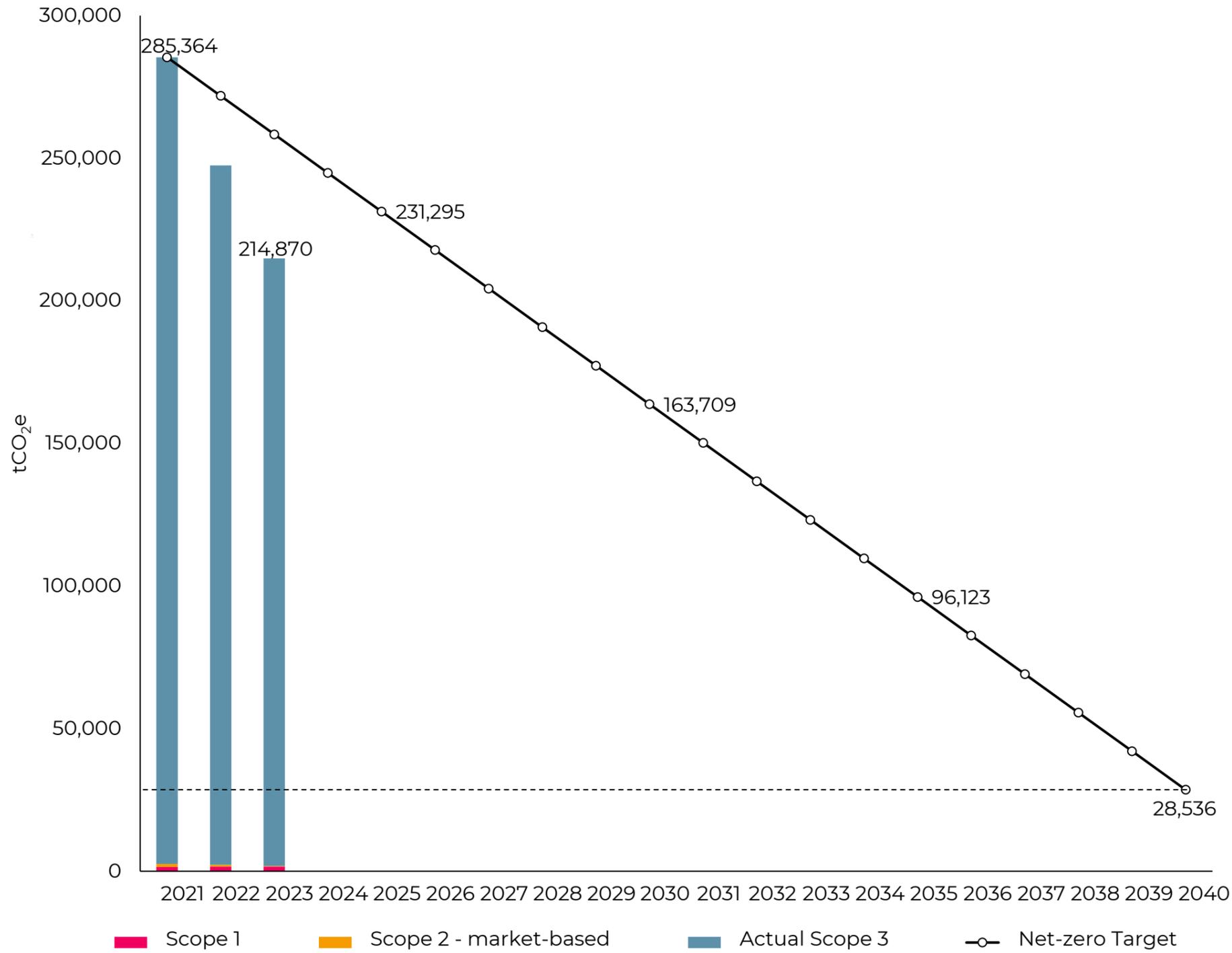
Reduce Scope 1 and 2 emissions by 58.3% by 2030 from an FY20/21 base year. A 28.5% reduction has been achieved to date.



Reduce Scope 3 emissions per £m revenue by 51.6% by 2030 from an FY20/21 base year. A 34.9% reduction has been achieved to date.



