

# 2021 - 2022 Carbon Reduction Plan

## Fenton Pharmaceuticals Ltd

Report Completed On: 01/06/2023

Review Date: 31/10/2023

Net Zero Target: Fenton Pharmaceuticals are committed to reaching Net Zero by 2027

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## Aim

The Aim of this report is to provide Fenton Pharmaceuticals Ltd with an accurate representation of their carbon emissions for Scopes 1, 2 and 3 for the dates provided in compliance with the Greenhouse Gas Protocol.

## Project Background and Scope

The advice provided in this report has been adjusted for the business named. All information is backed by Government Standards and is to the best of our knowledge complete.

The data in this report is reflective of the data received from the business and has been used to calculate the baseline year emissions for the organisation.

Beyond Procurement follows Greenhouse Gas Protocol regulations on leased offices. Should a lessee not have ownership or financial control over their office, emissions associated with fuel combustion fall under a scope 3 (upstream leased assets) analysis which is not covered in this report.

The remaining emissions may be offset through certified programs to achieve a 'Certification of Carbon Neutrality' for the particular year. The certification can only be awarded for the years offset and only once the organisation has removed and reduced its emissions to the greatest extent possible.

Ref: Categorizing GHG Emissions Associated with Leased Assets Appendix F to the GHG Protocol Corporate



## Definitions

For the purpose of this report the Greenhouse Gas Protocol definitions have been used to address the following:

- Carbon footprint: The total set of greenhouse gas emissions (GHG) caused directly and indirectly by an individual event, organisation, or product expressed as Carbon Dioxide Equivalent (CO<sub>2</sub>e).
- Scope 1: direct emissions from activities owned or controlled by your organisation. Examples of Scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces, and vehicles; and emissions from chemical production in owned or controlled process equipment.
- Scope 2: energy indirect emissions are those released into the atmosphere that are associated with your consumption of purchased electricity, heat, steam, and cooling. These indirect emissions are a consequence of your organisation's energy use but occur at sources you do not own or control.
- Scope 3: other indirect emissions are a consequence of your actions that occur at sources you do not own or control and are not classed as Scope 2 emissions. Examples of Scope 3 emissions are business travel by means not owned or controlled by your organisation, waste disposal, materials or fuels your organisation purchases. Deciding if emissions from a vehicle, office, or factory that you use are Scope 1 or Scope 3 may depend on how you define your operational boundaries. Scope 3 emissions can be from activities that are upstream or downstream of your organisation. More information on Scope 3 and other aspects of reporting can be found in the Greenhouse Gas Protocol Corporate Standard.



# Roadmap to net zero

Certified 12 month support programme

## 1 STEP 1. PLEDGE

Pledge to begin your journey

Making a pledge to begin your journey to net zero is important because it will show you are serious about the goal.

Creating your bespoke Net Zero journey

2

## STEP 2. MEASURE

Measure your current carbon footprint

Measuring your current carbon footprint with our calculator gives you an understanding of the amount of carbon you currently produce.

3

## STEP 3. STRATEGY

Create a net zero strategic plan and quick wins

Creating a strategy and quick wins will address the main opportunities and issues that prevent you from achieving a net zero outcome.

## STEP 4. PLEDGE

Take the actions agreed

Taking the actions agreed in the net zero strategy is simply a case of following the checklist you itemised with your Carbon Coach.

On average, our clients save £3,236

6

## STEP 6. CALCULATE

Calculate your carbon reduction

We will enter your latest data into the net zero calculator to remeasure your emissions and calculate your carbon reduction in tons of CO2e.

5

## STEP 5. REVIEW

Review and refine your activities

It's very important to review and refine your activities regularly to reflect the realities of your current situation and what you expect to achieve.

On average, our clients reduce their carbon emissions by 35.67 tonnes.

## 7 STEP 7. CELEBRATE

Celebrate your success

When your carbon footprint is remeasured and a carbon reduction is found, it is possible to offset any residual carbon via verified offsetting schemes to become 'carbon neutral'.



## Carbon Footprint Analysis

Fenton Pharmaceuticals Ltd specialise in pre-hospital emergency medical products, managing an extensive brand portfolio for 30 years. 5 employees, 1 sites, 0 vehicles, lease office. 2022 GHG conversion factors were applied to the calculation.

The analysis year (01.11.2021- 31.10.2022) was used to calculate the carbon footprint and was reflective of a 'normal' business year.

