

## **CARBON REDUCTION PLAN**



Version: 2022/23

#### **Commitment to achieving Net Zero**

At Commercial we are committed to achieving Net-Zero emissions by 2028.

#### **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: 1st of February 2018 to the 31st of January 2019

Additional Details relating to the Baseline Emissions calculations.

Commercial's sustainability journey started in 2006. As an organisation, we place great importance on minimising our impact on the environment as well as reducing our carbon footprint.

In 2020, Commercial's accounting team filed for a 17-month reporting period. Now our financial year end has changed, permanently, from January 31<sup>st</sup> to June 30<sup>th</sup>.

Commercial's baseline emissions footprint has been identified as 2018, in line with our partnerships with the Science Based Target initiative and The Planet Mark. Our baseline includes and measures all emission categories for The Planet Mark business certification which, at that time, did not include upstream and downstream transportation.

Baseline year emissions: 1,144.6 tCO2e

EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	441.4 tCO <sub>2</sub> e
Scope 2	87.2 tCO₂e (Location Based)
Scope 3	616 tCO₂e
(Included Sources)	7.7 (Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2)
	1.9 (Waste Generated in Operations)
	57.9 (Business Travel)
	541.6 (Employee Commuting)
	6.8 (Purchased Goods and Services)
4	

Total Emissions	1,144.6 tCO₂e
	0 (Downstream Transportation and Distribution – Category was not calculated at the time)
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# **Current Emissions Reporting**

Reporting Year: 1 <sup>st</sup> of July 2022 to the 30 <sup>th</sup> of June 2023		
EMISSIONS	TOTAL (tCO₂e)	
Scope 1	220.8 tCO <sub>2</sub> e	
Scope 2	73.7 tCO <sub>2</sub> e (Location Based)	
Scope 3	252.5 tCO <sub>2</sub> e	
(Included Sources)	5.82 (Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2)	
	2.04 (Waste Generated in Operations)	
	75.5 (Business Travel)	
	168.5 (Employee Commuting)	
	0.6 (Purchased Goods and Services)	
	TBC (Upstream Transport and Distribution) – Commercial is in the final stages of calculating our Upstream Transportation and Distribution emissions with the Planet Mark. We are utilising PowerBi to ensure accuracy and create a continuous carbon calculation that will support our efforts to consolidate orders and support our customers to better understand and reduce their own carbon emissions.	
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Total Emissions	546.9 tCO₂e

#### **Emissions reduction targets**

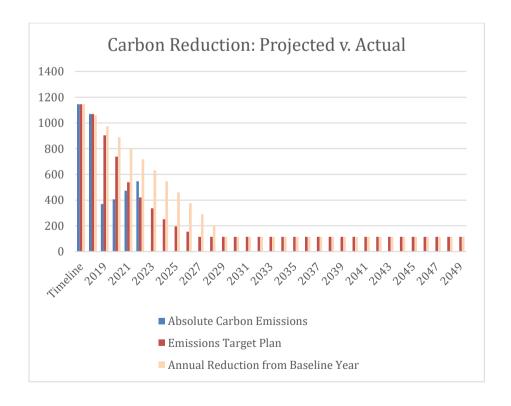
The Planet Mark has independently verified Commercial's carbon footprint for every year since 2018. We are ambitious about reducing our carbon emissions, it is why we are challenging ourselves to achieve carbon Net-Zero by 2028.

Commitments developed by the Science Based Targets initiative require Commercial to reduce our absolute Scope 1, Scope 2, and Scope 3 in line with limiting global warming temperatures to 1.5 degrees Celsius. We have already made significant progress towards our 2028 target.

Commercial acknowledges that our carbon footprint has gone above our Emission Target Plan. However, we remain well within our Annual Reduction from Baseline Year, and on course to achieve Net-Zero across our three scopes.

We project that carbon emissions will decrease over the next five years to ~115 tCO2e by 2028. This is a reduction of 79% from 2023 emissions.

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



#### **Carbon Reduction Projects**

#### **Completed Carbon Reduction Initiatives**

Since starting our sustainability journey in 2006, the entire Commercial team has been united in our effort to reduce our carbon emissions.

It has been a collective effort across our team. One built around strong employee engagement and a collective spirit to do more for our planet and wider communities.

We call that spirit 'Commercial by Nature' and it is an ethos that has led to a number of ongoing initiatives as set out in the table, starting on the following page:

Details of Activities, Improvements, and Initiatives	Date Implemented	Qualitative Benefits
Carbon Neutral	01 January 2006	We have been carbon neutral company since 2006, purchasing carbon credits to offset our carbon footprint. We have offset exclusively with sink projects to ensure emissions are removed from the atmosphere, while actively seeking to reduce our footprint year-on-year.
Renewable Energy Contract	01 January 2007	Commercial made a conscious switch to renewable energy after our first carbon footprint report. We switched to Ecotricity, a provider, like us based in Gloucestershire, who produce their own renewable energy within the United Kingdom.
Bio-Diesel Vans	01 January 2007	A project initially implemented to improve the air quality and health and social wellbeing of our drivers and wider community. We have always utilised the latest technology available and invested in the UK's low emissions strategies.
Passive Infrared Sensors	01 June 2007	After a successful Low Energy Light Trial, early in 2007, Commercial found that all the lights and systems trialled outlasted our existing lights and used between 75% and 95% less electricity. To date we, utilise Passive Infrared Sensors to reduce our annual energy consumption.
LED Lighting	01 January 2009	To be more energy efficient, Commercial has been in the process of swapping out old lighting, with LED lighting, when our original lighting comes to its end of life. Around 90% of Commercial's HQ and London site now have LED lighting. All bulbs are recycled at the end of their life as part of our commitment to Zero Waste to Landfill.
Change Champions	01 January 2009	Our internal staff engagement programme, now called Change Champions but previously known as Green Angels, is now more than a decade old. The programme enables and empowers staff from across the business to form collaborative teams that implement projects that deliver long-lasting and transformative change to the business and sustainability strategy.
Ethical Trade	01 January 2011	A partnership with the Ethical Trade Initiative (ETI) has helped Commercial improve our sustainability impact at all stages of our supply chain e.g. through supplier engagement, sustainability commitment and best practice.
Closed Loop Recycling	01 January 2011	Beyond our London Recycling Programme, Commercial offers services ranging from single to more complex waste streams, such as batteries and toners.
		We also partner with Terracycle to recycle more complex materials such as PPE and crisp packets. We work with ITSA Digital Trust, formerly IT Schools Africa, to recycle old used technology and First Mile to recycle everything from cardboard to clothing hangers!
		Our aim is to partner with waste collectors to increase our company recycling rate, but more importantly, help our customers on their sustainability journey and encourage circular use of all materials.
Solar Panel Installation	01 January 2012	180 Photovoltaic (PV) Cells installed at our Cheltenham HQ and 264 PVs installed at our London office to reduce our electricity usage.
Hydrogen Vans	01 January 2012	A project implemented to improve the air quality and health/social wellbeing of our drivers and wider community. After being part of a number of trials on hydrogen technology, it proved that hydrogen was a better fuel for our needs than biodiesel. We were the first in our industry to make the switch and, at the time of switching, had the first fully-hydrogen fleet.
Zero Waste to Landfill	01 January 2013	Commercial's last bulk skip was removed after the hard work of two internal Change Champion teams to help cut out all emissions associated with local landfill. Commercial waved goodbye to our last skip in 2013 and have not had one back since. We are committed to managing waste in accordance with the waste hierarchy, reducing waste and maximising reuse and recycling rates.
Electric Charging Points	01 January 2013	Four charging points were installed in 2013 and additional charging points were introduced by our very own Smart Technology Team in September 2021. These charging points increase the accessibility and affordability of purchasing low emissions vehicles and the elimination petrol and diesel cars for all staff.

Cycle to Work Scheme +	01 January 2015	As part of our Scope 3 emissions, Commercial calculates commuting emissions for our staff members. We have multiple initiatives to encourage employees to reduce the carbon footprint of their commute to work, such as our Cycle to Work scheme, which is made more accessible via our communal bike shed with a green roof, and shower facilities.
Park and Stride	01 January 2015	An initiative where employees are encouraged to give up driving into work and parking at our HQ one day a week, and either walk, cycle or use public transportation instead.
Plastic Free Policy	01 January 2018	We continue to take steps to remove plastic from our own-brand products. Since 2019, we have removed approximately 69 tonnes of plastic. We also offer NotBox to our London clients which ensures products are delivered in a reusable, collapsible box which is returned to us.
Veganuary	01 January 2019	Providing our team with the information they need to make an informed choice regarding food provenance and its associated emissions. This year, of the colleagues who took part in the annual Veganuary survey showed that 40.8% said they would make a change, with 7% going vegan for the month, a further 62% cutting out meat, reducing dairy consumption and going vegetarian and another 31% committing to meat-free Mondays.
Vegetarian Catering		Commercial has decided to be more thoughtful when making dietary related purchases. The meat industry is dramatically contributing to the climate crisis by accounting for 15% of global carbon emissions - a percentage that is forecasted to rise by 76% by 2050. In light of the devastating effects of climate change, in December 2022, we launched the Kind Kitchen in collaboration with the Commercial Foundation. The Kind Kitchen recipe book saw members of the Commercial team submit their favourite vegan recipes, while a 'Saturday Kitchen' style broadcast saw members of the team cook some of the favourites.
Products with Purpose	01 April 2020	Working with trusted suppliers, our in-house sustainability and procurement experts have hand-picked a range of office essentials that create a tangible positive ethical, social, or environmental impact.
		The Products with Purpose range now include more than 14,000 items – a figure that is still growing – and it is our aim to encourage our customers to make an informed ethical, environmental, or socially-conscious choice.
		Each PWP item carries our teal heart logo and information showing how and why it qualifies is shown at the point of sale.
Sustainable Paper Strategy	01 January 2021	As a company, we researched and evaluated the manufacturing process and supply chain to ensure all our paper products are made in a sustainable way. We guarantee that all the paper we promote on our purchasing platforms will have an environmental certification, contain recycled content, and/or is sourced from a sustainable forest.
Power Bi	01 June 2021	We utilise PowerBl to harness the power of business data analytics to reduce the carbon footprint of our deliveries. PowerBl data has led us to implement measures such as a minimum spend and to encourage consolidation of customer orders.
Hybrid Working	01 July 2021	The Covid-19 Pandemic taught Commercial the benefits of staff being able to work virtually from their homes. Commercial decided to switch to a hybrid business framework, encouraging work-life balance and optimising virtual meetings, resulting in reduced commuting and business miles, and thereby their associated carbon emissions.
Net-Zero Home (and employee carbon offsetting initiative)	01 July 2021	A Change Champions programme which helps give Commercial employees practical ways to reduce their carbon consumption at home. This includes a company Salary Sacrifice Scheme to encourage staff members to buy an EV Car. In addition, Commercial employees are given an opportunity to offset their carbon and become a climate positive workforce.
Decommission Fossil Fuels (London)	01 August 2021	Our London satellite office decommissioned its old gas boiler, in order to operate on 100% renewable energy.
Company fleet	01 December 2021	Commercial will no longer purchase full diesel or petrol cars. This means that all company cars purchased from this date on will either be a hybrid or zero-emission vehicle. In addition, all company cars must be hybrid or EV no later than 2025. By 2025 Commercial will freeze the purchase of hybrid vehicles and move towards the uptake of zero-emission vehicles only, to become a Net-Zero Company by 2028.