# Net-zero Target



*Net-zero Scope 1, 2 and 3 emissions by 2040, in line with net-zero across the value chain.*

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

- All Group companies have been certified in 2022 to the international standards **ISO 14001** (Environmental Management Systems), **ISO 45001** (Occupational Health and Safety Management Systems) and **ISO 9001** (Quality Management Systems).
- The Group has installed **solar PV** units on the roofs of most of its UK manufacturing facilities, as well as at Lightronics in the Netherlands and Zemper in Spain. The remaining electrical energy from the grid is now 79% from renewable electricity.
- A **net-zero workshop** was held with key stakeholders in April. This was a training session on net-zero and FW Thorpe's current position to ensure net-zero is embedded throughout the business. The Group's Science-Based Targets were agreed.

### Identified opportunities for implementation

- All Group companies will be required to meet ambitious targets to reduce **waste to landfill**.
- New product design is to follow an FW Thorpe Plc agreed **Circular Design Strategy**, ensuring products last even longer, use sustainable materials in their construction and are easier to reuse, refurbish or recycle at the end of their lifetime.
- All Group companies to review their manufacturing processes and develop plans to **reduce energy usage**.
- All Group companies will target zero plastic bag and zero bubble wrap usage in its factories and aim to reach **zero single-use plastic** from the supply chain.
- All finished goods packaging is to be supplied from the **Forest Stewardship Council (FSC)** or equivalent sources. Group companies will offer a return and reuse service for product packaging.
- All Group employees are to be trained in **environmental initiatives**.
- All Group companies to appoint a Sustainability Champion and have a written **sustainability plan**.
- All Group companies to produce **Environmental Product Declarations (EPDs)** for their best-selling product ranges and to evaluate the Life Cycle Assessments (LCAs) generated to assess and improve product performance.
- All Group **delivery vehicles** are to be a minimum of Euro 6 compliant.
- All Group companies are to provide **electric vehicle (EV)** charging stations at the workplace.



## I: Declaration & 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<sup>5</sup> and uses the appropriate [Government emission conversion factors for greenhouse gas company reporting](#)<sup>6</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>7</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

### Signed on behalf of the Supplier:

Name: **Mike Allcock**

Role: **Chairman and Joint Chief Executive**

Signature: 

Date: **26th October 2023**

## II: Reporting Methodology

Scope 1 and 2 greenhouse gas emissions have been calculated according to the 2019 UK Government environmental reporting guidance. Consistent with the guidance, relevant emissions factors published in the UK Government's Department for Business, Energy and Industrial Strategy (BEIS) "Greenhouse gas reporting: conversion factors" database-specific reporting year have been used. The CO<sub>2</sub> equivalent conversion factor has been used throughout and, where applicable, the kWh gross calorific value (CV) was used.

Scope 1 and 2 emissions have been calculated using both a location-based and market-based approach:

- **Location-Based:** This method calculates emissions associated with fuel and electricity consumption by using UK average emissions intensities. BEIS provides UK emissions factors for fuel and grid electricity annually, which are used in location-based reporting.
- **Market-Based:** This method calculates emissions associated with fuel and electricity consumption by using contract-specific emissions intensities. Market-based reporting enables companies that purchase lower carbon fuel and electricity to demonstrate the benefit of their investment.

Transport-related emissions from fuel combustion were calculated using the BEIS "Greenhouse gas reporting: conversion factors" database. Scope 3 emissions have been calculated based on the guidance in the Greenhouse Gas Protocol "Corporate Value Chain (Scope 3) Standard".

For all operations, applicable Scope 3 categories were identified based on an operational control boundary. Scope 3 emissions for applicable categories were calculated following methodologies outlined in the GHG Protocol "Technical Guidance for Calculating Scope 3 Emissions", with further guidance taken from the GHG Protocol's detailed methodology chapters for each applicable Scope 3 category.

Most conversion factors were sourced from the BEIS Greenhouse gas reporting: conversion factors, v1.0 2023 database. Where a spend-based approach was used, as per the GHG Protocol guidance, conversion factors were taken from the University of Leeds and the Department for Environment, Food and Rural Affairs' UK Footprint Results (1990 – 2018)' study or the Department for Environment, Food and Rural Affairs' Indirect emissions for the supply chain' database. Scope 3 emissions include Well to Tank and T&D losses.



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