

# Dams Furniture Carbon Reduction Plan 2023

**Supplier name:** Dams Furniture

**Publication date:** 25/08/2023

This Carbon Reduction Plan has been produced in response to Procurement Policy Note (PPN) 06/21 which specifies how Dams Furniture should have a plan to manage greenhouse gas (GHG) emissions and have a commitment to Net Zero emissions by 2050 to bid for Government contracts.

Carbon reduction initiatives detailed in this report will be in effect during the delivery of relevant contracts unless specifically stated otherwise. This document will be updated and published annually to meet Government requirements and reflect on the progress of our carbon reduction initiatives.

## Commitment to achieving Net Zero

Dams Furniture is committed to supporting Government Net Zero targets by 2050 and are taking all reasonable steps to achieve this before the 2050 deadline. An accelerated target of 2035 has been set by Dams Furniture.

Prior to attaining Net Zero, Dams Furniture is committed to achieve carbon neutrality. This will be done via monitoring our carbon emissions and taking appropriate actions to reduce our carbon emissions as low as reasonably practicable through improvements to our operations by engaging in more environmentally friendly, low-carbon, alternatives. Once no other options are available to us, we will obtain high-quality, independently verified offset credits for the remainder of the carbon.

## Boundaries

This Carbon Reduction Plan is intended to cover all facilities that Dams Furniture operates out of. At the end of the reporting period Dams Furniture had 359 employees.

Site name	Address
<b>Charley Wood Road (including warehouses and Factory 2)</b>	Charley Wood Road, Knowsley Industrial Estate, Knowsley, Merseyside, L33 7SG
<b>Gores Road (including the Mill)</b>	Gores Road, Knowsley Industrial Estate, Knowsley, Merseyside, L33 7XS

## 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.

The baseline period for Dams Furniture is 1<sup>st</sup> January to 31<sup>st</sup> December 2019.

<b>Baseline Year: 2019</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
<p>This is Dams Furniture's first Carbon Reduction Plan. Our baseline year is 2019 as it was the first year where we have a complete data set for Scope 1 and 2 that was not impacted by the pandemic.</p> <p>In 2019 we only had limited data our Scope 3 emissions. We have started the journey to improve this for 2021 onwards.</p>	
<b>Baseline year emissions: 2019</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	562
<b>Scope 2</b>	803
<b>Scope 3</b> (Included Sources)	<p>125 total from:</p> <ul style="list-style-type: none"> <li>• 75 - transmission &amp; distribution losses</li> <li>• Unknown - Upstream transportation and distribution – currently reviewing how to obtain this information. Full Scope 3 expected for 2027.</li> <li>• Unknown - Waste generated in operations - currently reviewing how to obtain this information. Full Scope 3 expected for 2027.</li> <li>• 50 - business travel</li> <li>• Unknown - Employee commuting – due to the expected low relative value compared to other contributions this has been advised as something to review later by our consultant. Full Scope 3 expected for 2027.</li> <li>• Unknown - Downstream transportation and distribution - currently reviewing how to obtain this information. Full Scope 3 expected for 2027.</li> </ul>
<b>Total Emissions</b>	1490

## Current Emissions Reporting

Reporting Year: 1 <sup>st</sup> August 2022- 31 <sup>st</sup> July 2023	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	535
Scope 2	0
Scope 3 (Included Sources)	1,954 total from: <ul style="list-style-type: none"> <li>• 1620 - purchased goods and services – limited information available from suppliers. Still underway.</li> <li>• 54 - transmission &amp; distribution losses.</li> <li>• Unknown - Upstream transportation and distribution – currently reviewing how to obtain this information. Full Scope 3 expected for 2027.</li> <li>• 32 - Waste generated in operations (includes water).</li> <li>• 29 - Business travel.</li> <li>• 167 - Employee commuting and homeworking.</li> <li>• 52 - Downstream transportation and distribution.</li> </ul>
<b>Total Emissions</b>	<b>2489</b>

## Assumptions and Estimates

Please note that 2023 data is not finalised and is subject to change.

