



Carbon Reduction Plan

Spencer Clarke Group

Reporting Year: 2024

Prepared & Verified By



www.5DNetZero.co.uk





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01. Introduction

A carbon management strategy involves calculating the Greenhouse Gas (GHG) emissions over a given reporting period and developing a reduction and offset strategy, in line with the Paris Agreement and UK Government Net Zero targets.

This is Spencer Clarke Group's second year of reporting emissions for Scopes 1 and 2, and the baseline for elements of Scope 3, covering the reporting period from 1st January 2024 to 31st December 2024.

This Carbon Reduction Plan covers Spencer Clarke Group's 2024 emissions, provides an emissions comparison to their baseline year, and outlines their reduction targets and initiatives. This plan reports on carbon emissions across the operations of Spencer Clarke Group's head office in Preston.



Number of sites

01



Number of employees

58



Years of operations

08

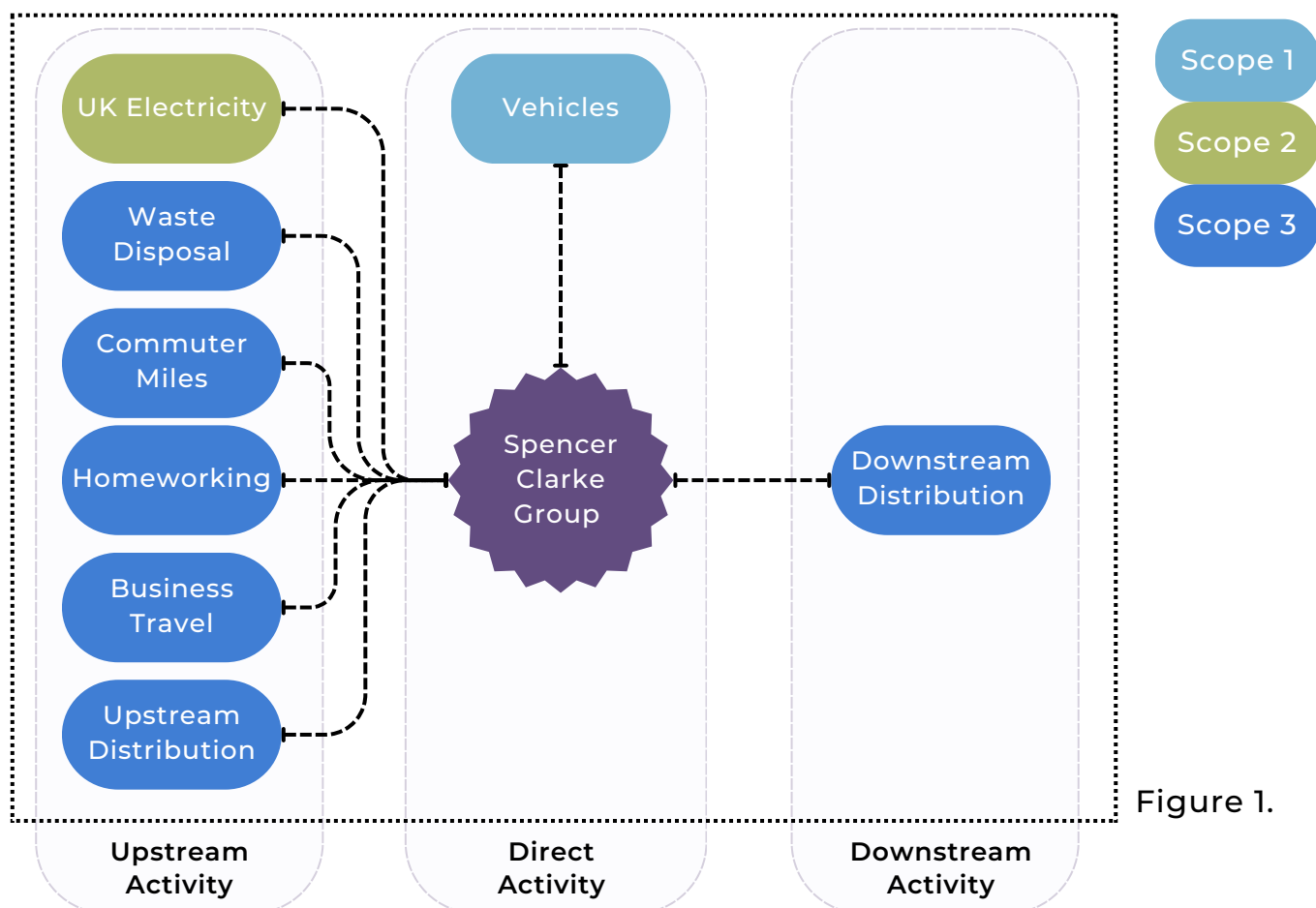
Spencer Clarke Group is committed to achieving net zero emissions by

