

# Carbon Reduction Plan

Supplier name: Sigma PLC

Publication date: 12/01/2024

## Commitment to achieving Net Zero

Sigma PLC is committed to achieving Net Zero emissions by 2050 at the latest.

## 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:** September 2021 to August 2022

### Additional Details relating to the Baseline Emissions calculations

The figures in this report apply a United Kingdom geographical boundary and refer to emissions under Sigma PLC's operational control. The conversion factors used are for location based reporting.

The scope 1 and 2 data is from supplier sourced data which has a good confidence interval and therefore a high certainty ranking. The scope 3 data has been generated using best available data, however is considered to have a poor confidence interval and therefore a poor certainty ranking. The baseline year has been recalculated due to changes in the method of measurement.

All data has been compiled with reference to and using data from :

- <https://ghgprotocol.org/corporate-standard>
- <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting> (2022 data set)

<b>Scope 3 category</b>	<b>Assumptions used</b>	<b>2024 actions to improve data accuracy</b>
4. Upstream transportation and distribution	Based on delivery mileage by vehicle type	Engage with suppliers to provide data in tonne km by vehicle type or CO2e data
5. Waste generated in operations	From supplier data	Continue to engage with suppliers to improve accuracy
6. Business travel	Based on sample extrapolated	Expenses process being changed to capture data routinely
7. Employee commuting	Based on staff survey responses extrapolated to total workforce	HR systems to have commuting data linked to attendance
9. Downstream transportation and distribution	Excluded due to Insufficient data	Liaise with industry bodies and peers to agree best way to progress this

The figures and information used in calculations have been provided as accurate to the best of our knowledge and as far as practicable we have assumed that figures are representative of our operations. We undertake a continual process of improving our data quality. In the case that we identify any material changes, we may recalculate the data in the future.

**Baseline year emissions for September 2021 to August 2022 (recalculated January 2024):**

EMISSIONS	TOTAL (tCO <sub>2</sub> e)						
Scope 1	1,474						
Scope 2	321						
Scope 3 (Included Sources)	1,367 <table border="1" style="margin-left: 20px;"> <tr> <td><b>Scope 3 categories included</b></td> </tr> <tr> <td>4. Upstream transportation and distribution</td> </tr> <tr> <td>5. Waste generated in operations</td> </tr> <tr> <td>6. Business travel</td> </tr> <tr> <td>7. Employee commuting</td> </tr> <tr> <td>9. Downstream transportation and distribution</td> </tr> </table>	<b>Scope 3 categories included</b>	4. Upstream transportation and distribution	5. Waste generated in operations	6. Business travel	7. Employee commuting	9. Downstream transportation and distribution
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5. Waste generated in operations							
6. Business travel							
7. Employee commuting							
9. Downstream transportation and distribution							
<b>Total Emissions</b>	<b>3,162</b>						

**Current Emissions Reporting**

Reporting Year: September 2022 to August 2023

EMISSIONS	TOTAL (tCO <sub>2</sub> e)						
Scope 1	1,446						
Scope 2	320						
Scope 3 (Included Sources)	1,234 <table border="1" style="margin-left: 20px;"> <tr> <td><b>Scope 3 categories included</b></td> </tr> <tr> <td>4. Upstream transportation and distribution</td> </tr> <tr> <td>5. Waste generated in operations</td> </tr> <tr> <td>6. Business travel</td> </tr> <tr> <td>7. Employee commuting</td> </tr> <tr> <td>9. Downstream transportation and distribution</td> </tr> </table>	<b>Scope 3 categories included</b>	4. Upstream transportation and distribution	5. Waste generated in operations	6. Business travel	7. Employee commuting	9. Downstream transportation and distribution
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4. Upstream transportation and distribution							
5. Waste generated in operations							
6. Business travel							
7. Employee commuting							
9. Downstream transportation and distribution							
<b>Total Emissions</b>	<b>3,000</b>						