- Utilities and Waste
  - **Gas** – kWh figures are taken from monthly summaries from our provider. Figures are verified using meter readings taken on site. Conversion to kgCO<sub>2</sub>e is done using Government figures for the appropriate year.
  - **Electric** – kWh figures are taken from monthly summaries from our provider. Figures are verified using meter readings taken on site. Conversion to kgCO<sub>2</sub>e is done using Government figures for the appropriate year. Since our switch to purchase renewable energy there is no carbon contribution to report for our electricity consumption.
  - **Water** – litres consumed for supply and wastewater are taken from monthly bills from our provider. Quantities are verified using meter readings taken on site. Conversion to kgCO<sub>2</sub>e is done using Government figures for the appropriate year. Only 2023 figures are included in the report.
  - **Biomass** – kWh figures are taken from quarterly summaries of RHI summary data. Figures are verified using meter readings taken on site. Monthly figures are averaged from the quarterly data. Conversion to kgCO<sub>2</sub>e is done using Government figures for the appropriate year. Current quarter is pending results.

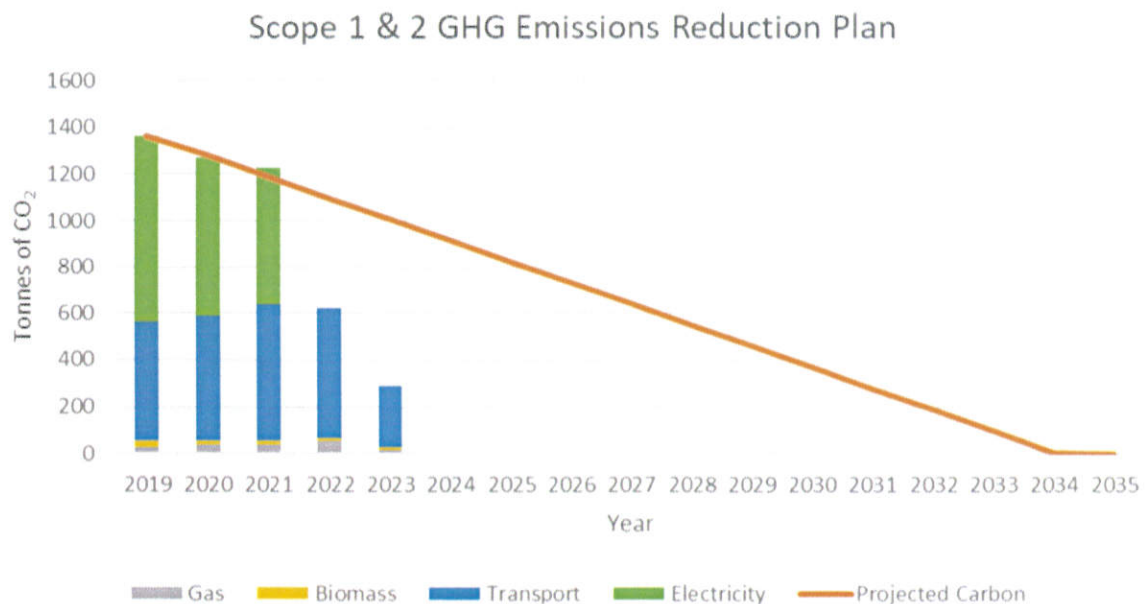
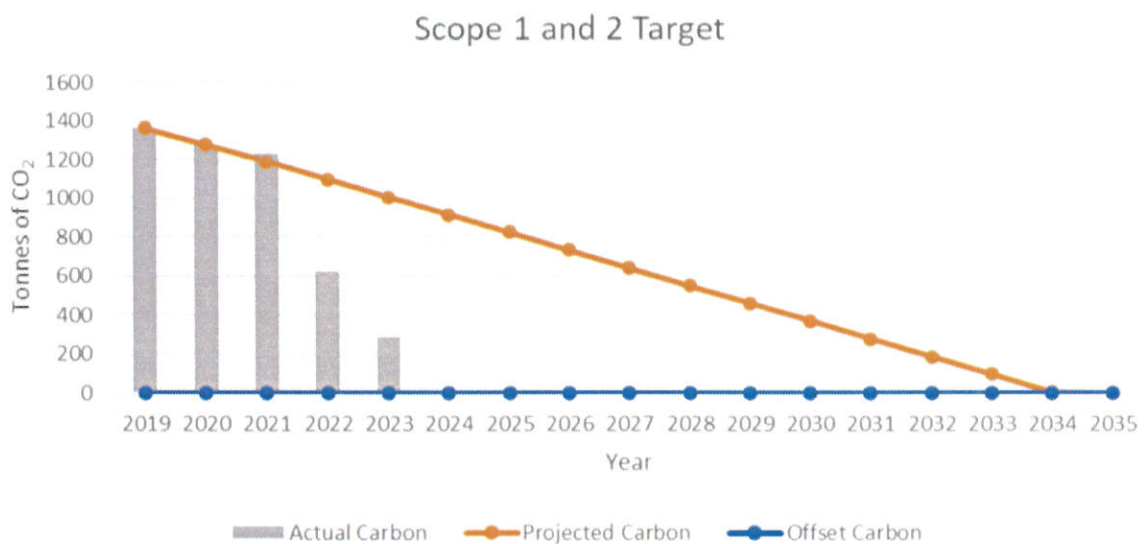
- **Waste** – weights are obtained from waste transfer notes issued to Dams Furniture upon the removal of waste from site. Conversion to kgCO<sub>2</sub>e is done using Government figures for the appropriate year. Only 2023 figures are included in the report.
- Fleet – litres of diesel purchased monthly by Dams Furniture are recorded and verified using fuel card statements. An average biofuel blend is assumed for our vehicles and conversion to kgCO<sub>2</sub>e is done using Government figures for the appropriate year.
- Business Travel
  - **Cars** – business mileage for external sales team members and other select members of staff are recorded on a weekly basis. This data is used to understand our business travel by cars – we currently lack figures for additional members of staff who claim back business travel mileage via expenses. To avoid underestimating emissions the conversion factor used looks at an average car with unknown fuel. Further work is on-going to gather data in this area to improve reporting in coming years.
