



## Carbon Reduction Plan

Supplier Name Peacocks Medical Group

Publication Date 1<sup>st</sup> March 2024

### Introduction

Peacocks recognise how important it is to be committed to reducing our carbon emissions and understanding the impact we have on the environment in everything we do.

This Carbon Reduction Plan sets out how we will improve the way in which we use our resources to ensure the least harm to our environment.

Whether we are thinking of how to travel to work, what cup to drink from, where we hold a meeting and the vast range of choices we make in our daily life, having sustainability underpinning every choice we make and every action we take must be integral to us delivering our vision, mission and strategic goals.

We have identified where we need to change our behaviour and prioritised the key areas we want to focus on over the next 12-months as detailed in our plan.

We also recognise that many of the measures we plan to take to cut our carbon footprint will also help the us operate more efficiently, cut costs and go some way to protecting us from the inevitable future increases to fuel and energy costs.

### Commitment to achieving Net Zero

Peacocks is committed to achieving Net Zero emissions by 2035.

We are committed to meeting our compliance, legal and regulatory obligations to protect the environment directly through our own initiatives, products and services and indirectly using our influence to affect the practices of others.

### 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.

**Baseline Year: June 2020 – May 2021**

**Additional details relating to the baseline emissions calculations**

The financial year, June 2020 to May 2021 was our first year calculating our emissions for the Carbon Reduction Plan, and is therefore used as our baseline.

Although we had a good understanding of our office-based Scope 1 and Scope 2 emissions in the baseline year, we were not in a strong position with respect to Scope 3 and only included transmission and distribution, transmission and distribution for electric vehicles, water supply, water treatment and freighting goods. As can be seen below in our current emissions reporting, we have made efforts during the reporting year, (June 2021 to May 2022), to improve our data collection methods and have a better understanding of our Scope 3 emissions and the impact of our activities.

Greenhouse gases were calculated using UK Government conversion factors for 2020 and calculated according to the Environmental Reporting Guidelines.

We took the operational approach to leased assets, meaning fuel use falls under Scope 1 'direct' emissions and electricity falls under Scope 2 'indirect' emissions.

Peacocks is not a quoted company, nor does it fall within the parameters of a large unquoted company or LLP. As such, complying with the Streamlined Energy and Carbon Reporting (SECR) is not a mandatory requirement. However, we have voluntarily complied with SECR by calculating the required energy use in kWh.

## Baseline Year Emissions

EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	176.33
Scope 2	84.04
Scope 3	185.10 Our Scope 3 emissions only included transmission and distribution, transmission and distribution for electric vehicles, water supply, water treatment and freighting goods.
<b>Total Emissions</b>	<b>445.48</b>

## Current Emissions Reporting

Reporting year: June 2021 to May 2022

EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	126.85
Scope 2	69.28

<b>Scope 3</b>	<p>756.52</p> <p>Our scope 3 emissions breakdown is as follows:</p> <p><b>Fuel and energy related activities</b> 6.12</p> <p><b>Upstream transportation and distribution</b> 217.23</p>
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	<b>Waste generated in operations</b>	23.97
	<b>Business travel</b>	22.53
	<b>Employee commuting</b>	148.66
	<b>Downstream transportation and distribution</b>	338.00
<b>Total Emissions</b>	952.65	

**Additional details relating to the emissions calculations**

**Scope 1 emissions** include emissions from fuels (propane, for vehicles) and refrigerants.

**Scope 2 emissions** include emissions released into the atmosphere from our purchased electricity at five UK sites in Newcastle (Benfield, St Thomas Street and Quorum Business Park), Bradford and Southampton.

**Fuel and energy related activities** is our transmission and distribution (T&D) losses from the generation of electricity consumed. For the reporting year (June 2021 to May 2022) this includes sites at Newcastle (Benfield, St Thomas Street and Quorum Business Park), Bradford and Southampton.

**Upstream transportation and distribution** has been calculated based on 570,000 delivery miles in an 'average van' (up to 3.5 tonnes).

**Waste generated in operations** has been calculated on the basis of:

- Closed loop recycling for plastics, leather and rubber
- Commercial and industrial waste to landfill
- Paper and board recycling

**Business travel** has been calculated to include:

- Hotel stays of 1,200 nights in the UK with an average of 13.9 kgCO<sub>2e</sub> per night - UK air travel of 14,716.31 kilometres
- UK rail travel of 56 journeys covering approximately 16,093.44 kilometres - UK sea travel of 9,656.06 kilometres
- Taxi hire in the UK covering 1,931.21 kilometres in a 'regular taxi'
- Hire cars covering 8,043.50 miles in an 'average' vehicle

