

JOHN HORSFALL



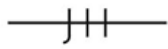
Carbon Reduction Plan for JOHN HORSFALL GROUP

Published: October 2023

Authors:

Connor Grisdale

Stephen Currie



Our Commitment.

John Horsfall Group is committed to achieving Net Zero emissions by 2050.

What does Net Zero mean in practice?

To achieve Net Zero, we will be aiming to reduce emissions in line with the latest science-based targets (SBTs). SBTs are greenhouse gas reduction goals set by organisations. They are defined as “science-based” when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. SBTs provide organisations with pathways to sustainable transformational change to accelerate the transition to a low carbon economy.

For us, this means that we will need to reduce our absolute carbon emissions by at least 90% from our baseline year, or achieve (and maintain) a carbon intensity metric of <1 tonne CO₂e per employee, whichever comes soonest. To keep ourselves on track with these long-term targets, we have set the following near-term goals:

- Reduce our Scope 1 & 2 emissions to zero by 2030.
- Reduce our Scope 3 emissions by 20% from our baseline year by 2026.
- Reduce our Scope 3 emissions by 30% from our baseline year by 2030.

Scope 1 emissions: direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from combustion of fuels in on-site boilers, furnaces, or vehicles.

Scope 2 emissions: indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.

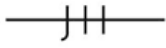
Scope 3 emissions: all other indirect greenhouse gas emissions that occur in an organisation’s value chain, including emissions from upstream and downstream activities.

Our Carbon Footprint.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured. We have chosen to set our baseline year as January 2022 – December 2022.

Baseline Year: 2021-2022	
<p>What has been included in the carbon footprint?</p> <p>All Scope 1 & 2 emissions have been measured, plus the following Scope 3 Emissions:</p> <ul style="list-style-type: none"> • Purchased Goods & Services • Capital Goods • Fuel & Energy Related Services • Business Travel • Transportation & Distribution (Downstream) • Transportation & Distribution (Upstream) • Employee Commuting & Home Working • Operational Waste & Water 	
EMISSIONS	TOTAL (tonnes CO ₂ e)
Scope 1	110.7
Scope 2*	Market-based: 38.6 Location-based: 41.4
Scope 3	13,012.8
Total Emissions*	Market-based: 13,162.1 Location-based: 13,164.9



**Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. We have chosen to base our Net Zero target on a market-based methodology.*

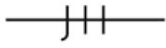
Carbon Intensity Metrics

Baseline year: 2021-2022	CARBON INTENSITY METRIC (tonnes CO ₂ e / unit)
Employees	248.3

Based upon 53 employees during the measurement period.

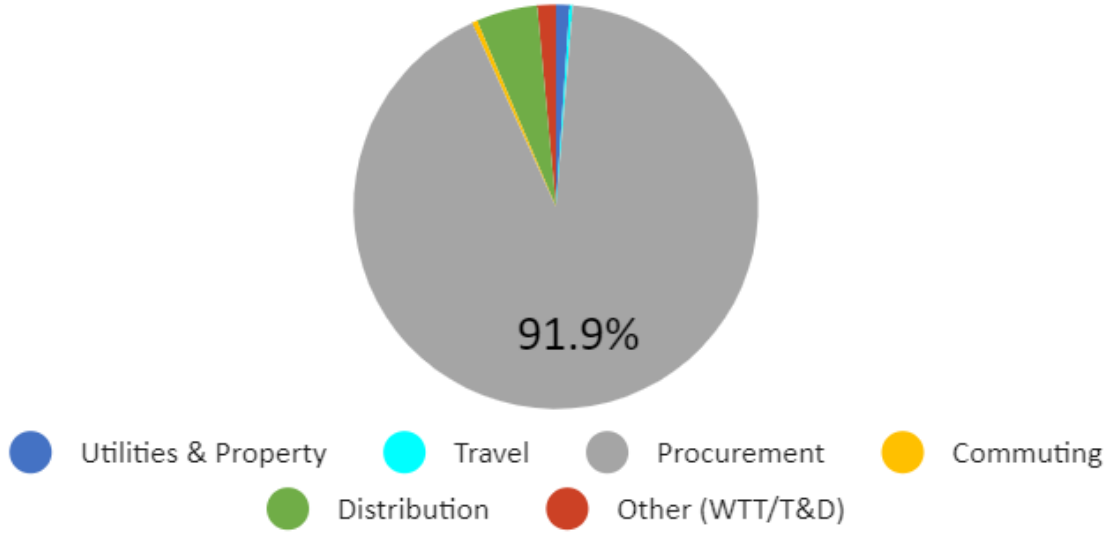
Current Emissions Reporting

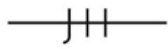
Current Reporting Year: 2021 - 2022
The current year of Reporting is the Baseline Year for John Horsfall Group.



Carbon Emissions Breakdown

Emissions by Category: 2022





Carbon Reduction.

