Carbon Reduction Plan

Supplier Name: Pennington Choices
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Commitment to achieving Net Zero

Pennington Choices is committed to achieving Net Zero emissions by 2040.

Interim Target

50% reduction in Scope 1, 2 and Business Travel by 2030.

Carbon Neutral Target

Pennington Choices is committed to reducing its greenhouse gas emissions (GHG) towards net zero and becoming carbon neutral by 2030. This means any GHG emissions which are not reduced will be offset using a verified Nature-Based Solutions (NBS) project. For example, Gold Standard, UK Woodland Carbon Code, Earthly or Ecologi. This allows Pennington Choices to invest in high-integrity nature projects.

Race to Zero Committed

By committing to reduce emissions through the SME Climate Hub, Pennington Choices has been counted in the UN Climate Change High-Level Champion's Race to Zero campaign. They therefore partner with thousands of businesses and governments globally to reach net zero emissions by 2050.

About Pennington Choices

Now in our 25th year, Pennington Choices was created to provide services and outstanding customer experience to the social housing sector across the UK. We began our journey to help create safer environments for people and buildings.

We have now worked with more than 800 public and private sector organisations across social housing, NHS, education, and rail and are continuing our growth journey in 2024. Our demonstrable track record and client loyalty prove we deliver on our promises, on time, and with quality.

The services we provide are summarised below and are a mix of consulting, professional, service delivery, and outsourced activities.

- Building and Fire Safety
- Damp and Mould Surveys
- Asbestos Management
- Project Management and Cost Consultancy
- Consultancy
- Asset Management
- Retrofit and Energy Services
- Training Courses

We develop lasting professional relationships and partnerships with all our clients. We do this by helping them to meet their strategic objectives by adding real value to organisations and projects. Many of our long-term clients are contractors, social housing organisations, local authorities, health and social care organisations, private landlords, homeowners, and education providers.

Pennington Choices operates as a surveying and consultancy provider and as such has few sources of direct GHG emissions. These direct emissions do include a small fleet of operational vehicles, as well as a propane gas heating system at our head office, and natural gas at our other office. Pennington Choices employs circa 140 employees.

Our indirect emissions from imported energy relates directly to the 2 office sites we currently operate from. Energy consumption for these offices has been aggregated due to these being shared buildings and not fully under our control.

Introduction

Carbon Accounting System

Pennington Choices has chosen to use the Government-aligned tool, Climate Essentials (CE), as their carbon accounting software. CE includes sector-specific accounting for ‘Architectural And Engineering Activities; Technical Testing And Analysis’. Emissions will be measured biennially through the tool and disclosed publicly through this up-to-date CRP.

Methodology

For carbon emissions and conversion factors, CE refers to the Department of Business, Energy, and Industrial Strategy (BEIS) Greenhouse Gas Conversion Factors, which are updated annually. Other conversion factors are also used in cases where they are not provided within the BEIS guidance. Climate Essentials updates the most recently available factors once a year. When needed, CE uses external sources of carbon factors from well-renowned organisations or peer-reviewed papers. For expenditure-based Scope 3 emissions, CE uses the latest dataset based on the Standard Industrial Classification (SIC) codes published by the DEFRA and the UK government.

Scopes

According to the GHG protocol, carbon emissions emitted by organisations and their value chain can be categorised into Scope 1, Scope 2, and Scope 3.

- **Scope 1:** Scope 1 emissions are direct greenhouse gas (GHG) emissions that occur from sources that are controlled or owned by an organisation (e.g. emissions associated with fuel combustion in boilers, furnaces, vehicles).
- **Scope 2:** Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Although Scope 2 emissions physically occur at the facility where they are generated, they are accounted for in an organisation’s GHG inventory because they are a result of the organisation’s energy use.
- **Scope 3:** Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly impacts in its value chain. Scope 3 emissions include all sources not within an organisation’s Scope 1 and 2 boundaries.

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: 2023/2024 (Financial Year)

Additional Details relating to the Baseline Emissions calculations.

Pennington Choices has been measuring emissions since 2021. Although their first emission report was independently verified by BSi, there were a number of Scope 3 categories that were estimated and missing. Pennington Choices has been measuring its emissions comprehensively using the Climate Essentials tool since FY 2023/24. As they plan to report emissions through this software going forward, this is the new baseline year which has been set.

Pennington Choices can capture the total footprint across all three premises in the CE tool and the footprint of each individual premise. For the purpose of the baseline footprint, total company emissions are recorded.