**Employee commuting** has been calculated on the basis of:

- 111 employees as the average number of employees (FTE) over the year - 87.7 employees based at Head Office – 23.2 orthotists based across England - 'Unknown average car' used where vehicle type not known
- Travelling 227 days over the year (52 weeks - 33 days = 45.4 weeks) - Data from Moneybarn website – average number of commuter miles for round trip: North East: 21 miles, East of England: 31 miles,

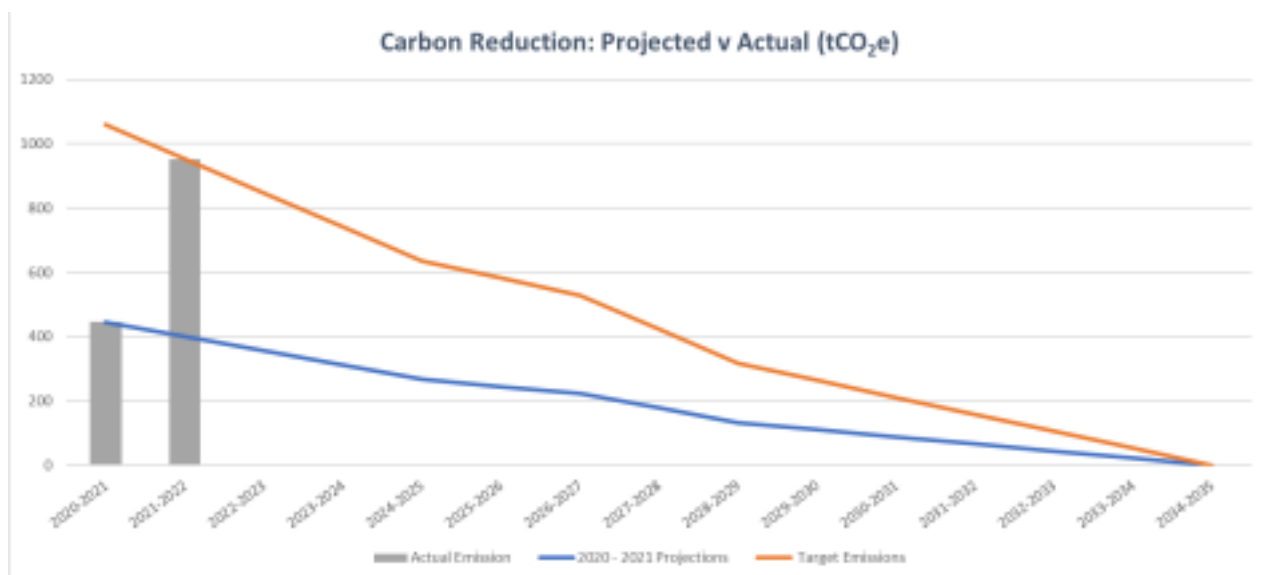
**Downstream transportation and distribution** has been calculated based on 886,912 delivery miles in an 'average van' (up to 3.5 tonnes).

## Emissions Reduction Targets

In order to continue or progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to 635.10 tCO<sub>2</sub>e by 2025. This is a reduction of 40%. Please note that due to the impact of the pandemic on our operating model and the reported emissions deviating from the requirements under this measure (i.e. different Scope 3 emissions reported) our baseline year emissions figure is substantially higher than the current year. Therefore the target emissions have been re evaluated and adjusted to reflect the more detailed calculations, and ensure they are in-line with the requirements of PPN 06/21.

Progress against these targets can be seen in the graph below:



## Carbon Reduction Projects

The following environmental management measures and projects have been completed or implemented since the June 2020 to May 2021 baseline.

We have not yet been able to quantify the carbon emission reduction achieved by these schemes as our more accurate data reporting has increased our reported emissions. These measures will be in effect when performing the contract.

- Reviewed our data gathering processes to support our Net Zero ambitions and collect more accurate data
- Developed a new Environmental and Energy Policy which outlines our commitment to minimising the negative environmental impact of our activities
- Increased the number electric vehicles in our fleet
- Installation of LED lighting and replacement of windows at the Benfield site
- Ovens within the plastics department replaced with more efficient ones
- Revised the operating time of ovens within the plastics department, therefore reducing energy consumption
- Introduced metal waste collections, diverting the material from landfill. In future we

hope to implement further measures such as:

- Greater focus given to sustainability within our supply chains
- Include environmental impact awareness in induction and development programmes

- Implementation of ISO 14001:2015, with the aim of being certified by end of 2023
- Introduce

sub-metering strategies across sites, to capture more granular data and target reduction initiatives at high usage sites

- Review our upstream and downstream transportation and distribution emissions in detail to further understand where reductions can be made
- Introduce data collection methods to calculate our emissions for the additional ten Scope 3 emissions not currently included in the PPN 06/21 subset for a more accurate calculation of our carbon footprint

## 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 SECR requirements, and the required subset of 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.

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

Signed on behalf of supplier:



David Stevens, Group Managing Director

Date: 1 March 2024

## Introduction

Peacocks SME recognise how important it is to be committed to reducing our carbon emissions, and understanding the impact we have on the environment in everything we do.

This Carbon Reduction Plan sets out how we will improve the way in which we use our resources to ensure the least harm to our environment.

Whether we are thinking of how to travel to work, what cup to drink from, where we hold a meeting and the vast range of choices we make in our daily life, having sustainability underpinning every choice we make and every action we take must be integral to us delivering our vision, mission and strategic goals.

We have identified where we need to change our behaviour and prioritised the key areas we want to focus on over the next 12-months as detailed in our plan.

We also recognise that many of the measures we plan to take to cut our carbon footprint will also help the us operate more efficiently, cut costs and go some way to protecting us from the inevitable future increases to fuel and energy costs.

## Commitment to achieving Net Zero

Peacocks SME Ltd is committed to achieving Net Zero emissions by 2035.

We are committed to meeting our compliance, legal and regulatory obligations to protect the environment directly through our own initiatives, products and services and indirectly using our influence to affect the practices of others.

## Baseline Emissions Footprint

Our current reporting year, 2023, will be our baseline year.

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.

**Baseline Year: January 2023 – December 2023**

## Additional details relating to the baseline emissions calculations

Peacocks SME has adhered to PPN/0621, the Technical Standard For Completion Of Carbon Reduction Plans, when preparing data. As set out in the standard, our Scope 3 emissions include the following five categories.

- **Upstream Transportation and Distribution**
- **Waste Generated In Operations**
- **Business Travel**
- **Employee Commuting**
- **Downstream Transportation and Distribution**

Greenhouse gases were calculated using UK Government conversion factors for 2023 and calculated according to the Environmental Reporting Guidelines.

## Baseline Year Emissions

EMISSIONS	TOTAL (tCO <sub>2</sub> e)										
Scope 1	60.8417										
Scope 2	0.6920										
Scope 3	152.1472 Our scope 3 emissions breakdown is as follows:										
	<table border="1"> <tbody> <tr> <td>Upstream transportation and distribution</td> <td>56.0636</td> </tr> <tr> <td>Waste generated in operations</td> <td>0.3926</td> </tr> <tr> <td>Business travel</td> <td>20.4492</td> </tr> <tr> <td>Employee commuting</td> <td>3.1174</td> </tr> <tr> <td>Downstream transportation and distribution</td> <td>74.3754</td> </tr> </tbody> </table>	Upstream transportation and distribution	56.0636	Waste generated in operations	0.3926	Business travel	20.4492	Employee commuting	3.1174	Downstream transportation and distribution	74.3754
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Waste generated in operations	0.3926										
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Downstream transportation and distribution	74.3754										
<b>Total Emissions</b>	<b>213.6809</b>										

### Current Emissions Reporting

#### Additional details relating to the emissions calculations

**Scope 1 emissions** include emissions from fuels for company vehicles and machinery, propane, and gas to heat Peacocks SME site.

**Scope 2 emissions** include emissions released into the atmosphere from our purchased electricity as well as charging of EVs off site.

**Scope 3 emissions:** Aligned to the guidance within the corporate value chain scope 3 accounting and reporting standard, primary data was prioritised for use and where unavailable secondary and proxy data was used and where necessary extrapolated.

**Upstream and downstream** transportation and distribution has been calculated using miles in an average van of unknown fuel source

**Waste generated in operations** has been calculated on a percentage basis for the total amount of waste for both Peacocks SME and PMG

**Business travel** has been calculated to include:

- Air travel
- Rail travel
- Ferry travel as a car passenger

**Employee commuting** has been calculated on the basis of:

- 3 employees commuting to work. All other employees have company vehicles
- Commuting employees all receiving 25 days holiday per annum plus Bank Holidays

### Implemented Initiatives

During our baseline year, Peacocks SME implemented the following initiatives to reduce carbon emissions

#### Direct Shipping

In order to reduce downstream emissions, Peacocks SME have where possible, shipped product direct from the manufacturer to its clients.

In total 361 shipments were sent direct, saving a total of approx. 81055.5 downstream transportation miles. This figure is based on the average Peacocks SME parcel shipping distance which is 224.5 miles

Whilst upstream emissions were still created in the shipping of these products, by sending direct, they were considerably less.

See diagrams below

### Traditional Peacocks SME Shipping Method



### Direct Shipping To Client





Shipping product from a Denbigh based supplier would incur 218.1 transportation miles. Peacocks SME sending this parcel onward to a Droitwich based client would incur another 235.5 transportation miles. By sending product direct from the Denbigh supplier the distance is 98.3 miles saving a total of 355.3 transportation miles.

The above example of shipping product direct has resulted in an approximate 77.5% reduction in the combined total of up and downstream transportation miles.

Across 361 deliveries, direct shipping will have resulted in a significant reduction in our transportation related carbon emissions.

### Bundling Of Products Sold

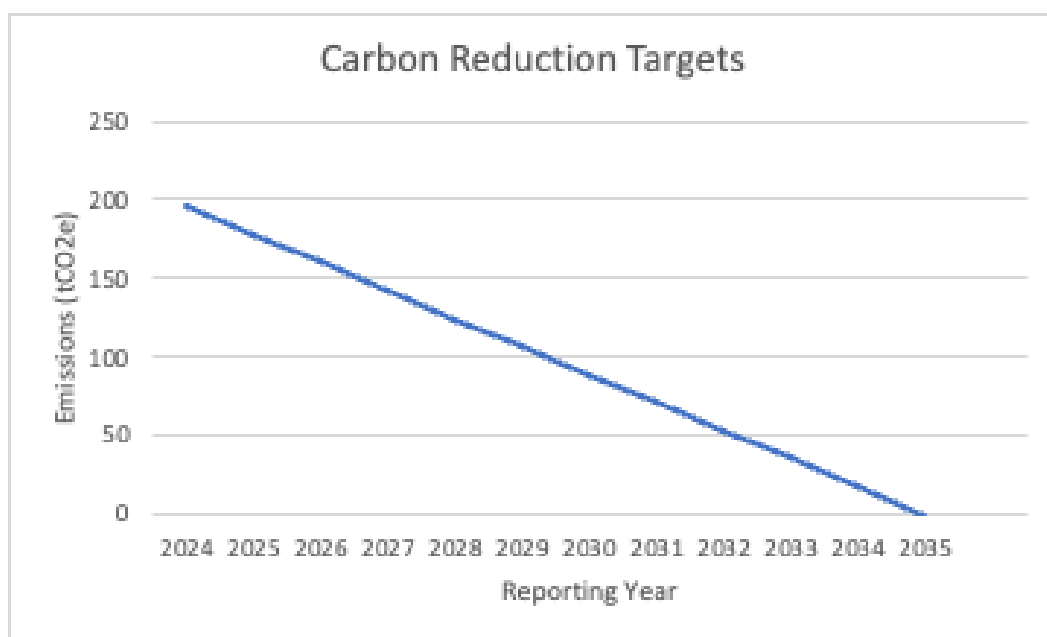
In order to reduce downstream emissions, Peacocks SME have where possible, bundled products together to reduce the overall number of shipments sent out.

Analysis of our couriers shipping data has shown that by shipping out products together, Peacocks SME have managed to save approx. 62704.10 transportation miles. Assuming these goods were delivered by an average van, a total of 23.25 tonnes of carbon has been saved.

### Emissions Reduction Targets

We project that Peacocks SME carbon emissions will decrease over the next five years to 124.67 tCO<sub>2</sub>e by 2028. This a reduction of approx. 42%.

Our targets can be seen in the graph below:



## Carbon Reduction Projects

To aid our journey to Net Zero, Peacocks SME hope to implement the following measures:

- Look to expand our direct shipping initiative to include more products to more clients
- Investigate the implications of bulk purchasing to reduce upstream transportation emissions
- Increase education and opportunity to engage our workforce in environmentally focused training and awareness. This includes in our induction and development programmes.
- Undertake energy and carbon related communication and engagement activities to ensure the buy-in of all our employees.
- Purchase reusable mugs and water bottles for all employees to eliminate single use coffee cup and water bottle waste.
- Investigate new work scheduling/planning practices to reduce business travel emissions.
- Review the company car policy with the aim to include more electric and hybrid vehicles in our fleet.
- Have our Environmental Management System ISO 14001:2015 certified during this reporting year
- Align our environmental objectives with the UN's Sustainable Development Goals.
- Review our waste emissions in detail to understand where reductions can be made. This includes collecting data related to the specific weights of waste being collected.
- Carbon offsetting is a way to compensate our emissions by funding an equivalent carbon dioxide saving elsewhere. Carbon offsetting is used to balance out our emissions from our everyday actions by helping to pay for emission savings in other parts of the world. We understand that offsetting plays a vital role in combating climate change, but if done in isolation it is not the solution. Therefore, when we have reduced our CO2 emissions as much as possible, we will offset the remaining unavoidable emissions. This includes ensuring that any offsets are Verified Carbon Standard (VCS), Gold Standard VERs or Kyoto compliant.
- Introduce data collection methods to calculate our emissions for the additional ten Scope 3 emissions not currently included in the PPN 06/21 subset for a more accurate calculation of our carbon footprint.

## Declaration and Sign Off

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

## Signed on behalf of Peacocks SME



David Stevens  
Group Managing Director