Baseline Year: 2019:2020

2019/20 baseline emissions report

Emissions	Data Quality	Total (tCO <sub>2</sub> )
Scope 1	Actual	0.30
Scope 2	Actual	1.10
<b>Total scope 1, 2 emissions</b>		<b>1.40</b>
Scope 3		
Category 1 (water supply and treatment only)	Actual	0.00
Category 5 (waste)	Estimated	0.10
Category 6 (business travel)	Estimated based on expense data	15.17
<b>Total scope 1, 2 &amp; 3 emissions</b>		<b>16.67</b>

2021/2022 Current emissions reporting period

Emissions	Data Quality	Total (tCO <sub>2</sub> )
Scope 1	Actual	0.20
Scope 2	Actual	1.20
<b>Total scope 1, 2 emissions</b>		<b>1.40</b>
Scope 3		
Category 1 (water supply and treatment only)	Actual	0.00
Category 5 (waste)	Estimated	0.10
Category 6 (business travel)	Estimated based on expense data	12.70
<b>Total scope 1, 2 &amp; 3 emissions</b>		<b>14.20</b>



Baseline year reporting did not include all scope 3 emissions. Scope 3 analysis for 2021 – 22 has been introduced to provide a more comprehensive understanding of our total emissions. This year has now been established as our baseline year for Scope 3 and will be used as a comparator for all future annual Scope 3 returns.

Scope 3 emissions categories included in the baseline are:

Category 1 – Purchased Goods and Services

Category 5 – Waste generated in operations

Category 6 – Business Travel

Category 7 - Employee commuting

Category 8 – Upstream leased assets

Category 9 – Downstream transportation and distribution

#### Scope 3 baseline year 2021-2022

Emissions	Data Quality	Total (tCO <sub>2</sub> )
Scope 1	Actual	0.20
Scope 2	Actual (location based)	1.20
<b>Total scope 1, 2 emissions</b>		<b>1.40</b>
Scope 3		
Category 1 (purchased goods and services)	Actual	12.91
Category 5 (waste)	Estimated	0.10
Category 6 (business travel)	Estimated based on expense data	12.70
Category 7 (employee commuting & WFH)	Staff survey	3.58
Category 8 (Upstream leased assets)	Financial data	4.48
Category 9 (Downstream transportation and distribution)	Financial data	72.99
<b>Total scope 3</b>		<b>106.76</b>
<b>Total scope 1, 2 &amp; 3 emissions</b>		<b>108.16</b>

Baseline year boundaries:

Scope 1 Gas only, no fleet vehicles or refrigerant.

Scope 2 Electricity usage (location based)

Scope 3

- Business Travel

  - Use of private vehicles

  - Public transport

  - Flights with RF

- Waste generated in operations

  - Recycled waste

  - General waste to landfill

- Water supply & treatment

## Assumptions

Car and Taxi transportation assumed based on cost.

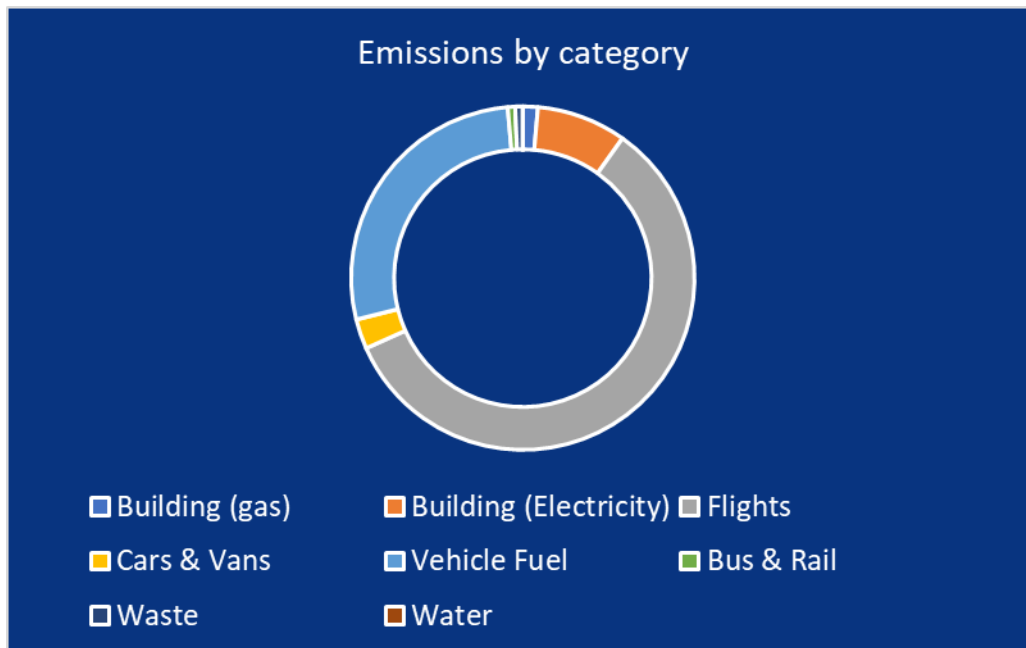
Waste emissions based on average bin size weights.

