

Carbon Reduction Plan

Supplier name: OT Group Ltd

Publication date: 27 September 2023

Commitment to achieving Net Zero

OT Group Ltd is committed to achieving Net Zero emissions by 2050, with a 63% reduction in our carbon baseline by 2035.

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 are measured.

Baseline Year: 1st July 2021 to 30th June 2022	
Additional Details relating to the Baseline Emissions calculations.	
<p>Baseline year emissions:</p> <p>The agreed base year for establishing the company’s greenhouse gas emissions inventory and footprint is the recent financial year (the second year of trading) 1st July 2021 – 30th June 2022. This is felt to be representative as there have been many changes in location and operation prior to this.</p> <p>The GHG Protocol has been used to calculate this baseline as it is the most widely used international accounting tool for government and business leaders to understand, quantify, and manage greenhouse gas emissions.</p> <p>The methodology for calculating OTG’s scope 1 and 2 emissions footprint uses the Greenhouse Gas Protocol – Corporate and Accounting Standard revised in 2004, amended 2013 and subsequently Scope 2 Guidance (2015) replaces guidance for Scope 2 provided in the original Greenhouse Gas Protocol: Corporate and Accounting Standard.</p> <p>For scope 3 the Greenhouse Gas Protocol – Corporate Value Chain Accounting and Reporting Standard (2011) was used, including references to the Technical Calculation Guidance (2013), a supplement to the Scope 3 Standard, both amended in 2013 to include Kyoto protocol identified greenhouse gas NF3.</p>	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	317 tCO₂e
Scope 2	572 tCO₂e
Scope 3 (Included Sources)	47,953 tCO₂e
Total Emissions	48,842 tCO₂e

Current Emissions Reporting

Reporting Year: 1 st July 2022 to 30 th June 2023	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	330.5 tCO ₂ e
Scope 2	647.5 tCO ₂ e
Scope 3 (Included Sources)	31,483 tCO ₂ e
Total Emissions	32,461 tCO₂e

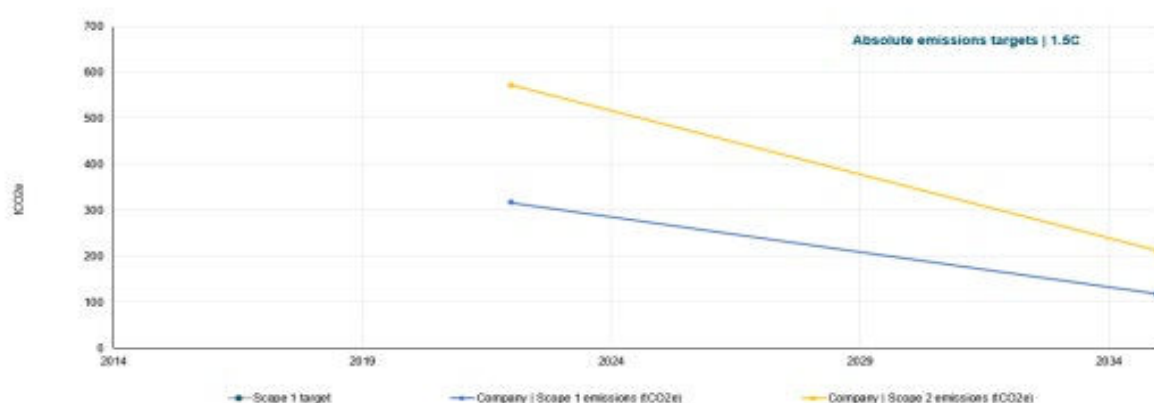
The below table shows the breakdown of our carbon emissions by category year on year:

Company		OT Group			
Control Boundary		Operational			
GHG Current Reporting Year		22/23			
GHG Baseline Reporting Year		21/22			
Base Year Methodology		Fixed Year - All-Year			
Total units on sites		1			
		21/22 Base Year	Variation between	22/23 Emission	
Scope	In/Out of Boundary	Tonnes CO ₂ e Total	%	Tonnes CO ₂ e Total	%
Scope 1 Total Emissions	In	317	4.25%	330.5	1%
Company Facilities Total	In	306			
	Natural Gas	In	301		
	Diesel Generator	In	5		
	Other fuels	Out	0		
	Refrigerant	In	0		0%
Company Vehicles Total²	In	11			0%
	Propane	In	11		0%
	Petrol	Out	0		0%
Scope 2 Total Emissions	In	572	13.19%	647.5	2%
	Grid Electricity	In	572		1%
	Steam, Heat & Cooling	Out	0		0%
Scope 3 Total Emissions	In	47,953	34.30%	31,483	97%
Scope 3 Emissions (Upstream)	In	47,953		30,751	
Cat 1 - Purchased goods & services	In	33,478.4	-24%	23,396	0%
Cat 2 - Capital goods	In	0	-	0	0%
Cat 3 - Fuel & energy related activities	In	367	-85%	57	0%
Cat 4 - Upstream transportation & distribution	In	7,423	-100%	0	0%
Cat 5 - Waste generated in operations	In	243.4	-95%	13	0%
Cat 6 - Business travel	In	170	17%	199	0%
Cat 7 - Employee commuting	In	265	84%	488	0%
Cat 8 - Upstream leased assets ¹	Out	0	-	0	0%
Scope 3 Emissions (Downstream)	In	0		741	0%
Cat 9 - Downstream transportation & distribution	Out	0	-	741	0%
Cat 10 - Processing of sold products	Out	0	0%	0	0%
Cat 11 - Use of sold products	Out	0	0%	0	0%
Cat 12 - End-of-life treatment of sold products	Out	0	0%	0	0%
Cat 13 - Downstream leased assets	Out	0	0%	0	0%
Cat 14 - Franchises	Out	0	0%	0	0%
Cat 15 - Investments	In	0	0%	0	0%
Total emissions/GHG baseline footprint		48,842	-34%	32,460	0%
Emissions KPI (tCO₂e/£M Turnover)		440.0	0%	290.0	