EMISSIONS	TOTAL (tCO_2e)
Scope 1	**178.335**
Scope 2	**0.023**
Scope 3 Included Sources: • Purchased goods and services • Capital goods • Fuel and Energy not included in Scope 1 and Scope 2 • Waste generated in operations • Business travel & hotel stays • Refrigerants • Employee commuting and homeworking • Upstream Leased assets	**1,150.285**
Total Emissions	**1,328.643**

Previous Reports

2021/2022 Emission Report

Additional Details relating to the Emissions calculations.

This Report was independently verified by BSi. The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard methodology was used. Emission sources in the inventory include Scope 1 and 2 emissions as well as the following Scope 3 emissions; Category 6: emissions related to business travel and Category 8: emissions associated with offices – material use, water, electrical transmission and distribution.

The Scope 3, category 8 emissions are not required by PPN 06/21 and therefore were not presented in the reporting year. However, there are a number of Scope 3 emission sources required by PPN 06/21 that were not recorded in this inventory and were calculated separately for inclusion in this Carbon Reduction Plan:

- Category 4 (Upstream transportation and distribution)
- Category 5 (Waste generated in operations)
- Category 7 (Employee commuting)
- Category 9 (Downstream transportation and distribution)

Pennington Choices Ltd developed a methodology and provided estimates for each Scope 3 category listed above. Category 1 Products and Services was not included in this report.

EMISSIONS	TOTAL (tCO_2e)
Scope 1	**174.90**
Scope 2	**11.45**
Scope 3 Included Sources: • Upstream Transport and Distribution – 19.18 • Waste – 0.97 • Business Travel - 152.00 • Employee Commuting – 21.97 • Downstream Transport and Distribution - 0	**194.12**
Total Emissions	**380.47**

2022/2023 Emission Report

EMISSIONS	TOTAL (tCO_2e)
Scope 1	**180.15**
Scope 2	**11.79**
Scope 3 Included Sources: • Upstream Transport and Distribution – 19.18 • Waste - 0.97 • Business Travel - 159.60 • Employee Commuting – 21.97 • Downstream Transport and Distribution - 0	**201.72**
Total Emissions	**393.66**

Baseline Intensity Emissions

Intensity emissions help organisations understand emission reduction regardless of company growth. These can be calculated and compared annually to track progress.

INTENSITY TYPE	2023/24
Employee Intensity Emissions tCO2e / FTE	**9.27**
Revenue Intensity Emissions tCO2e / £m revenue	**80.89**
Energy Intensity Emissions tCO2e (from energy only) / £m revenue	**1.12**
Waste Intensity Emissions tCO2e (from waste only) / £m revenue	**0.15**

Emission reduction targets

The SME Climate Commitment

Recognising that climate change poses a threat to the economy, nature and society at large, Pennington Choices commits to take action immediately in order to:

- Halve our greenhouse gas emissions by 2030
- Achieve net zero emissions by 2040
- Disclose their progress on a yearly basis

Through Climate Essentials and the SME Climate Hub Pennington Choices have set the following targets towards net zero:

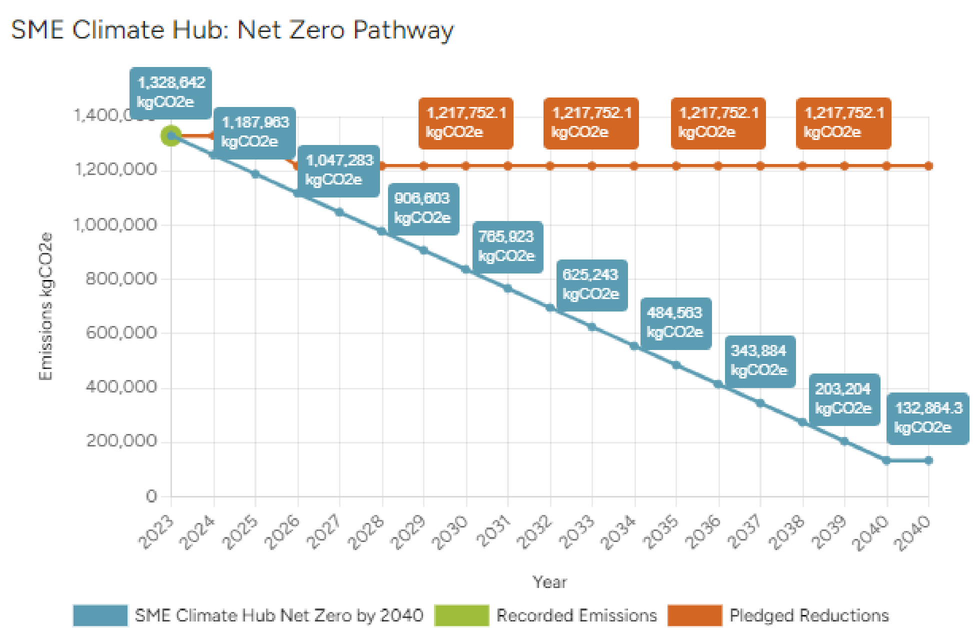
Target: Reduce at least 90% of emissions of Scope 1, Scope 2 and Scope 3 emissions by 2040. Target Emissions by 2040: 132.86 tCO2e