Flight data is for business travel only.

The results have been calculated using UK Government Emissions factors and other internationally recognised metrics. If you need to report to your supply chain, stakeholders or use this for promotional purposes you may do so.



<b>Buildings</b>	
Tonnes of CO2e Energy Type	
1.2 Fenton Pharmaceuticals Ltd: 5511 kWh of electricity at 0.2111 kgCO2e/kWh (scope 2)	
0.2 Fenton Pharmaceuticals Ltd: 1136 kWh of natural gas	
<b>1.4 Total building emissions footprint</b>	<b>1.4 tonnes</b>
<b>Flights</b>	
Tonnes of CO2e Flight Details	
0.1 Economy class direct return flight from LGW to DUB	
4.8 Business class direct return flight from LHR to NYC	
0.6 Business class direct return flight from NYC to RDU	
0.3 Economy class direct return flight from STN to CPH	
1.7 Economy class direct one way flight from NYC to DWS	
0.0 Economy class direct one way flight from ORF to WAS	
0.9 Economy class direct one way flight from WAS to LHR	
<b>8.3 Total footprint for flights</b>	<b>8.3 tonnes</b>
<b>Cars &amp; Vans</b>	
Tonnes of CO2e Car & Van Details	
0.4 840 miles in a Average Car Petrol Car Large petrol car above 2.0 litre average value	
<b>0.4 Total footprint for cars &amp; vans</b>	<b>0.4 tonnes</b>
<b>Vehicle Fuel</b>	
Tonnes of CO2e Fuel Details	
3.9 1519 litres of diesel	
<b>3.9 Total footprint for vehicle fuel</b>	<b>3.9 tonnes</b>
<b>Bus &amp; Rail</b>	
Tonnes of CO2e Mode Of Transport	
0.0 23 miles travelled by tube	
0.1 487 miles travelled by taxi	
<b>0.1 Total bus &amp; rail footprint</b>	<b>0.1 tonnes</b>
<b>Waste</b>	
Tonnes of CO2e Waste Disposal Details	
0.0 Recycled of 153 kg of Paper: Paper and Cardboard	
<b>0.1 Landfill of 311 kg of Mixed: Municipal &amp; Domestic waste</b>	<b>0.1 tonnes</b>
<b>Water</b>	
Tonnes of CO2e Water Usage Details	
0.0 5 cubic metres of water usage	
<b>0.0 Total water usage footprint</b>	<b>0.0 tonnes</b>



Emissions by category

Your Carbon Footprint is  
**14.2 tonnes of carbon**

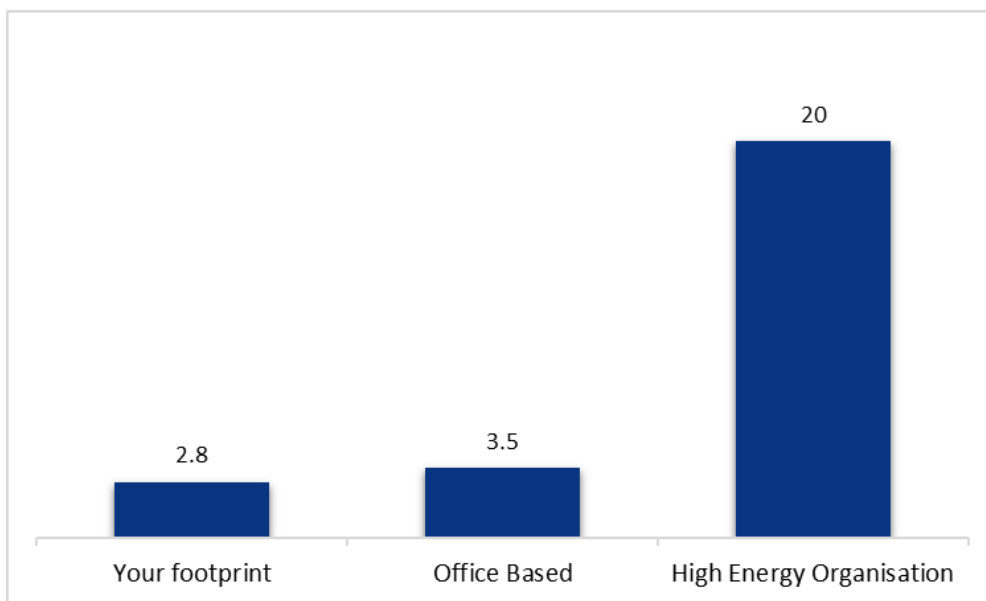
Your carbon intensity (per employee) is  
**2.8 tonnes**  
Your carbon intensity (per £1m revenue) is  
**1.58 tonnes**