2045

02. Operational Boundaries

An operational boundary means the specific operations that a company (or project/department) includes in carbon accounting. Figure 1 shows the boundary used in this report, which covered all GHG emission contributions by Spencer Clarke Group due to operational activities.

By using this boundary, Spencer Clarke Group can extrapolate emissions by activity and have the opportunity to adapt operations to further lower our total emissions.



03. Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced before the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emission reductions can be measured.

Baseline Year: 2023

Spencer Clarke Group's carbon footprint baseline measurement was calculated for the period starting on the 1st of January 2023 and ending on the 31st of December 2023.

The accompanying report focused on Scope 1 emissions (direct emissions) and Scope 2 emissions (indirect emissions) and the baseline of Scope 3 (indirect, value chain emissions) where available emitted by Spencer Clarke Group. The data was provided by Spencer Clarke Group and calculated by 5D Net Zero in accordance with the UK Government Greenhouse Gas (GHG) Conversion Factors for Company Reporting meeting ISO 14065 Standard.

The measurements below have been rounded to the nearest hundredth decimal place.

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1 Fugitive Emissions - Refrigerants Mobile Combustion - Vehicles	3.87 tCO₂e - 0 tCO ₂ e - 3.87 tCO ₂ e
Scope 2 UK Electricity	2.24 tCO₂e, which included: - 2.24 tCO ₂ e
Scope 3 Upstream Distribution Waste Disposal Commuter Miles Home Working Business Travel Downstream Distribution	127.06 tCO₂e, which included: - 0.16 tCO ₂ e - 4.08 tCO ₂ e - 74.56 tCO ₂ e - 0.51 tCO ₂ e - 47.53 tCO ₂ e - 0.22 tCO ₂ e
Total Emissions	133.17 tCO₂e

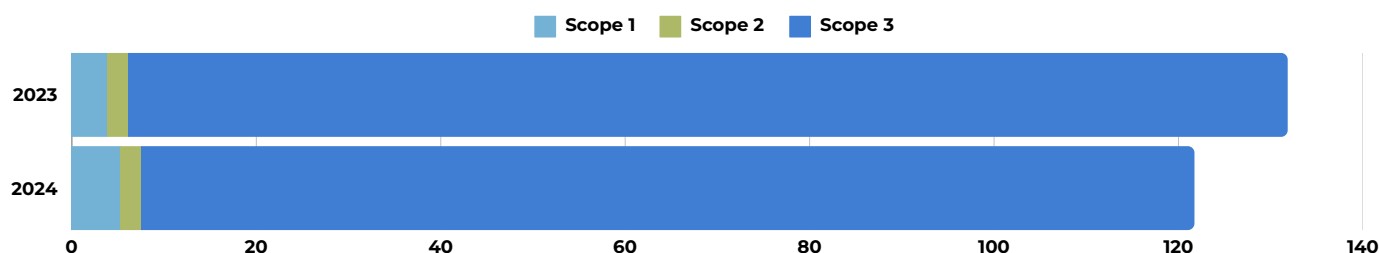
04. Current Emissions Footprint

Reported emissions refer to the greenhouse gases produced during a specific reporting period, typically aligned with the calendar or an organisation’s financial year. These emissions reflect the GHG impact for that year, including any reduction strategies implemented, and provide the data needed to track progress towards sustainability goals and carbon reduction targets.