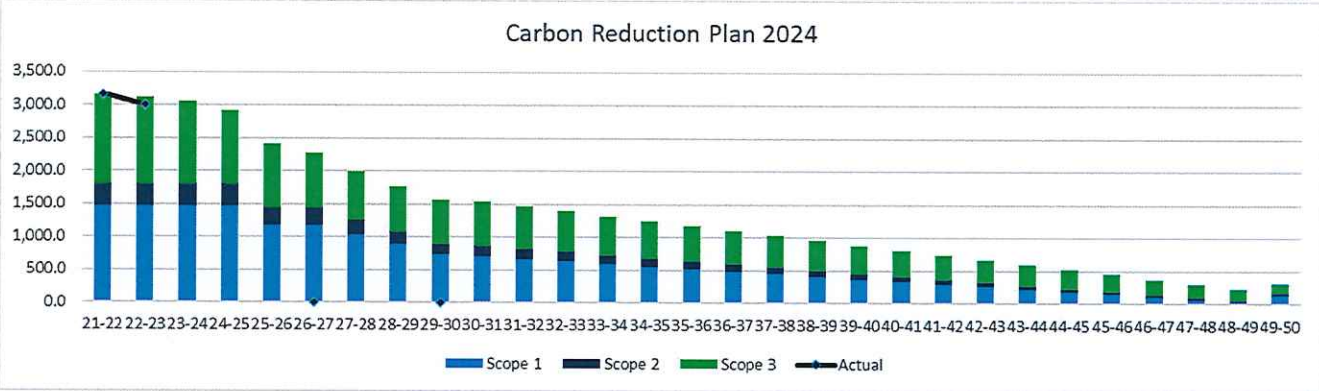
# Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the carbon reduction targets detailed in the graph below.

We project that carbon emissions will decrease to 1,573 tCO<sub>2</sub>e by 2029-30. This is a reduction of 50% from our baseline year.

The acceleration in progress from 2025 to 2030 is anticipated to be from savings arising in internal, upstream and downstream transportation improvements. This will be due to changes in fleet type and fuel source.

As this is our baseline year there is no progress to be tracked yet against our targets, however our reduction path is plotted below.



# Carbon Reduction Projects

## Completed Carbon Reduction Initiatives

Since 2021 Sigma has been using a 100% zero carbon energy tariff for all supplies. Our supplier has not provided green energy certificates to enable us to declare a market based emissions result in accordance with the Green House Gas Protocol Scope 2 Guidance, so we have reported our location based results.

A pilot scheme utilising electric vans was unsuccessful due to loaded range and charging point limitations. We will keep this under review and have ongoing dialogue with our fleet partners,

A heating system update in one of largest buildings achieved a 27.5 tCO<sub>2</sub>e saving in the year from lower Gas consumption, representing a 2% saving in Scope 1 emissions relative to the 2021-22 baseline. This was negatively offset by increased business travel arising from international business trips for conferences and supply chain management.

There was a major reduction in employee commuting emissions. While a green travel plan was launched, the change is predominantly due to the employee surveying showing a greater proportion of the workforce having smaller engine vehicles.

There was also a significant saving in Upstream transportation and distribution. We completed an initial supply chain engagement exercise in March 2023, however the saving is predominantly due to the timing of stock procurement and delivery rather than proactive changes by suppliers.

## Future carbon reduction initiatives

In 2024 we will:

1. Engage with our fleet suppliers and create a fleet emissions reduction strategy (Scope 1 emissions). We are in early discussions with some market leading manufacturers about this new technology. The technology may not be available for our next fleet upgrade. But a hybrid solution in the next 2-3 years is possible.
2. Complete a heating system review and create a Scope 1 Heating emissions reduction strategy.
3. Carry out a feasibility and cost benefit analysis for on site solar electric system installation (Scope 2)
4. Engage with our largest suppliers to establish a more accurate emissions measurement system, and their medium term reduction plans (Scope 3)
5. Boxx Docks - a tech enabled eco-system that enables us to map, monitor, and maintain tote movements throughout our network. This will significantly reduce tote leakage. We are currently at the trial stages which are going well. Once we go-live fully this will be a market leading solution in the Pharma industry. Anticipated go-live date of mid March '24.

## 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 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:



Date: .....

8/4/2024

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

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

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