Further to the consultation and data provided, we have analysed your current carbon emissions and benchmarked you against similar businesses.

## Benchmarking

Although benchmarking is not an exact science, it does give you an idea as to how you compare to other UK businesses.

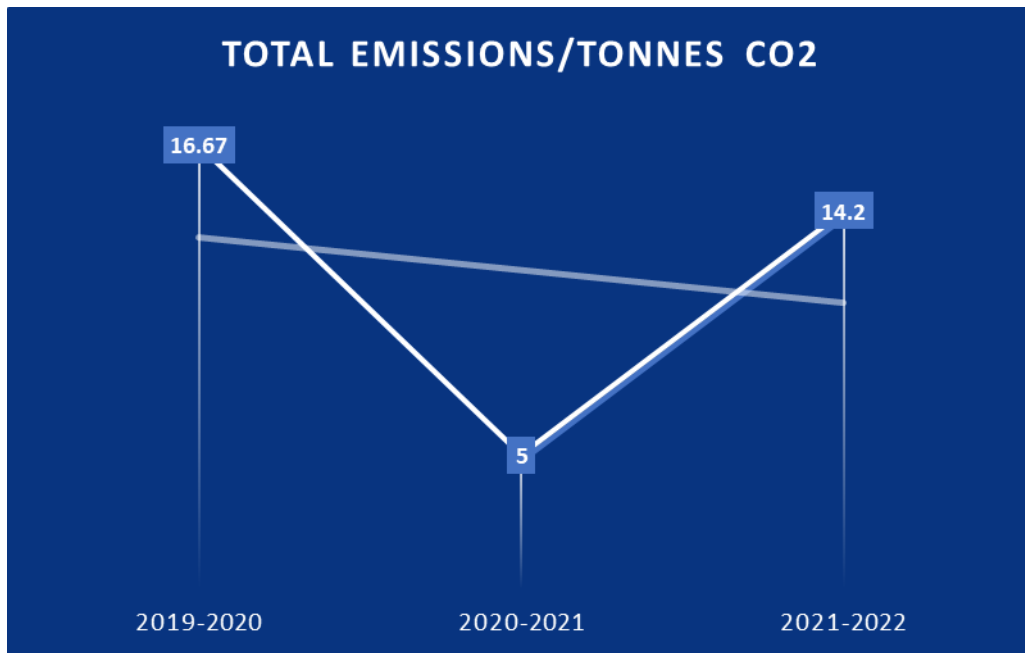
General office-based operations produce between 2 to 5 tons of CO<sub>2</sub>e per employee, whereas high energy industrial operations produce as much as 10 to 30 tons of CO<sub>2</sub>e per employee.