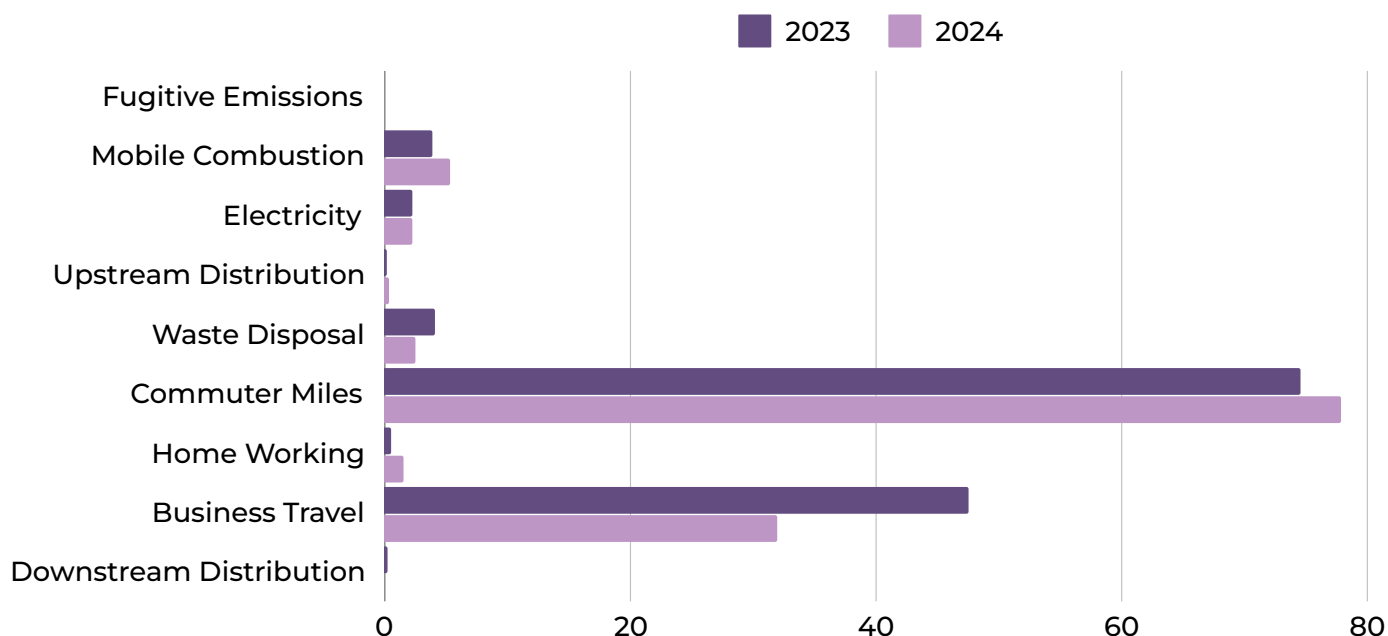
Reporting Year: 2024	
EMISSIONS	TOTAL (tCO2e)
Scope 1 Fugitive Emissions - Refrigerants Mobile Combustion - Vehicles	5.31 tCO2e - 0 tCO2e - 5.31 tCO2e
Scope 2 UK Electricity	2.24 tCO2e, which included: - 2.24 tCO2e
Scope 3 Upstream Distribution Waste Disposal Commuter Miles Home Working Business Travel Downstream Distribution	114.17 tCO2e, which included: - 0.34 tCO2e - 2.49 tCO2e - 77.86 tCO2e - 1.52 tCO2e - 31.95 tCO2e - 0.00 tCO2e
Total Emissions	121.72 tCO2e

05. Emission Analysis

Spencer Clarke Group's carbon footprint shows a decrease of approximately 8.6% (-11.46 tCO₂e) from the baseline year.



The graph below shows the comparison between the baseline year and this reporting year per category:



Commuter Miles remain the largest source, increasing slightly to 77.86 tCO₂e, while Business Travel has dropped significantly to 31.95 tCO₂e. Homeworking emissions have risen, reflecting changing work patterns. Despite higher vehicle emissions, the overall footprint has decreased, demonstrating progress in reductions.



Scope 01

Scope 1 consists of all direct GHG emissions from sources owned or controlled by the business, including: Stationary Combustion, Fugitive Emissions and Mobile Combustion.

