



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 supplier¹ 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 Standard² and Guidance³, 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.

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

²Technical 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

³Guidance 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

Carbon Reduction Plan

Supplier name: Phat Retail Ltd

Publication date: 29/11/2023

Commitment to achieving Net Zero

Phat Retail Ltd is committed to achieving Net Zero emissions by 2033.

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: 2022/23	
Additional Details relating to the Baseline Emissions calculations.	
Phat Retail Ltd have been collecting emissions data for the past twelve months for the purpose of their first Carbon report for the year 2022/23. This data has been verified by ESG PRO Limited. The data evidence is required by PPN06/21.	
Baseline year emissions: Carbon emission for Baseline Year 2022/23 are as follows	
EMISSIONS	TOTAL (tCO₂e)
Scope 1 (owned vehicles, heating)	18.34
Scope 2 (electricity consumption)	0.3
Scope 3 Emissions measured include: Category 6: Business travel Category 7: Employee commuting	21.58
Total Emissions	40.22

Emissions reduction targets

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

We project that carbon emissions will decrease over the next ten years to 21.72 tCO₂e by 2033. This is a reduction of 46%. The remaining emissions will be offset by a certified Gold Standard carbon offset, as part of our certified carbon neutrality programme, in accordance with the requirements of PAS 2060:2014.

Carbon Reduction Projects

These are our baseline emissions. The following is a breakdown of our current plans and ambitions to reduce the greenhouse gas emissions in the following period.

The envisaged carbon reductions are based on the notion that around 40% of our carbon emissions are from vehicles owned by the company (Scope 1). By replacing the internal combustion engine vehicles in use now with electric, hydrogen powered or hybrid vehicles, in the following 10-year period, these emissions can be reduced almost completely. Additionally the installation of heat pumps should further reduce the need for burning of fossil fuels, and will result in lower GHG emissions.

Electric energy usage on premises under company control is already at a low level, but this will be monitored continuously in order for further reductions to be achieved. Options for switching to green supplier are considered as well. Green suppliers will be considered on the basis of the percentage of renewable energy included in the supply mix.

In Scope 3, Business travel by air is to be conducted only in economy class, and reduced whenever possible, as it also contributes greatly the high levels of GHG emissions. Employees, when it comes to commuting, will be incentivised to switch to options that are less carbon intensive.

Measures to date:

1. Installed LED lighting in all premises where possible due to the nature of the building (grade 2 listed).
2. Introduced more virtual meetings to cut down on the need for travel.
3. Implemented paper usage reduction policy to reduce printing and waste. Implemented change of supplier for printing stationery for a greener option which also has a tree planting incentive.

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

1. Set up a carbon reduction focus group.
2. Replacement of car fleet (diesel vehicles) when the leases end, with hybrid or EVs.
3. Install air source heat pump in premises under our company's control.
4. Adopt cloud-based software for storing accounts information and reduce paper records.
5. Use energy and battery saving modes on all electronic devices.

6. Include in the continual revaluation of products and new product development a review of sustainable sourcing of products and services which have low embodied carbon.

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 standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

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) Standard⁶.

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:

A handwritten signature in dark ink, appearing to read 'Laura Clark', with a large, stylized loop at the bottom.

Laura Clark
Director

Date: 04.01.2024

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

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

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