  - **Buses** – not currently reported. Further work is on-going to gather data in this area to improve reporting in coming years.
  - **Air travel** – not currently reported. Further work is on-going to gather data in this area to improve reporting in coming years.
  - **Rail travel** – not currently reported. Further work is on-going to gather data in this area to improve reporting in coming years.
  - **Sea travel** – not currently reported. Further work is on-going to gather data in this area to improve reporting in coming years.
- Commuting and Homeworking
  - **Commuting** – using the postcodes of our employees, the daily distance travelled both ways to work has been estimated. To avoid underestimating emissions the conversion factor used looks at an average car with unknown fuel. Surveys are needed to better define the transport methods being used by our employees and gain a further knowledge on car sharing practices which are encouraged by the business. To avoid overreporting of emissions corrections were applied for annual leave, bank holidays, sickness, and maternity leave. Further work is on-going to gather data in this area to improve reporting in coming years.
  - **Homeworking** – the number of days recorded as homeworking are obtained from our HR system and conversion to kgCO<sub>2</sub>e is done using Government figures for the appropriate year.
- Downstream Transportation and Distribution – select carriers used by Dams Furniture have provided us with an average carbon figure for 2023 for each parcel delivered. Using our ERP system, we calculate the number of parcels shipped monthly by these carriers which is then multiplied by the figure provided by the carrier to give the total carbon contribution. Only 2023 figures are included in the report. Further work is on-going to gather data in this area to improve reporting in coming years.