Fugitive Emissions

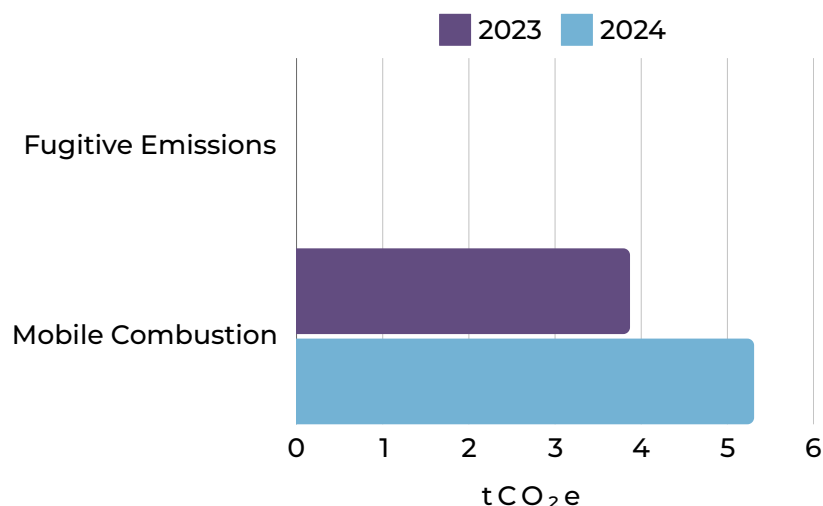
Spencer Clarke Group reported no leakage from their air conditioning units, resulting in 0 tCO₂e emissions. This was the same as the baseline year.

Mobile Combustion

Spencer Clarke Group reported emissions from one hybrid car and one diesel van, which resulted in 5.31 tCO₂e. They also have two electric cars within their fleet.

Spencer Clarke Group's mobile emissions have increased by 27% since the baseline year. This is due to the new hybrid vehicle and increased distances travelled by the diesel van.

No other Scope 1 emission sources were identified.





Scope 02

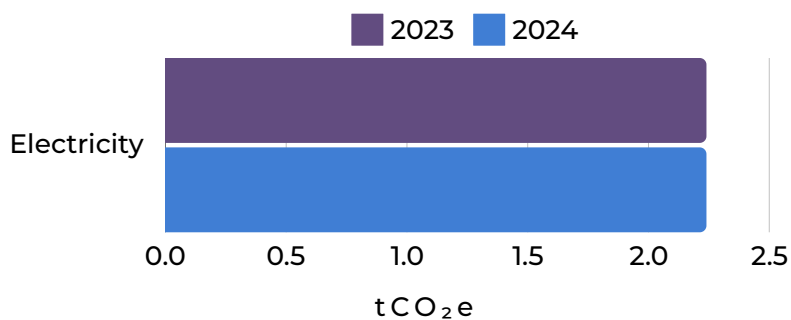
Scope 2 includes indirect GHG emissions from purchased energy.

Electricity

Spencer Clarke Group's main office electricity is on a non-renewable tariff, resulting in 2.24 tCO₂e. However, the breakout room operates on a renewable tariff.

Emissions remain unchanged from the previous year, as the same data was used due to availability and the timing of footprint measurement. The tariffs have also remained the same.

No additional Scope 2 emission sources were identified.





Scope 03

Scope 3 includes all indirect GHG emissions resulting from a business's activities across its value chain.

For this reporting year, the following baseline emission sources were included, aligned with the minimum PPN 06/21 requirements at the time of reporting:

- ✓ Upstream Distribution
- ✓ Waste Disposal
- ✓ Commuter Miles & Homeworking
- ✓ Business Travel
- ✓ Downstream Distribution

Upstream Distribution

Spencer Clarke Group's upstream distribution was all within the UK and resulted in a reported 0.34 tCO₂e. The increase since the baseline is from increased distribution due to the office refurbishment, which contributed 0.17 tCO₂e.

Waste Disposal

Spencer Clarke Group reported four different waste streams (general, recycled plastics & cans, recycled paper & cardboard, and batteries) which resulted in 4.08 tCO₂e.

Business Travel

Business travel, which included car, plane, and train journeys, accounted for 31.95 tCO₂e. This is a 32.78% reduction from the baseline year, primarily due to fewer flights taken during the reporting period.



Scope 03

Commuter Miles

Commuter miles were Spencer Clarke Group's highest source of reported emissions at 77.86 tCO₂e. This marks an increase of 0.39 tCO₂e since the baseline year; however, the number of employees has grown by 18.37%.

