Carbon Reduction Plan **Latcham Direct Ltd**

Company Name: Latcham Direct Limited

Company Number: 06695717

Published: March 2024













Our Commitment

Latcham Direct Limited (t/a Latcham) is committed to achieving Net Zero emissions by 2040.

What does Net Zero mean in practice?

To achieve Net Zero, we will be aiming to reduce emissions in line with the latest science-based targets {SBTs}. SBTs are greenhouse gas reduction goals set by organisations, they are defined as "science-based" when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. To achieve Net Zero under this scenario, we will need to reduce our absolute emissions by 90% from our baseline year.

SBTi recommends that organisations commit to near-term targets {that cover a minimum of 5 years/maximum of 10 years from the baseline year}, as well as long-term targets.

Our near-term targets:

- Reduce scope 1 and 2 emissions by 42% by 2030.
- To procure 100% renewable electricity by 2030.
- Reduce Scope 3 emissions by 42% by 2030.
- Measure all scope 3 categories by 2027.

Our long-term targets:

- Reduce our total market-based emissions (scope **1, 2** and 3) by at least 90% by **2040**.
- Neutralise any residual emissions using verified carbon offsets.

<u>Scope 1 emissions:</u> direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from the combustion of fuels in on-site boilers, furnaces, or vehicles.

<u>Scope 2 emissions:</u> indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.

<u>Scope 3 emissions:</u> all other indirect greenhouse gas emissions that occur in an organisation's value chain, including emissions from upstream and downstream activities.

OurCarbon Footprint

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.

We have chosen to set our baseline year as January 2022 - December 2022, which is also our current Reporting Year.

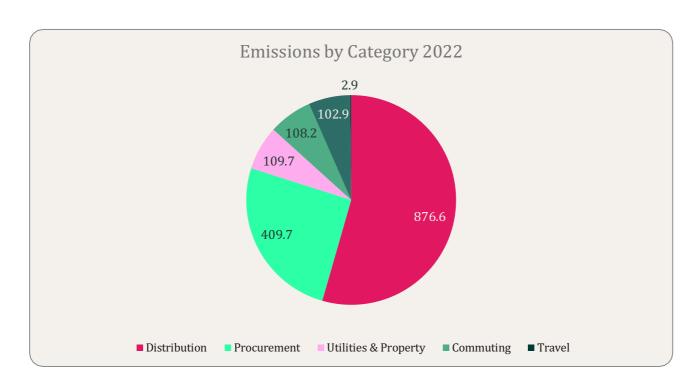
Current Emissions Reporting

Current Reporting Year: January- December 2022

Emissions	Total (tonnes CO2e)	
Scope 1	72.7	
Scope 2*	Market-based: 26.2 Location-based: 148.6	
Scope 3 including: - Purchased Goods 6 Services - Capital Goods - Fuel 6 Energy Related Services - Business Travel - Transportation 6 Distribution {Upstream 6 Downstream} - Employee Commuting 6 Homeworking - Operational Waste 6 Water - Leased Assets {Upstream 6 Downstream} - Franchises	1,511.2	
Total Emissions*	Market-based: 1,610.1 Location-based: 1,732.5	

Our total emissions equate to a Carbon Intensity Metric of 12.6 tCO₂e per full-time employee equivalent (FTE) based on 128 FTEs during the measurement period (using market-based emissions).

Carbon Emissions Breakdown



Carbon Reduction

Our Net Zero targets

Latcham is committed to achieving Net Zero by 2040. To achieve Net Zero under this scenario, we will need to reduce our absolute emissions by 90% from our baseline year. To keep us on track, we have also set the following near-term targets to 2030.

Our near-term targets:

- Reduce scope 1 and 2 emissions by 42% by 2030.
- To procure 100% renewable electricity by 2030.
- Reduce Scope 3 emissions by 42% by 2030.
- Measure all scope 3 categories by 2027.

Ourlong-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2040.
- Neutralise any residual emissions using verified carbon offsets.

Progress

The current reporting year is also the Baseline Year. There is therefore no base figure to compare progress against.