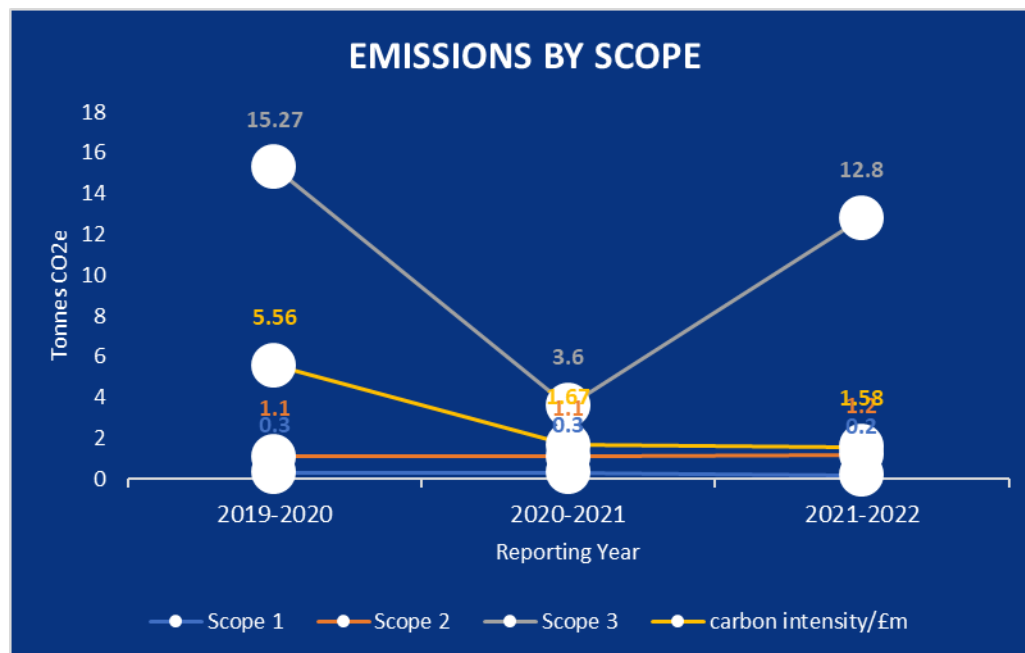
**The cost to offset your carbon emissions is £127.96 (£9 per tonne) using the global portfolio VCS certified programs including carbon avoidance, clean and renewable energy generation.**

<https://www.carbonfootprint.com/offsetalternativeenergy.html>

## Analysis of data



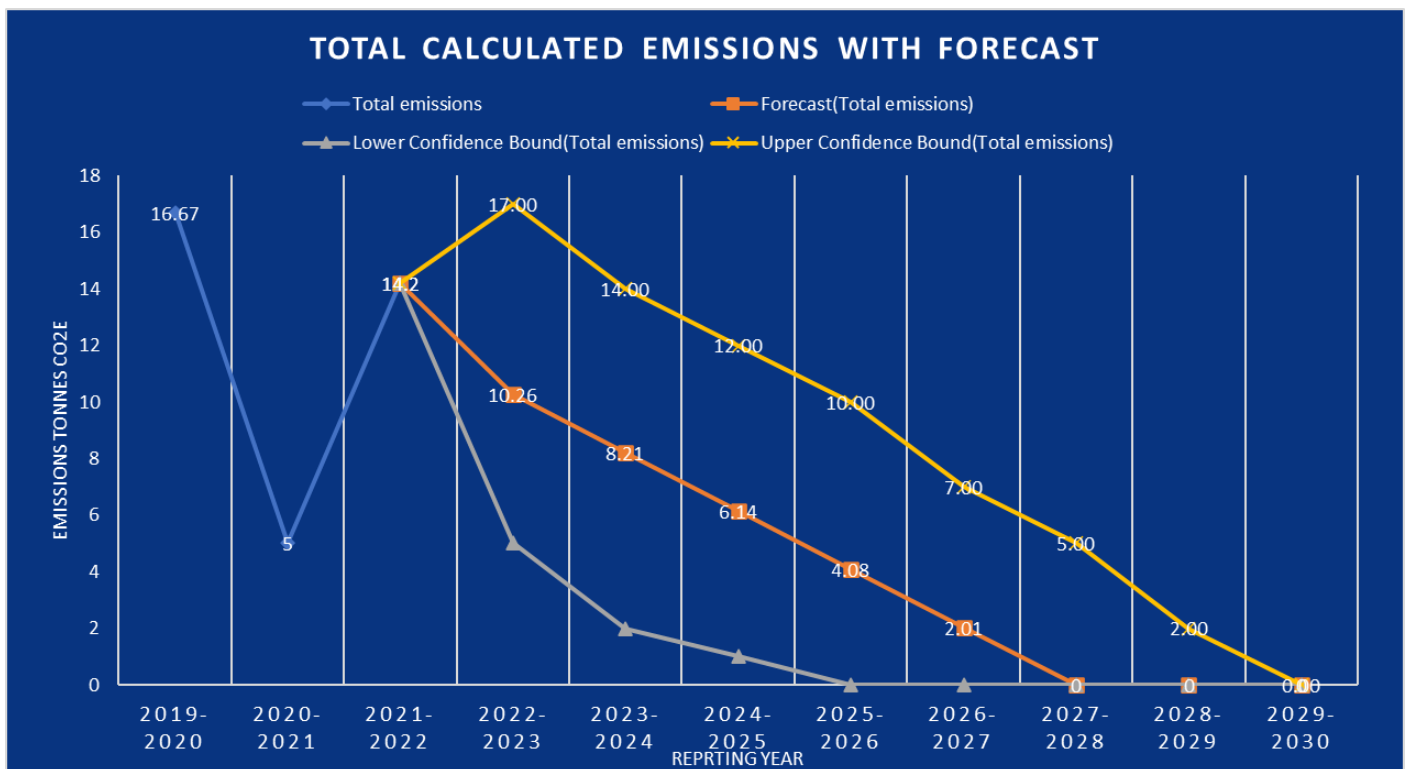
Total calculated baseline emissions 2019 – 2022 with trendline.



