Hatmill

Produced by **flotilla**

Carbon Reduction Plan
PPN 06/21
Compliant

Date published: 04 March 2024

Cabinet Office

Contents

Introduction

"Our PPN Compliance Report, in collaboration with sustainability experts Flotilla, has been a crucial step in the way we understand our carbon impact. By establishing a baseline of operational emissions and setting achievable reduction targets, Hatmill is taking proactive steps towards sustainability. With a focus on reducing business travel emissions, our comprehensive report provides actionable insights to drive meaningful change and align with environmental goals."

Embracing Corporate Responsibility and Accountability

At Hatmill, we believe in embracing Corporate Responsibility and Accountability through our distinctive teal culture - a collaborative and self-organising approach that empowers our team to drive positive change from within. This approach provides comprehensive resources, ongoing training, and committed support, enabling our people to actively contribute to reducing our carbon footprint. Our teal culture fosters a unique environment where everyone makes a significant difference in both our communities and the environment. We invite you to join us in shaping a sustainable future together.

" *At Hatmill, we are committed to **driving change** in the logistics and supply chain industry* "

Aaron Thomas, Consultant at Hatmill

Carbon Reduction Plan

Supplier name: Hatmill

Publication date: 04 March 2024

Commitment to achieving Net Zero:

Hatmill is committed to achieving Net Zero emissions by **2039**.

NET ZERO
by 2039

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.

Hatmill have not previously calculated or recorded their emissions and thus the baseline year of 2023 is equivalent to the most recently reported year.

The Hatmill GHG emissions inventory is aligned to the GHG Protocol and covers Scope 1 and 2 as well as the following Scope 3 categories:

Category 1: Purchased goods and services **1**

- This includes only the emissions in relation to head office operational costs. Whilst outside the categories required below, this provides insight into the hidden carbon footprint in our wider supply chain. This has been calculated using the spend-based method.

Category 4: Upstream transportation and distribution **4**

- Hatmill do not have any emissions in this category and thus there is nothing to report.

Category 5: Waste generated in operations **5**

- This includes all waste generated from operations. This has been calculated using the spend-based method of aggregated waste data.

Category 6: Business travel **6**

- This includes all business travel and has been calculated using a combination of spend-based methods and distance-based methods depending on the data available.

Category 7: Employee commuting **7**

- Through an employee survey, we gathered valuable insights on commuting, home office energy use, and environmental concerns. This feedback is driving our carbon reduction plan and ensuring our employees are active participants in our sustainability efforts. This has also increased the accuracy of our emissions in comparison to using national averages.

Category 9: Downstream transportation and distribution **9**

- Hatmill do not have any emissions in this category and thus there is nothing to report.
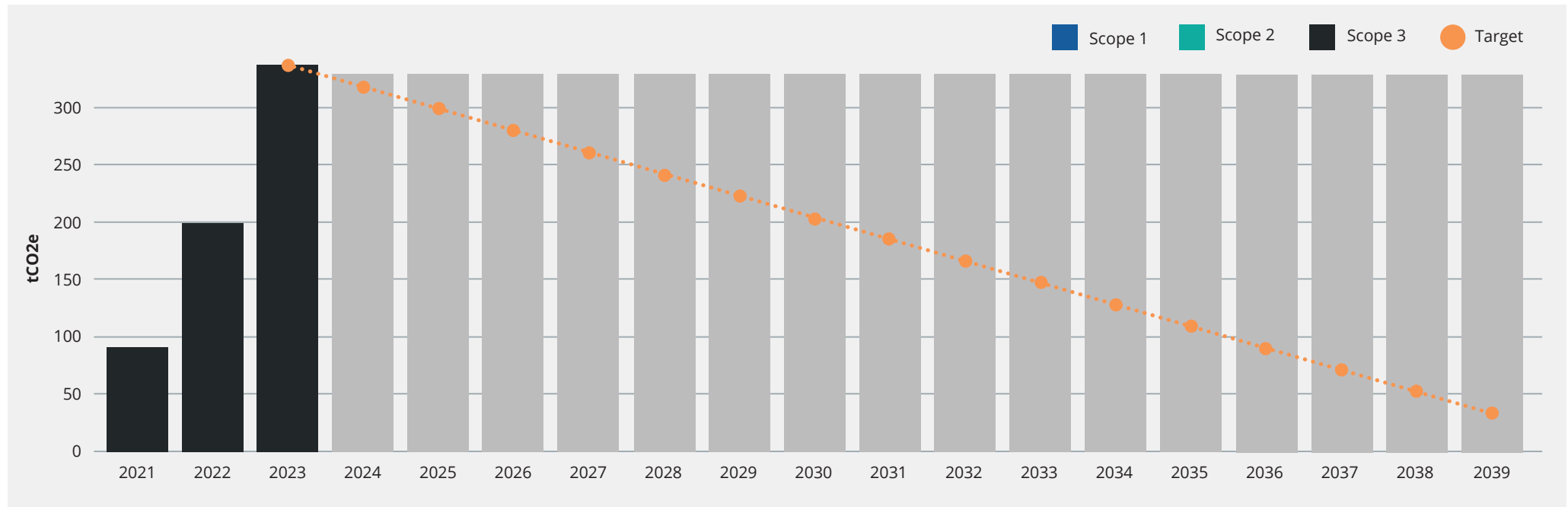
Baseline Emissions Report

Baseline Year: March 2023

Additional details relating to the Baseline Emissions calculations.
The baseline year is equal to the most recent year and thus there are are no differences in calculation. The detail above outlines the approach taken in the baseline year and the most recent year.