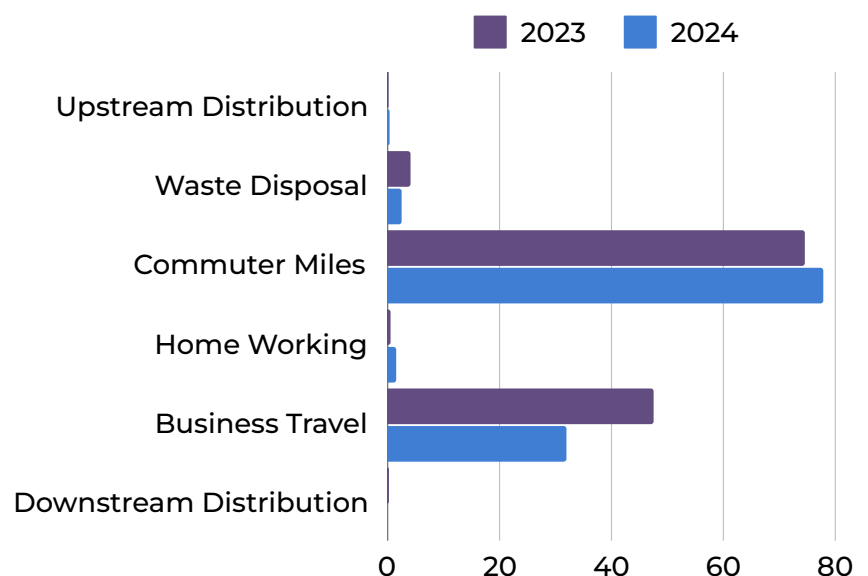
Home Working

Emissions from employees working from home were reported at 1.52 tCO₂e, compared to 0.22 tCO₂e in the previous year. This increase reflects a rise in the number of remote workers.

Downstream Distribution

Downstream distribution emissions were reported at 0.00 tCO₂e. This accounted for sending seasonal gifts to clients.

No additional emissions sources were identified within the five selected Scope 3 categories.



06. Emission Reduction Targets

In order to be accountable for the progress in achieving Net Zero, Spencer Clarke Group has adopted the following carbon reduction targets.

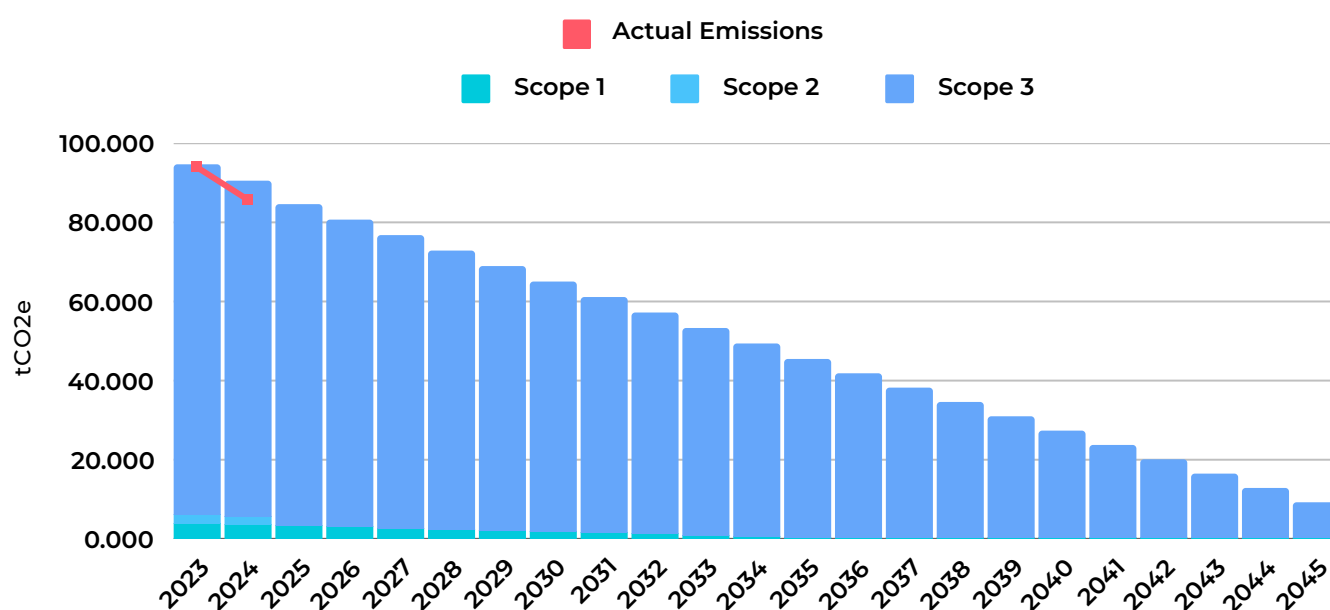
- ✓ **Net Zero by 2045
(90% or more reduction of baseline emissions)**
- ✓ **90% reduction in GHGs for Scope 1 and 2 by 2035**
- ✓ **Offset remaining emissions through verified international carbon removal schemes**