Calculated baseline emissions by scope with carbon intensity/£m revenue.

## Progress against Baseline

Progress against baseline with forecast scenarios.



## Observations & Targets:

- 15% reduction in emissions seen from baseline year to 2022.
- A marked dip in overall emissions was seen in 2020-2021, due to the reduced travel associated with COVID lockdown, and travel restrictions.
- Scope 1 & 2 emissions remain low and largely unchanged. Moving to a renewable or zero emissions electricity tariff would reduce these down further using market-based reporting.
- Flights remain a high area of emissions. Looking to implement a sustainable travel policy, to ensure only essential flights are taken for business benefit, and moving to remote online meetings where possible.
- A deeper scope 3 assessment was carried out, and forms the second part of this assessment. Further categories will be added, and the data quality improved going forward.
- Target Net Zero year is 2027-2028 reporting period. Target 50% reduction in scope 3 emissions, and 100% reduction in scope 2 emissions (market based). Scope 1 is already very low, assume this cannot be reduced further.

## Scope 3 assessment

Scope 3 categories assessed.

Category 1 – Purchased Goods and Services

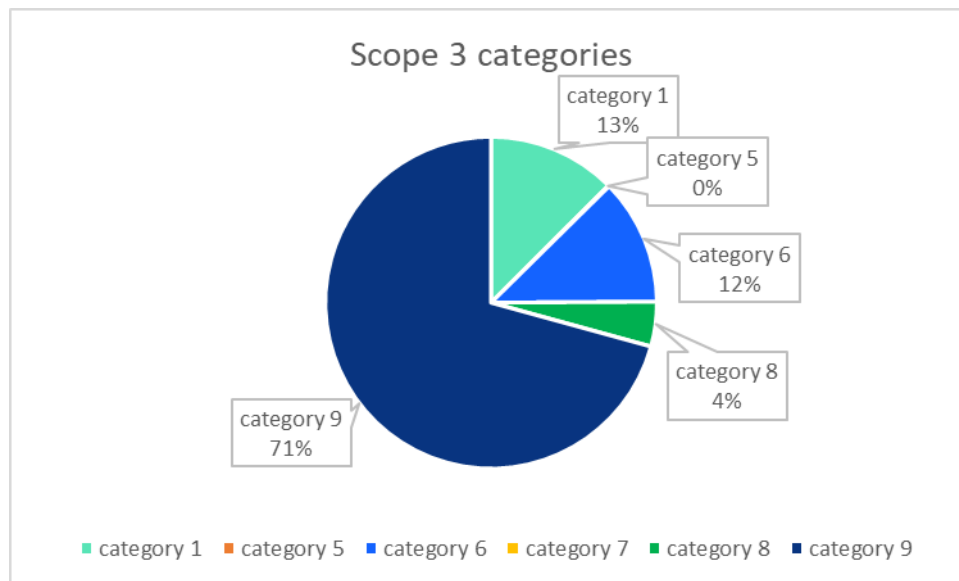
Category 5 – Waste generated in operations