Baseline year emissions:

EMISSIONS	TOTAL (tCO2e)
Scope 1	0
Scope 2	0
Scope 3 (Included Sources)	Category 1: **164.9** Category 4: **0** Category 5: **0** Category 6: **167.4** Category 7: **5** Category 9: **0**
Total Emissions	337.3

Current Emissions Reporting

Reporting Year: March 2023	
EMISSIONS	TOTAL (tCO2e)
Scope 1	0
Scope 2	0
Scope 3 (Included Sources)	Category 1: **164.9** Category 4: **0** Category 5: **0** Category 6: **167.4** Category 7: **5** Category 9: **0**
Total Emissions	337.3

337.3
tCO2e

Emissions Reduction Targets

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

We project that carbon emissions will decrease over the next five years to 260.4 tCO2e by 2027. This is a reduction of 23%. We further commit to a 40% reduction by 2030 to 202.5 tCO2e in line with Science Based Targets.

Progress against these targets can be seen in this graph:

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented prior to the 2023 baseline, demonstrating Hatmill's commitment to reduction. As this was prior to the baseline, there are no associated emissions recorded.

- Created a board-level climate commitment.
- Reviewed the sustainability credentials of our pension funds.
- Implemented a sustainable travel policy.
- Implemented a 'stay or go' policy to limit emissions from business travel.
- Replaced air travel with rail for domestic journeys.
- Encouraged car sharing for business meetings.
- Introduced an electric car salary sacrifice scheme.

To reduce our Scope 3 Category 1 – Purchased Goods and Services emissions, we plan to:
- Incorporate sustainability in to procurement processes and policies.
- Create a sustainability focused supplier code of conduct.

To reduce Scope 3 Category 6 – Business travel, we have/plan to:
- Reissued an updated Sustainable Travel Policy that includes 'Stay or Go, for conducting meetings online (where feasible).
- Increase the use of public transport and electric cars for journeys which need to be undertaken.
- Encourage car-sharing for business travel where possible.
- Tracked fuel type of business mileage in employee-owned vehicles to better inform the calculations.

To reduce Scope 3 Category 7 – Employee commuting emissions, we plan to:
- Educate our employees on energy reduction while working from home.
- Create sustainable home working guidance.
- Create an employee-led green team.

To encompass and encourage reductions across all our operations we also plan to:
- Educate the board on sustainability, their responsibilities and impact.
- Ensure the board has oversight of sustainability
- Provide employees with job-specific sustainability training.
- We will hold our semi-annual away days at the most centrally located venue in the UK to minimise travel for everyone.
- Create a climate and biodiversity contribution strategy, integral to our wider decarbonisation efforts.
- As our presence expands in the UK and into new countries, we persist in operating without physical office spaces.

Science Based Targets Initiative

In addition to our initiatives, we're committed to establishing ambitious targets through the Science Based Targets Initiative. Additionally, we actively participate in the SME Climate Hub to address climate change within the small and medium-sized enterprise community.

BCorp

- Mindful of our social and environmental responsibilities, we are excited to announce our initiative to pursue B Corporation certification in 2024. Having submitted our B Impact Assessment for verification in Q1, we are committed to meeting the rigorous standards set forth by the B Corp community. With determination and dedication, we aim to achieve B Corp status by Q4, further solidifying our commitment to sustainable and ethical business practices.

Science Based Targets

- We are pleased to announce our pursuit of approval for our net zero approach and targets by the Science Based Targets initiative (SBTi) in 2024. With our application formally submitted, we eagerly anticipate the validation process. Our commitment to transparency and accountability in addressing climate change is unwavering, and we are determined to align our efforts with the most rigorous standards of scientific integrity. As we await approval, we remain persistent in our dedication to achieving meaningful emissions reductions and contributing to a sustainable, low-carbon future for generations to come.

SME Climate Hub

- We are proud to announce our membership in the SME Climate Hub and our recent submission of our first annual emissions report. This milestone underscores our commitment to climate leadership within our community. Our ongoing reporting and dedication to transparency demonstrate our firm resolve to address climate change. We look forward to continuing our efforts to reduce emissions and contribute positively to the fight against climate change, reinforcing our position as a responsible and forward-thinking member of our community.

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[4] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[5].

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[6].

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Hatmill   **Hatmill**

Signed by: *Aaron Thomas*

Position: **Consultant at Hatmill**

Date: 04 March 2024

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Signed by: *Sara Snow*

Position: **Carbon Accountant**

Date: 04 March 2024

4 https://ghgprotocol.org/corporate-standard
5 https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
6 https://ghgprotocol.org/standards/scope-3-standard

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zero is everything