Spencer Clarke Group has chosen these targets in line with their 2023 baseline carbon footprint. A short-term target has been set for Scope 1 and 2, in order to break down the targets, making them tangible, and giving focus for the short, medium, and long term. Offsetting has also been included as part of the strategy, but it is recognised that the reduction of own emissions must be a priority.

ACHIEVING EMISSION REDUCTIONS

To achieve these targets, Spencer Clarke Group's core operational carbon emissions are predicted to decrease over the next 5 years to 98.11 tCO₂e; this is a total reduction of 19.39%.

Spencer Clarke Group's target greenhouse gas emissions for Scopes 1, 2 & 3, alongside their actual emissions, can be seen in the graph below:



8.6% ↓

reduction in tCO₂e
achieved since the
baseline year.

All targets will need to be reviewed if the reporting boundaries are expanded to include emission sources such as purchased goods and services, investments, and water consumption.

Spencer Clarke Group will continue to report on the emission sources included in our baseline carbon footprint and focus our reduction initiatives on areas of high impact, where we have influence.



CARBON INTENSITY

Spencer Clarke Group's number of employees has grown from 49 employees in the baseline year to 58 in the reporting year, indicating business growth. Despite this, their total carbon footprint has decreased. This is reflected in their carbon intensity, which has dropped from 2.72 tCO₂e per employee in the baseline year to 2.10 tCO₂e, a 22.79% reduction.

↓ **22.8%**

reduction in tCO₂e
per employee



07.

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2023 baseline.

Since the 2023 baseline, Spencer Clarke Group has implemented several carbon reduction measures, resulting in an 8.6% reduction (11.46 tCO₂e).

Carbon intensity per employee has also decreased from 2.72 tCO₂e per employee to 2.48 tCO₂e per employee.



Scope 01

Vehicles

- ✔ Of the four company vehicles, two are fully electric, and one is a hybrid, reducing emissions from fuel consumption.
 - A hybrid vehicle was chosen when purchasing a new vehicle in this reporting year to support a gradual low-carbon fleet transition.
- ✔ A free-to-use electric vehicle charger is available for employees to use.
 - Additional chargers will be installed as more employees transition to EVs.



Scope 02

Electricity

- ✔ Energy efficient lighting is used in all offices.
- ✔ In one office, lights are sensor-activated and turn off when unoccupied, reducing unnecessary energy use.
- ✔ All computers, lights, and air conditioning units are switched off at night to prevent wasted energy.



Scope 03

Upstream Distribution

- ✓ Preference is given to sustainable suppliers wherever possible.
- ✓ Office essentials are bought in bulk (where storage allows) to reduce the frequency of deliveries and associated emissions.

Waste

- ✓ Dedicated bins for cardboard, plastic, tins, and batteries to improve recycling rates.
- ✓ Employees are provided with personalised water bottles to minimise single-use plastic waste.
- ✓ Spencer Clarke Group has adopted DocuSign for contracts, reducing paper use significantly.

Employee Commuting

- ✓ Electric vehicle salary sacrifice is now offered to employees to encourage green commuting.

Business Travel

- ✓ Virtual meetings are prioritised to reduce reliance on business travel.
- ✓ Since the baseline year, our flights have reduced from 11 flights to 4.

Behavioural Change Initiatives

- ✓ Increased signage across offices to encourage sustainable practices, such as for turning off lighting and sorting waste.