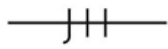
Our Net Zero targets

John Horsfall Group is committed to achieving Net Zero by 2050. To do this, we will need to reduce our absolute carbon emissions by at least 90% from our baseline year, or achieve (and maintain) a carbon intensity metric of <1 tonne CO₂e per employee, whichever comes soonest.

We have set the following near-term targets to 2030 to keep ourselves on track with our ultimate Net Zero goal. Targets for the remaining period will be set as we progress closer to 2030.

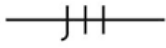
- Reduce our Scope 1 & 2 emissions to zero by 2030.
- Reduce our Scope 3 emissions by 20% from our baseline year by 2026.
- Reduce our Scope 3 emissions by 30% from our baseline year by 2030.

There are no previous existing carbon emission reduction targets against which to report progress.

**Completed Carbon Reduction Initiatives**

The following emissions management measures and projects have been completed or implemented since the start of our baseline reporting period.

Activity	Completion Date	Scope
Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions. Year 1 appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations.	2022	1,2,3
Created a Green Team to lead initiatives. This team has been made up of members from different departments to support the roll out of initiatives and management of data, this includes sharing and collaborating throughout the organisation.	2022	1,2,3
Replacement of 30000 sq ft roof at the Elland Warehouse to reduce energy transfer and therefore reduce heating demand.	2023	1,2
Installation of 102 solar panels at the Elland Warehouse Facility	2023	2
Hull Facility moved to a smaller unit, to increase the efficiency of space usage & therefore reduce consumption of gas and electricity.	2023	1,2
Installation of LED lighting in the new Hull Unit.	2023	2



Revised sourcing of products and manufacturing at the Hull facility to reduce waste.	2023	3
Resizing of products purchased abroad to allow the more efficient use of shipping container space.	2023	3

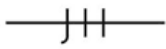
Future Carbon Reduction Plans

We are committing to action the following emissions management measures and projects in line with our Net Zero targets.

REDUCTION PLANS – Scope 1 & Scope 2			
Activity No.	Activity	Target Date	Category
1	<p>Consider low-cost options such as reducing the boiler temperature and adding heat & solar control reflective window sheets.</p> <p>Consider planning for larger cost management (where appropriate) such as an efficient boiler system.</p> <p>Consider replacing the existing gas boiler system with heat pump technology</p>	2029	Stationary Combustion
2	Procure a 100% renewable electricity tariff at all sites. This change will reduce market-based emissions to 0 tCO ₂ e.	2027	Purchased Electricity
3	<p>Total location-based electricity emissions (National Grid energy mix) are still 49.57 tCO₂e so there is an opportunity to reduce energy use.</p> <p>John Horsfall Group will implement behaviour change initiatives within the workplace for reduction of emissions, including clear messaging for turning off lights, equipment, computers, and other electrical appliances where appropriate. We will assign roles and responsibilities to Green Team members.</p>	2023	Purchased Electricity

	High-level monitoring of energy use is key to understanding further pinch points.		
4	<p>Implement energy efficiency measures to reduce the overall amount of electricity consumed at sites. Optimise operational procedures and implement energy management systems (such as ISO 14001). Examples of reduction measures include further upgrading lighting, introducing more sensor lighting, installing timers on sockets/equipment. Also review and renew inefficient equipment (when at end of life), and actively consider the energy efficiency of equipment when new purchases are required (e.g. laptops, fridges, dishwashers). Invite colleagues from different sites to openly explore challenges and barriers to collaboratively find solutions for reduction.</p>	2025	Purchased Electricity

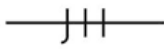
Based upon the above completed and planned initiatives, it is projected that Scope 1 & 2 carbon emissions will decrease to **0 tCO₂e by 2030**.



REDUCTION PLANS – Scope 3			
Activity No.	Activity	Target Date	Category
1	Consider training and engagement for the Green Team, leadership, and the wider employee base. Including and not limited to, creating spaces for environmental positive conversations (internal comms, newsletters, slack, Teams etc), certified Carbon Literacy Training for all applicable to roll out to further workforce and share with externals where appropriate. On average, certified learners reduce their carbon footprints by 5-15%, of which ~50% are work-related.	2024	Commuting & Home Working Business Travel
2	Implement a Sustainable Procurement Policy. Encourage suppliers to adopt sustainable practices and improve their own carbon footprint through supplier engagement, procurement policies and contracts, and monitoring reporting mechanisms. Commit to a Sustainability Audit or Survey to request further information regarding credentials – Plan to send these to the Top 20% of suppliers by spend. This data collection will support reduction journey by gathering important data for year two measurement & encourage supply chain integration towards Net Zero. Complete this audit within Two Phases –	2024 - 2027	Purchased Goods & Services