Completed Carbon Reduction Initiatives

The following emissions management measures and projects have been completed or implemented.

Activity	Completion Date	Scope
Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions. Year 1 appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations.	2022	1,2,3
Created a Green Team to lead initiatives. This team has been made up of members from different departments to support the roll out of initiatives and management of data, this includes sharing and collaborating throughout the organisation.	2023	1,2,3
Environmental management measures Including 15014001 Alongside this: - Segregation and recycling of paper-based waste - Recycling of toners and Inkjet heads	2023	1,2,3
Staff awareness and engagement around waste management and recycling. Within this, employees use resources efficiently and have access to recycled materials as the norm, alongside the provision of recycling receptacles around site.	2023	3
Supplier ranking to ensure preference is given to those suppliers who also comply with 15014001	2023	3
Latcham supports its employees to reduce their commuting emissions by providing 10 x EV charging points on-site, and has subscribed to a Cycle-to-Work scheme since 2015 .	2015, 2022	3
Annual employee engagement sessions to refresh knowledge and enhance motivation regarding sustainability and carbon footprint reduction. This has included some team members becoming certified	2022	1,2,3

Carbon Literate. Thecertification demonstrates the employees' awareness of the carbon dioxide costs 6 impacts of their daily lives, and recognises the employees' commitment to reduce their workplace-based emissions.

Future Carbon Reduction Plans

We are committing to action the following emissions management measures and projects in line with our Net Zero targets.

Activity No	Activity	l arget Date	Category
1	Consider low-cost options such as reducing the boiler temperature and adding heat 6 solar control reflective window sheets. Consider planning for larger cost management {where appropriate} such as an efficient boiler system. Consider moving to premises without gas heating for 100% reduction is stationary combustion emissions.	2025	Stationary Combustion
2	Return to a 100 % renewable electricity tariff. This change will reduce market-based emissions {from chosen tariff} from the site to 0 tCO2e.	2025	Purchased Electricity
3	Total location-based electricity emissions {National Grid energy mix} are still 148.5 tCO2e so there is an opportunity to reduce energy use. We will implement behaviour change initiatives within the workplace for reduction of emissions, including clear	2024	Purchased Electricity

	messaging for turning off lights, monitors, computers, and other electrical appliances where appropriate. Wewill assign roles and responsibilities to Green Team members. High-level monitoring of energy use is key to understanding further pinch points.		
4	Implement energy efficiency measures to reduce the overall amount of electricity consumed at sites. Examples of reduction measures include: - installing timers on sockets/equipment - reviewing and renewing inefficient equipment {when at end of life}, and actively consider the energy efficiency of equipment when new purchases are required {eg laptops, fridges, printers}	2024 - 2030	Purchased Electricity

5	To completely reduce market and location-based energy emissions to zero, install on-site renewable energy generation technologies such as solar PV panels, solar heating, heat pumps {following an energy audit to assess feasibility and payback periods}, to generate 100% of heating and energy demand. Consider removing on-site stationary combustion {gas} heating.	2030	Stationary Combustion Purchased Electricity
6	Update the existing Procurement Policy, such that it includes Sustainability requirements and guidance. Within this, protect the Scope 1 and Scope 2 emissions of Latcham Direct Limited by committing that: • NoInternal combustion engine vehicles {ICEVs} shall be purchased by Latcham Direct Limited • Any vehicle hired by Latcham Direct Limited shall be battery electric {BEV} as a priority, followed by Plug-In Hybrid and Hybrid • Should Latcham Direct Limited move or acquire premises, any future site shall not require any stationary combustion {typically gas; or diesel generator} • Should Latcham Direct Limited move or acquire premises, any future site shall procure a 100%	2024	Mobile Combustion Purchased Electricity Stationary Combustion

	renewable electricity tariff by 2030		
7	Consider driver-efficiency training for company car users - this should demonstrate a reduction in total fuel/electricity use.	2025	Purchased Electricity {EVs}

Based upon the above completed and planned initiatives, it is projected that Scope 1 6 2 carbon emissions will decrease to **42.4** tC02e by 2030.