Carbon offsetting 2024

As part of Spencer Clarke Group's Net Zero strategy, we have purchased carbon offsets via Ecologi.com. In 2023, we supported native tree planting and carbon avoidance projects. These projects reported achieving the following:

- ✓ Total reforestation: 720 trees,
- ✓ Total carbon avoidance: 120 tCO₂e.

More information on the specific projects can be found here: <https://ecologi.com/spencerclarkegroup>

We understand that offsets are a part of our journey to Net Zero and will aim to offset annually while reducing our overall emissions.



08.

Planned Carbon Reduction Initiatives

For Spencer Clarke Group's second year of targeted reductions, the following environmental management measures and projects will be implemented to help reduce emissions from the 2023 baseline.

Spencer Clarke Group aims to achieve a minimum reduction of 1.72 tCO₂e from the 2024 reporting year to the next, equating to a 1.42% decrease.

The following initiatives will be introduced in the next reporting period.



Scope 01

Spencer Clarke Group's Scope 1 emissions are from one reported diesel and one hybrid vehicle. Spencer Clarke also has two electric vehicles. This year's reduction will focus on behaviour change and increased efficiencies to reduce vehicle emissions. Long-term initiatives will look to low-carbon fuel alternatives.

Vehicles

- ✓ Continue the transition to low-carbon vehicles.
- ✓ Look to expand and install new EV chargers.
- ✓ Review vehicle usage to identify ways to reduce use and encourage greener travel.
 - Encourage vehicle sharing.
 - Encourage the use of public transport for business travel.
- ✓ Investigate and commit to alternative fuel vehicle options where appropriate.
 - Research available UK government grants.
- ✓ Data collection improvement.
 - Improve data collection through mileage tracking software/recording receipts of purchased fuel.



Scope 02

Spencer Clarke Group's breakout room is on a renewable tariff, which resulted in 0 tCO₂e. However, the main office is on a non-renewable tariff. Therefore, the focus should be on transitioning this to a renewable energy tariff. There must also be a focus on reducing consumption and increasing efficiencies.

- ✓ Transition the main office to a renewable energy tariff.
- ✓ Encourage small cultural and behavioural changes to reduce electricity usage and wasted energy where possible.



Scope 03

Spencer Clarke Group's baseline Scope 3 reviewed five categories of emission sources: upstream distribution, waste disposal, business travel, commuter miles, and downstream distribution.

Upstream Distribution

- ✓ Develop a Sustainable Procurement Policy.
- ✓ Conduct supplier audits to assess the sustainability performance of suppliers.
 - Assess which suppliers to prioritise. Choose products that are locally sourced.
 - Understand purchase habits and if they can be improved.
- ✓ Consolidate shipments to reduce the number of deliveries.
 - Thoughtful purchasing.
 - Minimise unnecessary purchases.
- ✓ Reutilise items and promote the reuse of items that we already have.

Waste Disposal

- ✓ 'Reduce, Reuse, Repair, Rehome and then Recycle' communications and approach for all waste.
- ✓ Implement food waste management and encourage employees to separate waste streams.



Business Travel

- ✔ Develop a Sustainable Travel Policy.
 - Follow the travel hierarchy, prioritising no- to low-carbon business travel methods.
 - Provide guidelines to staff around best practices.
- ✔ Continue to reduce the number of flights.

Commuter Miles

- ✔ Aspirational transport questionnaire (find out what staff want to do/barriers to that).
- ✔ Continue to offer flexible work arrangements.
- ✔ Install a bike rack and/or shower facilities to support active travel (walking or cycling).



Future Years

Spencer Clarke Group should look to expand their reporting for the whole of Scope 3. Next year they should look to include the following categories:

- ✔ Purchased Goods & Services,
- ✔ Water usage/disposal.

06. Declaration & 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 standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas Spencer Clarke Group reporting[2].

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[3].

This Carbon Reduction Plan has been reviewed and signed off by Spencer Clarke Group.

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Signed on behalf of Spencer Clarke Group

Print Name MIKE SHORROCK

Signature *Mike Shorrocks*

Date of Signature 19/02/2025



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

[2] <https://www.gov.uk/government/collections/government-conversion-factors-for-Spencer-Clarke-Group-reporting>

[3] <https://ghgprotocol.org/standards/scope-3-standard>

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