Category 6 – Business Travel

Category 7 - Employee commuting

Category 8 – Upstream leased assets

Category 9 – Downstream transportation and distribution



Emissions by Scope 3 categories



## Existing Actions

**The following tasks have been implemented to reduce carbon emissions.**

- Lorraine Cornell was appointed a Net Zero Champion for Fenton Pharmaceuticals. They need to be driven to make change, be accountable to the business owner(s) and given the tools in which to carry out their role.
- Fenton Pharmaceuticals have offset 14.2 tonnes of CO<sub>2</sub>e, creating a carbon neutral operation across scopes 1, 2 and the initial scope 3 categories for year 2021 – 2022.
- Scope 3 assessment has been completed. Calculation now including categories 1, 5, 6, 7, 8 & 9.
- Fenton Pharmaceuticals will switch their energy tariff to a green or full renewable tariff. 25% of all SME carbon emissions come from energy consumption. By switching tariffs, a reduction of 1.2 tonnes (or 8%) of CO<sub>2</sub> emissions using market based reporting for the next reporting year.
- Benchmark all business overheads. This function will ensure core providers offer value as well as ensuring they too are on the net zero journey, but also look to free up capital in order to re-invest in net zero initiatives.
- Check thermostats are correctly monitored and managed. A reduction of 1 degree can save 8% of your energy.
- Ensure meter reads are taken regularly and monitored. This will allow a real time review of energy consumption, and highlight areas that may be causing a spike or prolonged increase in consumption.
- Fenton Pharmaceuticals is looking at several different projects to potentially lessen their energy usage. Switch to LED Lighting is a potential option. LED lights will save an average of £20 per year on energy costs, with a 15 year lifespan (based on 10 hours use over 52 weeks pa), each bulb will save £300.
- Establish an energy awareness campaign amongst staff. Awareness is essential to ensure all staff are bought in to the changes and will ensure a successful outcome.
- Communicate energy consumption targets to all staff. If the reduction in energy usage is a whole company agenda, staff are more likely to take initiatives to drive consumption down.
- Introduce a suggestion scheme to encourage new ideas.
- Implement a 'switch off' policy for all equipment when not in use.

- Join Net Zero Champion LinkedIn group.
- Register for the SME Climate Hub: <https://smeclimatehub.org/sme-climate-commitment/>

## Operational Changes:

- Fenton Pharmaceuticals is looking at several different projects to potentially lessen their energy usage. Ensuring all heating pipes and cylinders are insulated is a potential option.
- Ensure boilers and air-conditioning units are well-maintained and serviced.
- Ensure all IT equipment have energy saving features enabled.
- Switch off or install timers for equipment when not in use or at night.
- Use only energy efficient kitchen equipment (kettles, fridges etc).
- Install motion and/or daylight sensors and/or timers.
- Install draught proofing around leaky doors and windows.
- Consider sustainable procurement within your supply chain. Currently 95% of all consumer products processed by Fenton Pharmaceuticals are manufactured by a PAS2060 certified Carbon Neutral supplier - Orean.
- Encourage customers to adopt your environmental practices. Tender customers are very aware of the impacts of sustainable procurement, and have built in questions around carbon reduction into their tender documents.
- Sales invoices are paperless (emailed), and purchase invoices emailed and digitally approved. Waste paper is reused for note taking before being recycled.
- Printer cartridges are recycled using Office Green; a zero to landfill environmental printer cartridge and toner recycling company.
- Write to suppliers, asking overarching questions about what if anything they are doing with regards to measuring and reducing emissions. Beyond Procurement to provide a template letter to suppliers.
- As business travel forms a large part of scope 3 emissions, implementing a Sustainable travel policy will ensure that best practice is followed. It is clear that environmental factors already influence travel decisions, so this policy is designed to document and reflect existing good practice. Beyond Procurement to provide a template sustainable business travel policy for revision to fit with Fenton Pharmaceutical's practices.

## Further Considerations

It is also worth considering a review of your Scope 3 emissions so that a comprehensive view is obtained of your business. The costs vary depending on complexity of the work. However, Beyond Procurement can assist with this body of work should you wish to undertake it.

### **As part of the journey, we also strongly recommend the following:**

- Flights are the highest emitter, and although essential for business growth, suggest implementing a sustainable travel policy to ensure emissions are considered alongside cost and time when booking business travel. This is now in development.
- Scope 3 assessment has highlighted the biggest emitter as downstream transportation and distribution. This accounts for the majority of trade to/from America, and has been calculated using the financial method. Gathering more accurate data from the hauliers would allow for a better representation of emissions in this category. Fenton Pharmaceuticals have already pioneered a new initiative with CAT Resources, for the next consignments to be transported from America to UK via marine not air. (2 x consignments of 7 pallets). Air freight produces 47 times more CO<sub>2</sub>e than marine freight.
- Attend available free webinars to learn more.