Interim Target: Reduce 50% of emissions of Scope 1, Scope 2 and business travel emissions by 2030. Target Emissions: 99.75 tCO2e

Including:

- Reduce 50% of Energy intensity emissions by 2030. Target: 0.56 tCO2e
- Reduce 50% of Waste intensity emissions by 2030. Target: 0.075 tCO2e

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



*Note: the pledged reduction data can only reflect the reduction actions which are listed in the Climate Essentials software, these do not yet cover all the targets covered in this CRP.

Completed Carbon Reduction Projects

The following environmental management measures and projects have been completed or implemented previous to the 2023/24 baseline. Therefore, the carbon emission reduction achieved by these schemes cannot be quantified but measures will be in effect when performing business services.

- **Energy**
  Pennington Choices procures 100% renewable electricity across both its premises, this has helped to reduce their electricity emissions by over 85%. Both premises have double glazed windows and 85% of premises (by FTE) have LED Lighting to improve energy efficiency and deliver savings of up to 80%. The Warrington office has also invested in 'Intelligent Lighting Controls' (occupancy sensors) to reduce electricity use by up to 30%.

- **Waste**
  Pennington Choices has implemented a recycling system alongside general waste where they can accurately track their waste data by weight (tonnes) and processing type. All offices use reusable utensils, recycle electronic waste responsibly and reduce the use of paper, and avoid single-use plastics (through a Single-Use Plastics Policy)..

- **Transport**
  Pennington Choices offers a cycle-to-work and an electric car scheme to encourage the use of low-carbon commuting where possible. They also avoid business flights to keep their travel emissions low. An electric vehicle was included in their Warrington fleet from February 2024 with the aim of presenting a business case for further EVs in future years.
- **Products and Services**
  Pennington Choices has implemented a Sustainable Home Office Management Policy to encourage employees working from home to make conscious choices around energy use, products purchased and waste management.
- **Governance**
  Pennington Choices has attained B Corp Certification, the provision of this accreditation have served to evolve their governance structures, guide social and environmental decision making. They are proud to have joined a movement of business as a force for good.

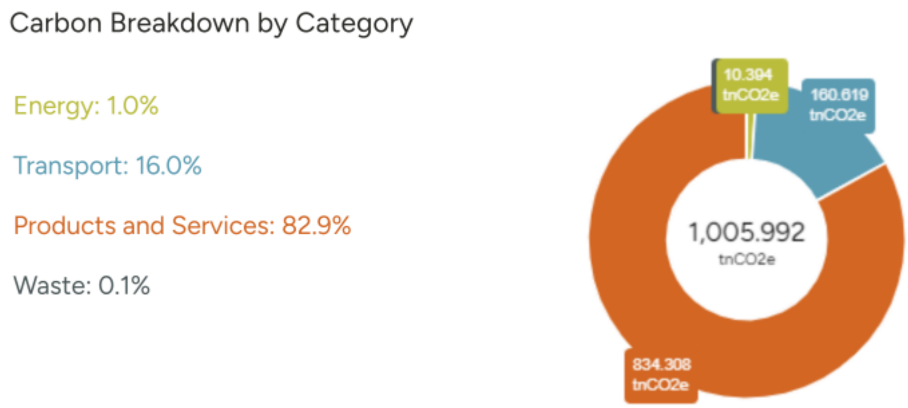
Carbon Reduction Plan

This Carbon Reduction Plan (CRP) has been set from a 2023/24 Baseline year. The chart below represents the carbon emission breakdown by category from Pennington Choices' three premises. The CRP will focus on Energy, Transport and Products and Services emissions, as we can see these are most material to each footprint.