Emissions reduction targets

To continue our progress to achieving Net Zero, OT Group have adopted the following carbon reduction targets. We have used our base year emissions (2021/22) in the SBTi's free-to-use tool to generate science-based target (SBT) emissions reduction trajectories for scopes 1, 2 and 3 for the next 13 years. Trajectories beyond this date are not given because technological and policy changes will occur beyond this timeframe, with implications for target trajectories for 2050.

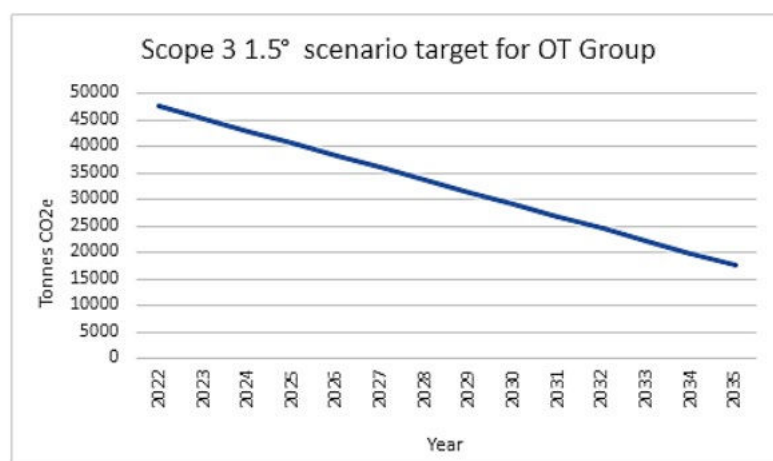
Figure 2: OT Group's UK Scope 1 and 2 SBT trajectory from 2021 / 2022 baseline



Scopes 1 & 2, Absolute contraction method for 1.5-degree scenario

	Base Year (2022)	Same as Base Year	Target Year (2035)	% Reduction to date	% FLA Adjustment	% SBT Reduction
Scope 1 emissions - (tCO2e)	317	-	117	-	Not Required	63.00%
Scope 2 emissions - (tCO2e)	572	-	212	-	Not Required	63.00%
Scope 1 & 2 emissions - (tCO2e)	889	-	329	-	-	63.00%

Figure 3: OT Group's UK Scope 3 SBT trajectory from 2021 / 2022 baseline



Scope 3, Absolute contraction method for 1.5-degree scenario

	Base Year (2022)	Target year (2035)	% SBT Reduction
Scope 1 emissions - WB2C (tCO2e)	48,842.00	30,985.60	37.50%
Company Scope 3 emissions - 1.5C (tCO2e)	48,842.00	18,071.50	63.00%

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been scoped since the 2021/2022 baseline. Outlined above is OT Group's Carbon emissions reduction trajectories for scope 1,2 and 3 up until and including 2035. Plans are now underway to reach this target, to date all the lighting in the OT Group warehouse has been replaced resulting in a carbon emission reduction of 100.2 tCO₂e per annum. In addition to this project the following carbon reduction plans are in place for completion during 2023.

Rec No	Site	Recommendation	Energy kWh Saving	m ³ Savings (Water & Effluent)	Energy & Water Only Savings (£/yr)	Total Saving (£/yr)	Capital Cost (£)	Expected Simple Payback	tCO ₂ e/yr Saved	CO ₂ Savings @ £25/t	Payback with CO ₂ Savings
Opportunity 1.1	Ashton u Lyne	Energy Management and Awareness (ISO50001)	233,208	0	41,943	£ 29,943	£ 30,000	1.0	44.2	£ 1,105	1.0
Opportunity 1.2	Ashton u Lyne	Metering and monitoring	93,283	0	16,777	£ 13,527	£ 18,500	1.4	17.7	£ 442	1.3
Opportunity 1.3	Ashton u Lyne	Compressed air pressure reduction	126,315	0	30,316	£ 29,816	£ 14,000	0.5	24.4	£ 611	0.5
Opportunity 1.4	Ashton u Lyne	Warehouse lighting	517,977	0	124,315	£ 153,617	£ 181,510	1.2	100.2	£ 2,504	1.2
Opportunity 1.5	Ashton u Lyne	Office lighting	26509.056	0	6,362	£ 7,862	£ 14,000	1.8	5.1	£ 128	1.8
Opportunity 1.6	Ashton u Lyne	Heating control for offices	4300	0	1,032	£ 1,032	0	Immediate	0.8	£ 21	0.0
			1,001,593	0	220,744	£ 235,796	£ 258,010	1.1	192.4	£ 4,811	1.1

In addition to this reduction plan OT Group have also gained EcoVadis Silver accreditation in November 2022 and reached a global average industry performance against CDP Climate Change Disclosure, Insight and Action.

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

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) Standard³.

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:

Date: 27th September 2023

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

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

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