## Emissions reduction targets

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

For Scope 1 and 2, we project that carbon emissions will decrease over the next five years (2023-2028) to a maximum of 552 tCO<sub>2</sub>e by 2027. This is a reduction of 60% from our baseline year. As our 2022 actual figure was 623 tCO<sub>2</sub>e compared to the target for that year of 1098 tCO<sub>2</sub>e, this shows we are well ahead of our projected goal. Transport remains the area in which there is the most scope to reduce our Scope 1 and 2 carbon footprint.

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



## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

For Scope 1 and 2, the following environmental management measures and projects have been completed or implemented since the 2019 baseline. The carbon emission reduction achieved by these schemes equate to 831 tCO<sub>2</sub>e, a 61% reduction against the 2019 baseline and the measures will be in effect when performing the contract. It should be noted that due to significant growth seen by Dams Furniture that our carbon intensity (per unit produced) has decreased from 2.1 kgCO<sub>2</sub>e/unit in 2019 baseline to 0.9 kgCO<sub>2</sub>e/unit in 2022. This shows a 57% reduction against the 2019 baseline.

- **Scope 1 and 2**
  - Switched to renewable electricity,
  - Introduced manufacturing shutdown procedures,
  - Updated extraction system in manufacturing,
  - Eco driving targets for fleet drivers,
  - Purchased a new electric van as part of our fleet.
- **All Scopes**
  - Complete annual Ecovadis questionnaires – in 2023 achieved a silver award putting us in the 93<sup>rd</sup> percentile,
  - Collaborated with consultants to assess our carbon footprint,
  - Full members of FISP,
  - Delivered sustainability and carbon footprint awareness training on site.

### On-Going/Future Carbon Reduction Initiatives

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

- **Scope 1 and 2**
  - Convert fleet to electric vehicles:
    - Continue usage of current electric van – 2023,
    - Review statistics from current electric van – 2024,
    - Review adding additional electric vans to the fleet – 2024/2025,
  - HVO fuel to be used in fleet:
    - Trial HVO fuel in select vehicles – 2023,
    - Review HVO trial and determine whether permanent move can be made for a limited number of vehicles – 2024,
    - Review practicality of switching more of fleet to HVO – 2024/2025,
  - Generate solar power on site – late 2023/early 2024,
  - Review offsetting projects for Scope 1 and 2:
    - Review different companies and their offset options – 2023,
    - Engage chosen company to carry out purchase of verified carbon offsets – 2024,
  - Review no longer using gas onsite – 2024,
  - Become verified as carbon neutral as per PAS 2060 – 2024.

- **All Scopes**
  - Sourcing more sustainable products and raw materials:
    - Engage with suppliers to request new products are more sustainable – 2023 onwards,
    - Complete full review of current products and raw materials to understand recyclability and recycled content – 2023,
    - Review areas where improvements can be made to current products and set targets for such improvements – 2024,
    - Engage with suppliers to make changes to current products to make them more sustainable – 2025,
  - Complete our Scope 3 carbon footprint:
    - Improve the accuracy of our Scope 3 calculation where data is incomplete – 2024,
    - Account for other sections of our Scope 3 carbon footprint which are required by PPN 06/21 – 2025,
    - Account for other sections of our Scope 3 carbon footprint which are not required by PPN 06/21 – 2026,
  - Engaging suppliers further on their sustainability practices – 2024,
  - Engaging with the industry to learn best practice – 2024,
  - Increase offsetting projects to include Scope 3:
    - Review available Scope 3 figures – 2024,
    - Set targets for level of offsetting for Scope 3 that is reasonably practicable – 2024,
    - Engage chosen company to carry out purchase of verified carbon offsets – 2025.
  - Achieve certification in ISO 50001 – 2025,
  - Review using more local suppliers:
    - Complete full review on locations of suppliers and set distance tiers to understand percentage at each distance – 2024,
    - Review what raw materials and products are coming from the further distance tiers – 2025,
    - Set targets to reduce the spend in the further distance tiers – 2025,
    - Start moving supply to closer tier suppliers – 2026.

## 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<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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

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

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

accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>3</sup>.

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:**



..... Christopher Scott - Managing Director

Date: .....25/08/2023.....

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