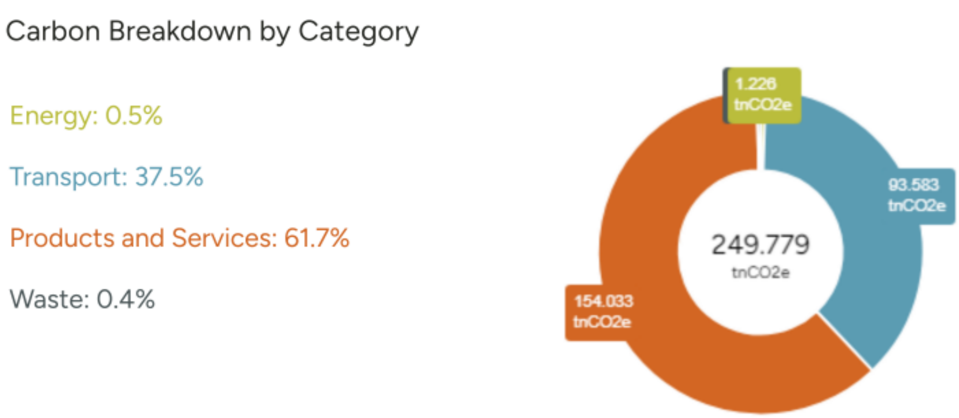
Baseline Emissions by Site (tCO_2e)

Site Name	% of FTEs	TOTAL	Scope 1	Scope 2	Scope 3
Warrington	68%	**1,005.99**	90.74	0.02	915.23
Bromley	27%	**249.78**	81.01	0.00	168.77

Warrington



Bromley



Energy

Both office premises use gas for heating. In the short-term Pennington Choices should look into procuring gas through a 'green gas tariff', this would reduce gas emissions by over 95%. Additionally, to move away from fossil fuels entirely, they can look into replacement Heat Pump schemes, the government is currently offering grants for up to £7,500, which would mean the building can operate entirely from electricity. This action can be tracked in Climate Essentials software.

Pennington Choices can use this GOV tool to quickly understand the EPC rating of each premise. If this is rated C or below they could carry out an energy audit (with landlord approval) to understand how they can improve the efficiency of the building and therefore save energy and money. By opening up a conversation with landlords, Pennington Choices can understand if the building has any previous environmental certifications (e.g. BREEAM) and if the landlord has considered installing solar panels to generate renewable energy onsite. This would increase energy security and bring down energy costs for all tenants.

Pennington Choices can also investigate Building Management Systems to control and monitor energy consumption more effectively. A BMS can manage up to 95% of a building's energy consumption through building mechanical and electrical equipment, e.g. ventilation, lighting, power systems, fire systems, and security systems, without the need for major equipment installation. If a BMS isn't installed, they should track and analyse energy usage across premises annually, or ideally monthly, to identify and address any unusual consumption patterns.

Transport

Pennington Choices should create a 'Low Carbon Travel Policy' to continue to minimise flights, encourage the use of bikes, public transport, walking and car sharing, incentivise electric vehicle use, and encourage employees to book hotels which procure green energy.

69% of employees currently commute to the office(s) by car, while public transport can be encouraged, this cannot always be achieved as offices and employees are in suburban areas with less efficient public transport links. Therefore, Pennington Choices should investigate a salary sacrifice scheme for employees to transition to electric vehicles and introduce EV charge points at office locations to support the transition (grants may be available).

Commuting assumptions were made to estimate the baseline data, so to improve the accuracy of commuting data, annual employee surveys should be conducted to capture miles by travel type, this can be carried out alongside gathering homeworking data (energy use at home).

Products & Services

The tables below show the top 5 material impacts for each premise, across the products and services section.