## 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 Fenton Pharmaceuticals Ltd:

Lorraine Cornell Operations Manager

Date

## Carbon Offsetting Schemes

For residual emissions that are hard to reduce, a legitimate avenue to explore is carbon offsetting.

Carbon offsetting is where you fund schemes across the globe to remove an equivalent amount of carbon your business has emitted. The sheer amount of carbon offsetting schemes can be overwhelming but there are a couple points to remember:

- Offsetting should be used as a last resort rather than a starting point.
- Use a recognised scheme to offset with to achieve carbon neutrality. These can include VCS (Verified Carbon Standard) or Gold Standard Schemes.
- Bear in mind that the cost of offsetting is bound to rise exponentially as time goes by and we get closer to the 2050 deadlines.

Depending on the project chosen to offset your carbon emissions, an indicative cost to offset 14.2 tonnes of CO<sub>2</sub> could be: £127.80

- Recommended Global Portfolio: Clean Energy Projects across the world for renewable energy (Wind, Solar and Hydropower) generation. (£9 a Tonne)
- UK Tree Planting: Select a region of your choice in the UK and the project developer will plant trees to offset your residual carbon. (£19.80 +VAT per tonne)
- Reforestation in Kenya: Your funding supports planting native broad leaf trees in the Great Rift Valley of Kenya. (£16.00 a tonne)
- Americas Portfolio: All projects in this portfolio are registered under VCS or Gold Standard and include energy efficiency, clean drinking water and reforestation projects. (£9.50 a tonne)
- Community Projects: This includes efficient household cookstoves and clean drinking water projects in developing countries (£10.50 a tonne)

## Promotion

To communicate that you have started your journey to net zero, you may wish to say:

“Beyond Procurement Ltd have carried out a full emissions analysis of our Scopes 1 & 2 carbon emissions and elements of scope 3 and that we have strategies in place to reduce them. We have also agreed to offset any residual carbon, making us Carbon Neutral for our second year 2020 - 2022.”

All communications relating the carbon emissions assessment must be clear and include the scope and boundary of the assessment. It must not overstate the assessment that has been made.



## Notes About Methodology

The organisation has adopted an operational control approach to establishing the boundary. The methodology adopted in line with the Greenhouse Gas Protocol and the BEIS Environmental Reporting Guidelines<sup>2</sup>. The calculations were completed on the Carbon Footprint Ltd's premium calculator using the UK Government emissions factors.

CO<sub>2</sub>e is the universal unit of measurement to indicate the global warming potential (GWP) of Greenhouse Gases (GHGs), expressed in terms of the GWP of one unit of carbon dioxide. There are seven main GHGs that contribute to climate change, as covered by the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). Different activities emit different gases. Using CO<sub>2</sub>e allows all greenhouse gases to be measured on a like-for-like basis.

## References

1. The GHG Protocol Corporate Accounting and Reporting Standard. Revised Edition (2015) World Resource Institute and World Business Council for Sustainable Development.
2. Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March 2019) UK Government Department for Business, Environment and Industrial Strategy.
3. Carbon Footprint Calculator: <https://www.carbonfootprint.com/>
4. Greenhouse gas reporting: conversion factors - Full set (for advanced users). More at this link: <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>



# Sample Environmental Management Policy

## Policy Statement

Fenton Pharmaceuticals Ltd understands that its operations inevitably impact on the environment in a number of ways such as by the generation of waste and use of energy for heating and lighting.

With a commitment to achieving net zero, Fenton Pharmaceutical's aim is to ensure that our business operation is performed in such a way as to have minimum impact on the environment. Fenton Pharmaceutical believes that this commitment can best be delivered through the following policy objectives:

## Policy Objectives

- Ensuring that Fenton Pharmaceutical's legal duties, statutory obligations, internal policies and procedures are clear, communicated and complied with at all times.
- Analysing carbon emissions annually.
- Reducing our consumption of resources and improving efficiency in the use of these resources.
- Managing waste generated from our operations, using the circular economy principles.
- Creating an environment which encourages staff to identify and participate in sustainability initiatives.
- Providing staff with sufficient training, instruction, information and supervision to develop and encourage environmental awareness.
- Setting measurable targets to assist with Fenton Pharmaceutical's goal of continuously reducing its carbon emissions.



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