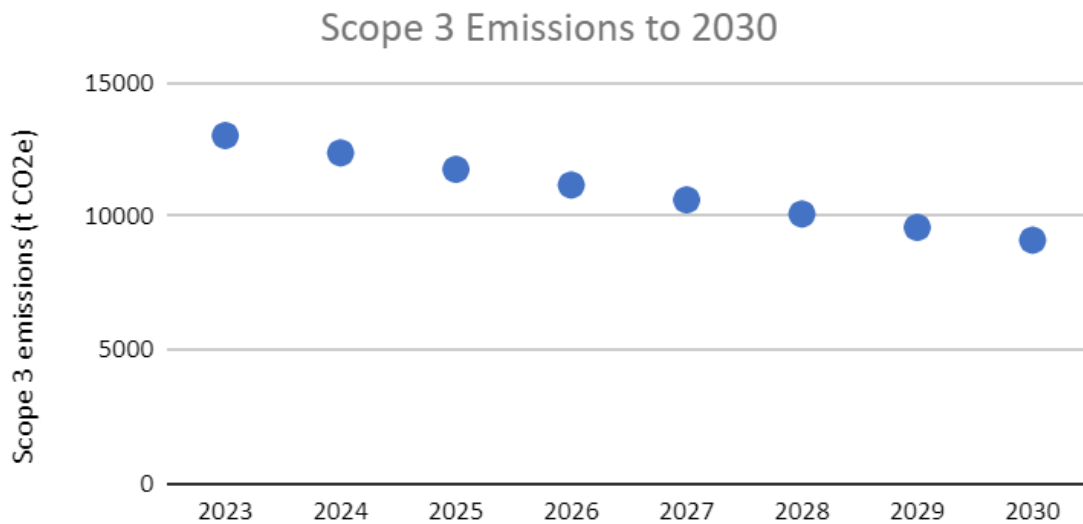
	<p>1. Identify suppliers for engagement.</p> <p>2. Formulate and collect data (survey/scoring)</p> <p>Once completed prioritise suppliers with lower carbon footprints as part of the above phased approach.</p> <p>Develop and monitor procurement policy for all new suppliers to align to Net Zero goals.</p>		
3	<p>Review logistics partners/couriers and utilise the above Sustainable Procurement Policy. Work with providers to gather their emissions data, and/or switch to lower-carbon providers.</p> <p>Prioritise purchasing from local suppliers to limit delivery mileage.</p>	2024 - 2027	<p>Upstream Distribution</p> <p>Downstream Distribution</p>
4	<p>Develop and implement a Sustainable Travel Policy to support environmental impact of choices when travelling, staying in hotels and commuting. The priorities within this policy will support active travel and low emission travel options where appropriate.</p> <p>Monitor and consider alternatives to air-based travel as a priority and commit to offering support to workforce with options for active travel schemes; such as bike to work or car sharing opportunities.</p> <p>Utilise the emissions travel hierarchy –</p>	2024	<p>Business Travel</p> <p>Commuting</p>

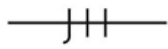
	<p>Digital communication Walking & wellbeing Cycling Public and shared transport Public and shared EV's and car sharing ICE vehicles and car sharing Air Travel</p> <p>Consider creative ways to engage and support the workforce to influence change.</p> <p>Examples include setting an internal organisation carbon credit scheme (limit that to a number of tCO2e per year), extra holiday days for low emission travel choice, bonuses, subsidised travel, equal mileage payments for diesel/petrol/EVs/cycling.</p>		
	<p>Include information for clients regarding the estimated carbon footprint of the materials they are purchasing, to reduce overall demand for those products with the highest emissions.</p>	<p>2029</p>	<p>Purchased Goods & Services</p>
	<p>Prioritise organic and lower emission materials when purchasing from suppliers. Aim to reduce total purchase of poly- fibres by 10%.</p>	<p>2028</p>	<p>Purchased Goods & Services</p>
	<p>Enhance data capture at John Horsfall Group, such that the vehicle type is recorded for overland distribution. Greater data quality will enable JH Group to target distribution emissions more effectively.</p>	<p>2025</p>	<p>Distribution</p>



	<p>Establish within the Procurement Policy that no new purchased cars will have an Internal Combustion Engine. Upon replacement, all purchased cars will be Hybrid or Battery Electric.</p> <p>Procurement Policy will include guidelines to ensure that no overseas distribution shall be air freighted.</p>	2024	Distribution, Mobile Combustion
--	---	------	---------------------------------

Based upon the above completed and planned initiatives, it is projected that (as a minimum) Scope 3 carbon emissions will further decrease over the next seven years from the current normalised measurement (minus capital goods) of 303.060 tCO₂e to 244.938 tCO₂e by 2027. This is a reduction of 30% and will keep us on track to Net Zero.





Declaration and Sign Off.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

This Carbon Management Plan has been reviewed and approved by the John Horsfall Group Executive Team.

Signed on behalf of John Horsfall Group:

Name R Stephen Currie
Position Company Secretary
Date: 27/10/2023

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>