

30 September 2021

## Certas Energy Carbon emission reduction commitment statement

Certas Energy 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.

### Baseline Year: 2019

In November 2020, we made our carbon emissions reduction targets commitments

- Net zero by 2050, if not before
- A reduction of 20% by 2025

This is relative to a baseline year of FY2019 and using the market-based approach to calculating scope 2 emissions. These targets are consistent with the goals of the Paris Agreement. The 2025 target has been built into our most recent three-year planning cycle.

This resulted in Certas Energy UK Ltd & Subsidiaries setting specific actions to achieve at YOY reductions from initiatives include procurement of renewable electricity, increasing use of biofuels in own-fleet vehicles and ongoing energy efficiency projects for our buildings and equipment.

**Scope 3 emissions** are not included in our 2019 baselines. Our Scope 3 emissions are indirect emissions resulting from business activities but not directly generated by them, such as the emissions our customers generate by using the products they buy from us. The most material element of our scope 3 emissions relates to the use of the fuel products we sell. The second most important category of our scope 3 emissions relates to the upstream extraction and transportation of those same fuels. These two categories account for around 99% of all our scope 3 emissions.

The steps we are taking to support our customers in the energy transition, including by reducing the carbon levels in the fuels that we sell, will result in a reduction in the intensity of our scope 3 emissions in future years.

### Baseline year emissions: 2019

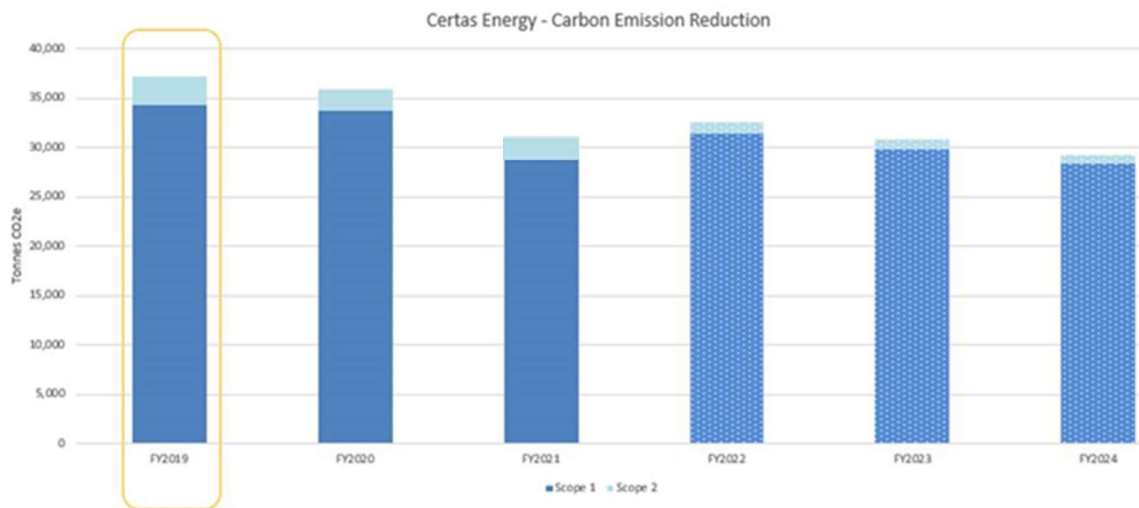
Emissions	(tonne CO2e)	
	FY2019	
	CO2e	% Share
Scope 1	34,379	92.3%
Scope 2	2,856	7.7%
<b>Total</b>	<b>37,234</b>	<b>100.0%</b>

### Current Emissions Reporting: 2021

Emissions	(tonne CO2e)		
	FY2021		
	CO2e	% Share	% Change
Scope 1	28,863	92.8%	-16%
Scope 2	2,232	7.2%	-21.8%
<b>Total</b>	<b>31,095</b>	100.0%	-16.5%

In order to continue our progress to achieving Net Zero emissions by 2050, we have adopted the following carbon reduction targets. We project that carbon emissions will decrease over the next five years to 29,788 tCO2e by 2025. This is a reduction of 20%.

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



## Carbon emission reduction projects

The following environmental management measures and energy efficiency projects that have been implemented since the 2019 baseline.

- **ISO50001 : 2018 certification** - Achievement and retention of ISO15001:2018 certification, demonstrates that Certas Energy has established, implemented, maintains and is continually improving an energy management system within the organisation.
- **Renewable electricity** – Switched electricity contract to EDF blue for business which results in 25% reduction emission from the tariff.
- **Renewable liquid fuels in own fleet** – Alternative renewable fuels, Hydrotreated Vegetable Oil (HVO) and 10% blend of bio diesel, have been trialled at two Depots in the Certas Energy network in 2021. To date the three-month trials resulted in a 2% reduction in carbon emissions based on PY.

These schemes have contributed to an overall CO<sub>2</sub>e reduction, but in FY21 there was significant impact from the global COVID – 19 pandemic through various industry lockdowns. The impacts related to COVID-19 restrictions have also contributed to a reduction in carbon emissions throughout FY21.

The carbon emission reduction achieved equated to 6139 tCO<sub>2</sub>e, a 16.5% reduction against the 2019 baseline and the Certas Energy lead initiatives and measures will continue to be in effect when performing the contract.

In the future, Certas Energy UK Ltd & Subsidiaries hope to implement further measures such as:

- **Renewable liquid fuels in own fleet** – Following the carbon emission reductions achieved across the three-month trials at two Depots. This initiative will be rolled out as part of wider strategy to decarbonise our operations, using renewable liquid fuels in our delivery fleet across the larger hubs in the network. Replacing up to 3 million litres of diesel with HVO over the next 5 years will support the overall reduction of 20% of carbon emissions within Scope 1 reporting.
- **Fleet upgrade strategy** - The continued replacement of our older vehicles with EURO5 /6 trucks will help reduce carbon emissions as well as fuel efficiency benefits.
- **Company car fleet** - In 2021 Certas Energy is removing all diesel passenger cars from the company car fleet. We are introducing options for colleagues, who opt for a company car within their benefits package, to choose from a wide range plug-in hybrid (PHEV) and fully electric vehicles (EV).

Field and head office-based colleagues will be able to choose from a variety PHEVs and EVs from leading manufactures such as BMW, Audi, Ford, Nissan and Volkswagen.

Transitioning the fleet to hybrid and fully electric vehicles will create a significant carbon saving over the term of the lease contract for each car. This enables our team to access a range of electric vehicles that will provide the latest technology and cost-effective motoring as well as support our wider sustainability commitments to reduce our carbon emissions by 20% by 2025.

- **Re-negotiate Electricity contract in 2022** - Currently Certas Energy purchases the electricity used for its operations and building via two Utilities providers. The contracts with these providers run until 2022. Certas Energy are currently reviewing these contracts with a view to switching to green tariffs prior to the contract renewal date.

## 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 the Certas Energy UK Ltd & Subsidiaries

Date 30 September 2021

A handwritten signature in black ink that reads "Wilma Kelly".

**Wilma Kelly**  
HSE Director