

# PPN 06/21 - Carbon Reduction Plan

Company name: Lookers Leasing Ltd

Publication date: 10/08/2022

## Document Purpose

Our reduction plan is presented in response to the recent Procurement Policy Note (PPN) 06/21 and provides transparency and demonstrates our progress towards building a robust carbon reduction programme.

## Commitment to achieving Net Zero

Lookers Leasing commits to achieving net-zero Scope 1, 2 and 3 emissions by 2050.

We are in the process of developing and setting more detailed interim and long term emission reduction targets with energy consultants, Inspired Plc.

## 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 Years:

1<sup>st</sup> January 2021 – 31<sup>st</sup> December 2021

Additional Details relating to the Baseline Emissions calculations.

*The GHG emissions scope boundary, used to establish our baseline, was determined using an operational control model following the GHG protocol. The baseline includes all Scope 1 and 2 emissions in accordance with SECR requirements. Scope 3 emissions have been calculated as per the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard Guidance.*

Baseline year emissions:	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>10.19</b>
<b>Scope 2</b>	<b>9.83 (location-based)</b>
<b>Scope 3 (Included Sources)</b>	<b>105.29</b> 4. Upstream Transportation and Distribution: 0.24 5. Waste generated in operations: 0.04 6. Business travel: 0.04 7. Employee commuting: 11.58 9. Downstream Transportation and Distribution: 93.39
<b>Total Emissions</b>	<b>125.31</b>

## Current Emissions Reporting

The table below summarises our emissions by Scope for the most recent reporting period; 1<sup>st</sup> January 2021 – 31<sup>st</sup> December 2021.

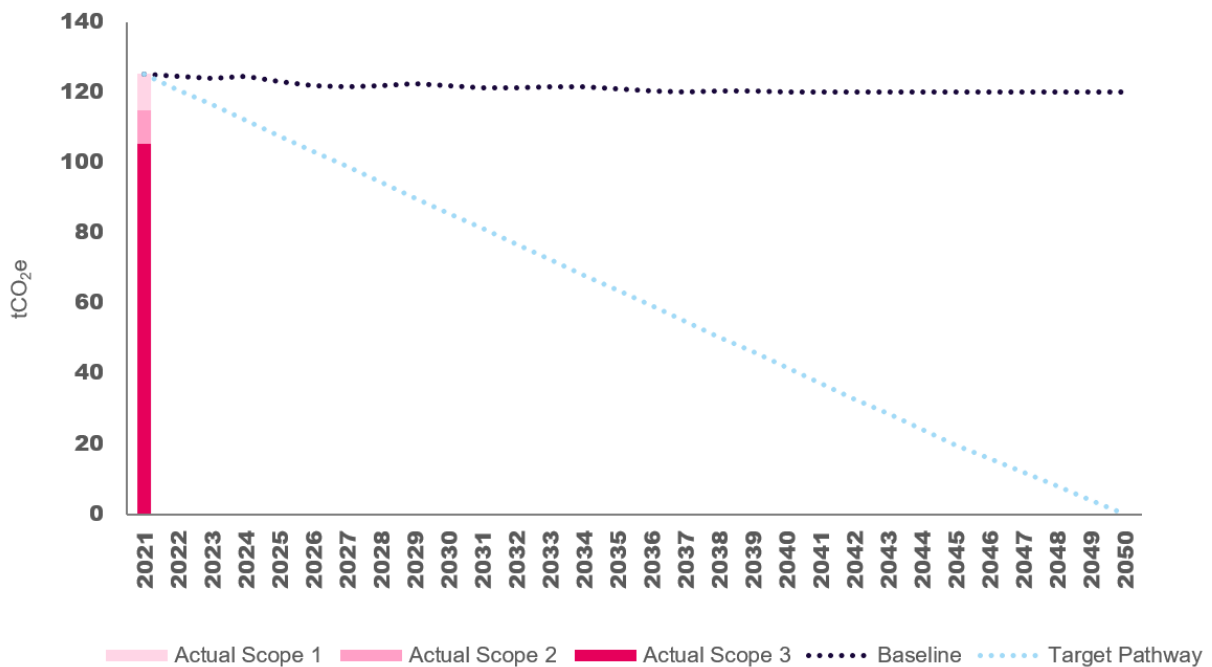
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<b>Total Emissions</b>	<b>125.31</b>

# Emissions reduction targets

Looks Leasing aims to achieve net-zero<sup>1</sup> Scope 1, 2 & 3 emissions by 2050, compared to a 2021 baseline.

We are in the process of developing and setting more detailed interim and long term emission reduction targets with energy consultants, Inspired Plc.