EV Vans	01 August 2022	Commercial's London delivery fleet now operates 'on sunshine'. Not only are our Vans 100% electric but also are being charged by our solar panels.  Commercial installed specific charging points that could pull from our solar array on our London office roof to reduce on electricity consumption from the grid.
Product Transparency Map	01 December 2022	As part of a wider project to showcase where our own-brand products are originating from Commercial will ensure all products are the most sustainable products on the market and make it easier for clients to understand the wider impact of a global marketplace.
Decommission Fossil Fuels (Cheltenham HQ)	01 June 2023	Cheltenham HQ has decommissioned its onsite oil tank, in order to operate on 100% renewable energy.
Hybrid Van (TRAILAR PV)	01 October 2023	To optimise the charge on our hybrid van at our Cheltenham HQ, TRAILAR's flexible solar panels were installed on the van's roof. This provides a 7% extra mileage range, meaning we have 3,000 emission free miles on our range and can save up to a tonne of CO2 a year.

The following environmental management measures and projects have been completed or implemented since the start of our journey in 2006 and are seen as part of the normal everyday workings of Commercial. Our carbon reduction strategy has become engrained in the fabric of our organisation and in the minds of our teams too.

The carbon emission reduction achieved by these schemes equate to a 52% reduction against the 2018 baseline. These measures, and more, will be in effect when performing the contract because we never stop looking for ways to do more.

Commercial is proud to be a member and/or signatory of:

UN Global Compact
Science Based Target initiative
Supply Chain Sustainability School
Hydrogen London
Clean Van Commitment
Race to Zero

We are also members of the Ethical Trading Initiative (ETI), SEDEX and EcoVadis (We are currently rated as EcoVadis Gold standard, as one of the top 5% of organisations in the World) as we continue to foster and promote best ethical and environmental practices across our supply chains.

Commercial is ISO14001 certified by BSI and are proud to have been recognised with several awards for our commitment to sustainability and environmental best practice over the past five years.

Our sustainability work has also seen us win some notable awards. We were especially proud to win the Queen's Award for Enterprise in Sustainable Development in 2018. In 2022, we were awarded a Green Apple Environment Award and became a Green Organisation's Green World Ambassador, plus we were shortlisted for an award with BSI for work within ISO 14001. In 2023, we were announced as one of Europe's top 500 Climate Leaders by the Financial Times and were shortlisted as one of three finalists for the Planet Mark's Absolute Carbon Reduction Award. We were also thrilled to win Office Products International's European Office Products Awards Reseller for Sustainability Excellence.

We are a certified Carbon Neutral Company who are committed to supporting others on their carbon reduction journeys, which is why, in 2023, we officially launched our Green Audit Service. This helps our clients and suppliers to cut their energy usage and take advantage of the possibilities of renewable energy, and thereby reduces their carbon consumption.

As an organisation we never stop looking for ways to do more for our planet, its people and the wider environment and that desire is showcased in the plans we have already made.

In the near future we are looking to implement further measures, including:

Details of future activities, improvements, and initiatives	Date planned
Reduction of Waste to Incineration to <5%	2024
Commercial to launch Scope 3 reporting for our customers	2024
100% of Commercial's Company fleet will be zero emissions	2026
Net-Zero 2028 Target (internal operations)	2026
Products with Purpose to make up entire Commercial Catalogue	2028

To follow our progress and for further details of our social and environmental sustainability initiatives please read our latest annual Social Impact report. **Download this here** 

### **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<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 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).

<sup>&</sup>lt;sup>1</sup> https://ghaprotocol.org/corporate-standard

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

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

Simone Hindmarch (MD)
Date:14 <sup>th</sup> of February, 2024