Wealso aim to implement the further initiatives below to reduce Scope 3 emissions:

Activity No.	Activity	Target Date	Category
1	Commit to measuring the remaining downstream Scope 3 categories, meaning that year's carbon emissions measurement will be a full picture of Latcham Direct Limited's carbon impact. Currently, the remaining categories are Processing of Products, Use of Sold Products, End-of-Life of Sold Products, meaning that once these are measured, reduction activities targeted at these categories will be able to be created.	2026	Product emissions
2	Consider further training and engagement for the Green Team, leadership, and the wider employee base. Including and not limited to, creating spaces for environmental positive conversations (internal comms, newsletters, slack, Teams etc), certified Carbon Literacy training for all applicable to roll out to further workforce and share with externals where appropriate. On average, certified learners reduce their carbon footprints by 5-15%, of which -50% are work-related.	2024	Commuting& Home Working Business Travel
3	Implement a Sustainable Procurement Policy. Encourage suppliers to adopt sustainable practices and improve their own carbon footprint through supplier engagement, procurement policies and contracts, and monitoring reporting mechanisms. Commit to a Sustainability Audit or Survey to request further information regarding credentials - Plan to send these to the top 10 suppliers by spend.	2024- 2027	Purchased Goods& Services

	Aimto increase this annually such that 50% of suppliers {by spend} are surveyed by 2026, and 80% of suppliers {by spend} are surveyed by 2029. This data collection will support the reduction journey by gathering important data for future measurements 6 encourage supply chain integration towards Net Zero. Complete this audit within two phases: 1. Identify suppliers for engagement 2. Formulate and collect data {survey/scoring} Once completed prioritise suppliers with lower carbon footprints as part of the above phased approach. This may also involve purchasing second hand/refurbished equipment and extending the lifespan of purchased items. Develop and monitor procurement policy for all new suppliers to align to Net Zero goals.		
4	Review logistics partners/couriers and utilise the above Sustainable Procurement Policy. Work with providers to gather their emissions data, and/or switch to lower-carbon providers. Prioritise purchasing from local suppliers to limit delivery mileage. Focus on collecting higher quality data from distributors, as Distribution contributed the largest portion of emissions.	2024- 2027	Upstream Distribution Downstream Distribution
5	Develop and implement a Sustainable Travel Policy to support environmental impact of choices when travelling, staying in hotels and commuting.	2024	Business Travel Commuting

The priorities within this policy will support active travel and low emission travel options where appropriate.

Monitor and consider alternatives to ICE road-based travel as a priority.

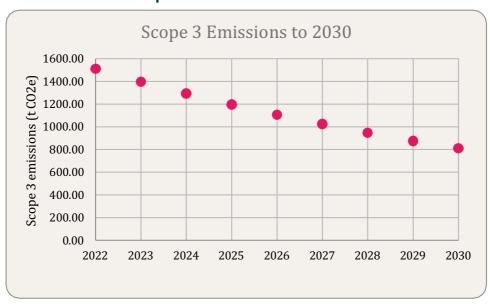
Utilise the emissions travel hierarchy:

- Digital communication
- Walking and cycling
- Public and shared transport
- EV's and car sharing/clubs
- ICE vehicles and car sharing/clubs
- Air travel

Consider creative ways to engage and support the workforce to influence change.

Examples include setting an internal organisation carbon credit scheme (limit that to a number of tCO₂e per year), extra holiday days for low emission travel choice, bonuses, subsidised travel.

Based upon the above completed and planned initiatives, it is projected that (as a minimum) Scope 3 carbon emissions will further decrease over the next six years from the current normalised measurement of 1,511.2 tCO₂e to 810.0 tCO₂e by 2030. This is a reduction of 44.1% and will keep us on track to Net Zero.



Declaration and 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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

This Carbon Management Plan has been reviewed and approved by the Latcham Direct Limited Executive Team.

Signed on behalf of Latcham Direct Limited:

Name:

Position:

Date:

https://ghgprotocol.org/corporate-standard

² https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting