



Cabinet Office

## CARBON REDUCTION PLAN GUIDANCE

### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

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<sup>1</sup>Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>2</sup>Technical Standard can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991625/PPN\\_0621\\_Technical\\_standard\\_for\\_the\\_Completion\\_of\\_Carbon\\_Reduction\\_Plans\\_\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf)

<sup>3</sup>Guidance can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991623/Guidance\\_on\\_adopting\\_and\\_applying\\_PPN\\_06\\_21\\_\\_Selection\\_Criteria\\_\\_3\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf)

# Carbon Reduction Plan Template

Supplier name: ...Network 2 Supplies Limited.....

Publication date: ...June 2024.....

## Commitment to achieving Net Zero

Network 2 Supplies Limited is committed to achieving Net Zero emissions by 2050.

## 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.

<b>Baseline Year:</b> 2019	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
2019 was the most recent year of full carbon emissions data which we held before covid-19 impacted the business. As such we used 2019 to model our baseline via a carbon reduction contractor called 'Arete' and also using an emissions reporting tool called 'Enexo'	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>634.89</b>
<b>Scope 2</b>	<b>61.26</b>
<b>Scope 3 (Included Sources)</b>	<b>1270.72</b>  Category 1: Purchased Goods and Services = 875.49 Category 2: Capital Goods = 160.59 Category 4: Upstream T&D = N/A as done using N2S vehicles Category 5: Waste generated = N/A as N2S is zero to landfill Category 6: Business Travel = 115.36 Category 7: Employee Commuting = 119.27 Category 8: Upstream leased assets = N/A Category 9: Downstream T&D= N/A as done using N2S vehicles
<b>Total Emissions</b>	<b>1966.87</b>

## Current Emissions Reporting

<b>Reporting Year:</b> 2023	
2023 has seen the business has grow in employee number and also in footprint with N2S now fully operating out of three locations in the UK. The HQ sites in Bury and Huthwaite have seen a large increase in workflow through the processing areas which has been sheen in the increased electricity usage to sites. We have largely retained the type and size of our fleet of vehicles with improved scheduling to meet business needed which resulted in similar emission reporting when compared to 2019. Trials have been carried out on EV fleet but at this time the mileage available is not suitable for N2S activity. Scope 3 data is not yet prepared for 2023 and we are still awaiting the raw financial data so that it can be processed.	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>979.21</b>
<b>Scope 2</b>	<b>107.23</b>
<b>Scope 3 (Included Sources)</b>	Scope 3 data is not yet prepared for 2023 and we are still awaiting the raw data so that it can be processed.
<b>Total Emissions</b>	<b>1086.44</b> Plus scope 3 to be added at a later date.