Warrington Products and Services	Emissions	Target
Professional: Contractors	664.837 tCO2e	Track Green Energy Use
Professional: Pension Services	31.715 tCO2e	SRI/ESG Pension Provider
Professional: Insurance Services	30.418 tCO2e	Track Scope 1 & 2 GHG Emissions
Products: Employee Food & Drink	12.285 tCO2e	Low-Meat Procurement
Products: Electronics	9.821 tCO2e	Circular Procurement

Bromley Products and Services	Emissions	Target
Professional: Contractors	109.5 tCO2e	Track Green Energy Use
Products: Furniture	11.620 tCO2e	Circular Procurement
Products: Electronics	10.740 tCO2e	Circular Procurement
Products: Employee Food & Drink	10.675 tCO2e	Low-Meat Procurement
Professional: Employment services	2.398 tCO2e	Track Scope 1 & 2 GHG Emissions

The hiring of professional contractors/freelancers is the largest contributor to Pennington Choices Products and Services emissions. To reduce these emissions they should engage with their stakeholders to understand:

1. If the contractor works at the company offices or from home/another space
2. If their place of work (home or other) is on a green energy tariff
3. If they are willing to switch to a 100% renewable energy provider - Penington Choices should help to inform the contractor of why and how this is possible (this could be through developing a freelancer sustainability guide)

This information should be tracked in a spreadsheet and can be more accurately captured in the Climate Essentials tool in the future through the ‘Advanced Scope 3’ upgrade.

To reduce emissions from other products and services, Pennington Choices should develop a Green Procurement Policy which focuses on:

1. The most material impacts.
2. Prioritising circular products. Consider the life cycle of products e.g. buying refurbished tech that can be donated to a charity partner when it is no longer wanted (closing the loop).
3. Prioritising suppliers who have divested from fossil fuels (and use renewable energy sources).
4. Prioritising suppliers who have a net zero commitment, sustainability policy and reduction plan (CRP).
5. Prioritising social/environmental certified suppliers (e.g. Organic, ISO & B Corp)

To align with the Procurement Policy, Pennington Choices should implement a Supply Chain Management Plan by creating a spreadsheet which includes 80%+ of non-labour expenses and screens suppliers based on their social and environmental performance (B Corp). In particular, which suppliers measure and disclose emissions, have net zero targets, and produce/procure 100% renewable energy. They should screen suppliers at least bi-annually and switch to green providers if they do not meet interim goals. If Pennington Choices uses/plans to use AI, they should be aware of the significant ethical and environmental risks and should therefore evaluate and reduce risks as much as possible.

Pennington Choices should investigate gathering water usage across its offices so treatment and disposal emissions can be more accurately calculated in the tool.

To track supplier emissions more accurately, companies can upgrade to the Climate Essentials Advanced Scope 3 plan to enter Scope 1 & 2 supplier emissions into the software therefore measuring actual emissions not using industry averages.

Pennington Choices should implement a Sustainable Home Office Management Policy to encourage employees working from home to make conscious choices around energy use, products purchased and waste management.

Waste

To reduce the amount of waste sent to landfill/inclination Pennington Choices should introduce food composting across the offices, clearly signpost bins and replace single-use products as much as possible e.g. refill soaps, SodaStream water, plastic free and non-toxic cleaning brands. A list of 'Sustainable Office Suppliers' could be created to replace common waste streams with more sustainable alternatives. They should also develop a Single-Use Plastics Policy to avoid the use of single-use plastics.

Pennington Choices should continue to implement responsible WEE recycling systems and introduce a technology donation scheme for IT/Tech that is working but no longer wanted.

Climate & Nature

World Wildlife Fund reports that 'Worldwide, 73% of our wildlife populations have been lost since 1970. In some areas, there has been a shocking 95% decline.' To move beyond the language of sustainability, Pennington Choices should educate and engage stakeholders on the climate *and* biodiversity crisis. Technology is heavily dependent on natural resources (fossil fuels and rare minerals) which have the potential to harm nature therefore climate and biodiversity impacts, risks and opportunities should be considered (this is a requirement of the new B Corp standards launching in 2025).

In 2022 the Kunming-Montreal Global Biodiversity Framework (GBF) was signed by nearly 200 parties at COP15, all businesses should develop a Nature/Biodiversity Strategy in line with Global Goals to halt and reverse biodiversity loss by 2030. Businesses can align with these goals by creating a biodiversity strategy using the It's Now For Nature Handbook.

Team Engagement

To successfully deliver the environmental policies and plans, Pennington Choices should continue to upskill their teams in sustainability, circularity and regeneration. This could be through developing an internal comms strategy, delivering engagement workshops, implementing mandatory training and forming internal impact groups.

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. It has been written by a third-party Sustainability Consultant through West London Business and the Government's Better Futures Programme.

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.

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.

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

Signed on behalf of Pennington Choices Ltd:

Becky Crook

Becky Crook | Director of Corporate Services
Date: 20 November 2025