*Progress against our net-zero target can be seen in the graph below<sup>2</sup>:*



<sup>1</sup> To achieve net-zero we are aiming for an at least 90% reduction in absolute emissions compared to our base year – any residual emissions will be offset with carbon sequestration offsets, as per the Science-Based Targets Initiative’s Net-Zero Standard guidance.  
<sup>2</sup> The Scope 1 and 2 forecast baseline takes into account projected changes in the UK’s electricity grid emissions factor based on the BEIS ‘UK’s power producers emissions intensity’ forecast. No change is assumed in the actual consumption of gas and electricity by Lookers Leasing.

# Carbon Reduction Projects

## Completed Carbon Reduction Initiatives

This is the first year that Lookers Leasing are reporting their full Scope 1, 2 and 3 emissions and therefore no carbon reductions have been measured to date. However, it is our intention to use our new baseline data to identify decarbonisation actions for future implementation and record the results.

Currently Lookers Leasing are undertaking the following carbon reduction initiatives:

- **Production of a full Scope 3 (supply chain) inventory**, in order to understand the full extent of our carbon emissions, taking into account our upstream and downstream supply chain.
- **Development of a net-zero strategy & targets** to provide guidance and specific goals for the organisation and embed decarbonisation as part of business as usual operations.
- **Installation of EV charge points** at our sites, to encourage employees to use EVs for both commuting and business travel purposes. Currently Lookers Group have chargers installed at 104 sites, with 327 chargers installed in total.
- **Release of EVs to the company car fleet** to allow employees the option to travel in low carbon vehicles for work and leisure purposes. This is the first round of EVs released into the fleet and plans are in place to release more as current combustion vehicles are retired. Current company vehicle stocks are 256 units across Lookers Group out of a total of 1421 vehicles.
- **Creation of an internal ESG strategy project** to assess the current ESG position of the business across Lookers Group and to set a formal ESG strategy
- **Implementation of a 'Staff Home Charger' scheme** to support transition to BEV. 0% funding is available to employees in conjunction with Rightcharge.
- **Launch of a BEV only staff salary sacrifice scheme** to enable employees without a company car to purchase an EV for personal use.
- **Release of internal "Workplace" portal "Fusebox"** to support and engage staff in the transition to BEV.
- **Launch of Carbon Literacy programme**, backed by the Carbon Literacy Trust. The aim of this programme is to train all employees within Lookers Leasing and the wider Lookers Group (6500 employees) to be fully carbon literate and certified.

## Identified opportunities considered for implementation.

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

- **Deploying low carbon initiatives across all sites**, where applicable, including BMS installation and LED lighting.
- **Providing a fully electric company car fleet** within the next five years
- **Employing Scope 3 decarbonisation solutions** recommended by Inspired Plc in the net zero strategy. This will include short, medium and long term actions.
- **Decarbonising our leased fleet** in line with the government commitment to sell only zero emissions cars & vans by 2035
- **Implementing a solar PV roof scheme** to cover owned and long-leasehold properties across Lookers Group.
- **Bringing all EV charging under one portal** to guarantee the right solutions for demand with the right hardware that can be centrally controlled.

## 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>3</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>4</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and 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>5</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:

Signature 

Name: ANDREW COLLETT

Role: MANAGING DIRECTOR

Date: 10/08/2022

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

<sup>4</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>5</sup> <https://ghgprotocol.org/standards/scope-3-standard>

# Appendix A

## Our GHG Reporting – Supporting Notes for PPN

### Methodology

Scope 1 and 2 greenhouse gas emissions have been calculated according to the 2019 UK Government environmental reporting guidance. Consistent with the guidance, relevant emissions factors published in the UK Government's Department for Business, Energy and Industrial Strategy (BEIS) "Greenhouse gas reporting: conversion factors" database specific reporting year have been used. The CO<sub>2</sub> equivalent conversion factor has been used throughout and, where applicable, the kWh gross calorific value (CV) was used.

Transport related emissions from fuel combustion were calculated using the BEIS "Greenhouse gas reporting: conversion factors" 2019 and 2021 databases, respectively.

Scope 3 emissions have been calculated based on the guidance in the Greenhouse Gas Protocol "Corporate Value Chain (Scope 3) Standard".

For all operations, applicable Scope 3 categories were identified based on an operational control boundary. Scope 3 emissions for applicable categories were calculated following methodologies outlined in the GHG Protocol "Technical Guidance for Calculating Scope 3 Emissions", with further guidance taken from the GHG Protocol's detailed methodology chapters for each applicable Scope 3 category.

The majority of conversion factors were sourced from the BEIS Greenhouse gas reporting: conversion factors, v1.0 2021 database. Where a spend-based approach was used, as per the GHG Protocol guidance, conversion factors were taken from the University of Leeds and Department for Environment, Food and Rural Affairs' UK Footprint Results (1990 – 2018)' study or the Department for Environment, Food and Rural Affairs' Indirect emissions for the supply chain' database. Scope 3 emissions include Well to Tank and T&D losses.