## Emissions reduction targets

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

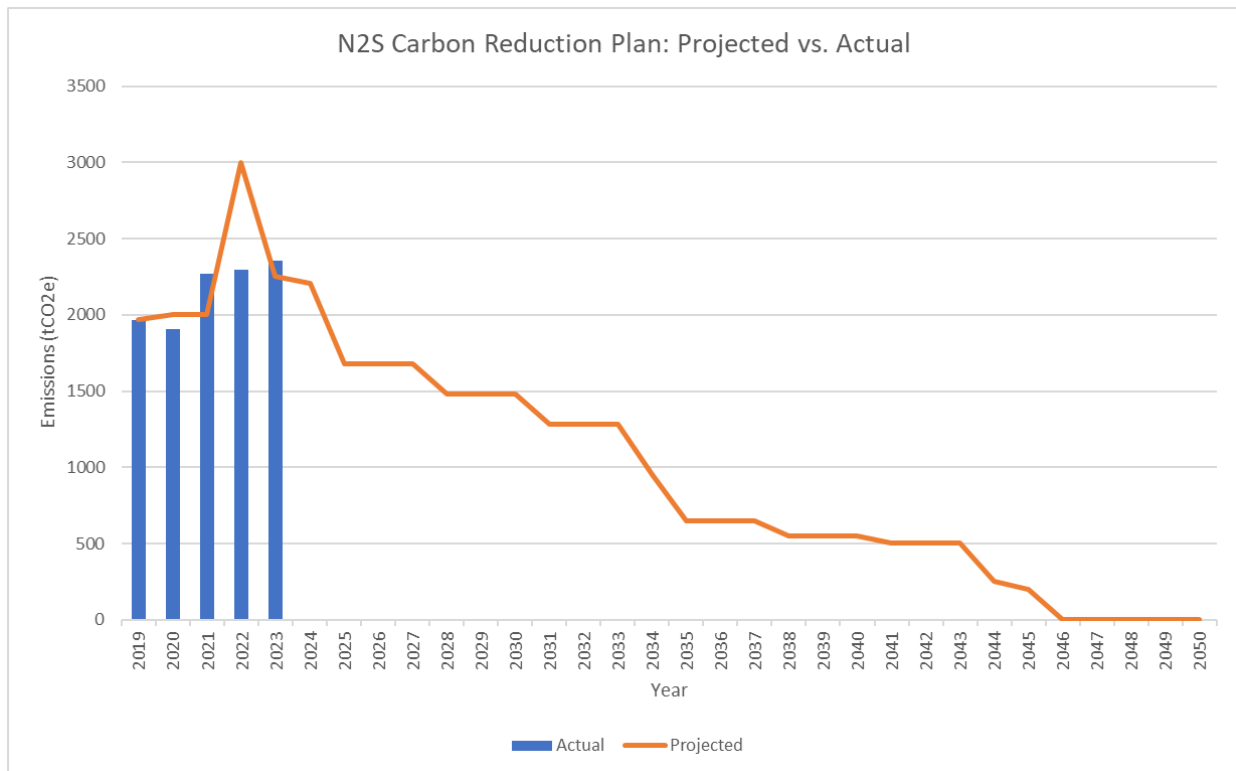
Network 2 Supplies Limited commits to reduce absolute scope 1 emissions by 100% by 2025 and scope 2 emissions by 100% by 2050 from a 2019 base year and scope 3 emissions by 100% by 2045.

The scope 1 and 2 targets cover greenhouse gas emissions from company operations and are consistent with reductions required to keep warming to 1.5 degrees Celsius.

We project that carbon emissions will decrease over the next 5 years to 1480 tCO<sub>2</sub>e by 2029. This is a reduction of 15% between 2024 and 2029. Please note that due to the impact of the pandemic on our operational model our reported emissions in 2022 and 2023 are below the 15% reduction level. However we have seen the impact of the pandemic lesson and we have also seen a large increase in our employee numbers, work flow and number of sites owned for 2022 & 2023 which was forecast and can be seen with an increase in emissions. The forecast increase in electrical and fuel consumption for 2022 was not clearly evident in practice as our new site locations have minimal machine electrical consumption and fuel usage remained stable as we reallocated and relocated existing vehicles rather than adding to the to fleet excessively. Also the ramping up of new locations

was a soft start so rather than a peak in 2022 consumption was more evenly distributed from 2021 to 2023 to flatten out the carbon spike.

Progress against targets can be seen in the graph below:



## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

Our emissions from 2019 baseline to the 2023 data has actually seen an overall increase in the emissions used by the company and this is due to the increase in number of sites, number of employees and growth in customers and work being processed and recycled.

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. The carbon emission reduction achieved by these schemes equate to 195 tCO<sub>2</sub>e, a 9% reduction against the 2019 baseline.

Implemented carbon reduction actions include;

- Certification to 14001, Environmental Management System for UK operations.
- Emissions reporting and support from an independent portal called Enexo.
- Implementation of remote and hybrid working policy to reduce fuel consumption.
- Taking out 100% renewable energy source utility contracts.
- Zero waste to landfill practice in place.

Energy reduction projects include:

- LED lighting installed in the warehouse areas.
- Removal of onsite servers in preference of using cloud based data centres.
- LED lighting being used to replace lighting in store, resale and office areas.

In the future we hope to implement further measures such as:

- Switch to renewable gas options as and when they become available
- Replace small fleet vans with EV vans when suitable distances are achievable.
- Replace all larger and HGV fleet to EV when a viable solution is available.
- Improve supplier and customer awareness of their net zero responsibilities to close the scope 3 impact to our company.

## 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<sup>4</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>5</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions will be reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>6</sup> once financial data is available.

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:

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Date: .....

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<sup>4</sup><https://ghgprotocol.org/corporate-standard>

<sup>5</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>6</sup><https://ghgprotocol.org/standards/scope-3-standard>