



# CARBON REDUCTION PLAN

FOR

## DEMOCO

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**DEMOCO**  
**Carbon Emissions Report**

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## Carbon Emissions Report

### 1 Net Zero Commitment

**DEMOCO** have committed to a 12 month Net Zero business transformation program, delivered by social enterprise, Net Zero Nation, supported by East Ayrshire Council and Scottish Enterprise. Halo Urban Regeneration Company provide the collaboration workspace to host the cohorts of SMEs working on the Accelerators.

One of the key outcomes of this program is being an advocate for Net Zero to inspire the wider business community to embrace it as a gateway to business growth to make their business stronger, be more competitive within the supply chains they serve and attract the future workforce to join them.

Working within a community of companies taking part in Net Zero Accelerators nationwide, they collaborate and support each other on their journey, providing peer review, creating circular and sustainable approaches to make their business more planet positive and work towards their Net Zero ambitions.

**Net Zero Nation** is a Scottish based social enterprise with a partner network across the United Kingdom. The mission of Net Zero Nation is to help SMEs go further and faster towards their Net Zero goals, tackling climate change. Achieved by mass mobilising SMEs on the Net Zero journey to ensure none are left behind and they fully gain the economic advantages in embracing it as a business imperative. The organisation aims to help regions and communities across the UK become fully capable in delivering the Net Zero Transition by involving all stakeholders across the public, private and academic sectors to drive decarbonisation efforts.

Net Zero Nation helps companies who need carbon certification to bid on contracts, supply chain owners and public sector bodies looking to rapidly gain carbon transparency to meet their own carbon reduction targets in procurement and investment.

**DEMOCO** recognises the importance of making a full and lasting commitment to reducing the greenhouse gas emissions from our activities, in support of the wider commitment of the world to limit global temperature increases and the impact on the planet.

We commit to the following:

1. For our company to achieve Net Zero in line with the Science Based targets set out by the UNFCCC i.e. to achieve Net Zero no later than 2050 and target a 50% reduction in emissions by 2030.
2. To set realistic short- and long-term targets that are designed to achieve our Net Zero commitments.
3. To report the total Greenhouse Gas emissions of our business, at a minimum, on an annual basis.

	Year
<b>Commitment to be Net Zero</b>	<b>2050</b>
<b>50% Emissions Reduction</b>	<b>2030</b>

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### 2 Company Overview

**DEMOCO** is a Limited Company registered in England & Wales, company number 000111999, with a head office address of 123 Other Lane, Other Place, SW1 1AA, United Kingdom.

Year	November 2021 – October 2022
Industry	Construction
No. of Staff	25
No. of Offices – Owned	1
No. of Offices – Leased	1
No. of Company Vehicles - Owned	6
No. of Company Vehicles - Leased	5

DEMOCO is a construction company that builds modular, affordable houses.

### 3 Reporting Period

November 2021 – October 2022

### 4 Organisational Boundary

This report has been constructed using the

- Operational Control Approach

### 5 Operational Scopes

Emissions from Scope 1 & 2 have been measured along with certain Scope 3 emissions. The Scope 3 emissions that have been included are those that have been practical to measure with available data, which are as follows:

- Employee Commuting and Business Travel
- Transmission & Distribution

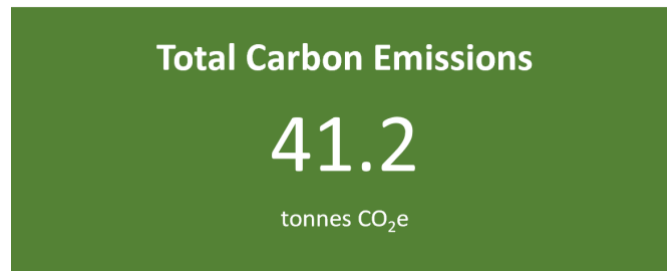
### 6 Baseline Year

This is the first time the company has measured and reported on its carbon emissions and therefore this is the baseline year, i.e. from **November 2021 to October 2022**.

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## Carbon Emissions Report

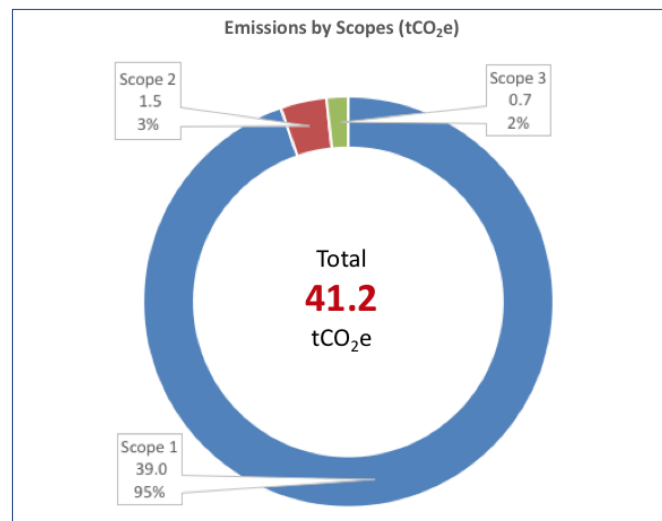
### 7 Carbon Emissions Overview



The total calculated emissions for the business for the period 2021-2022 are 41.2 tCO<sub>2</sub>e. This is the first year the company has measured its carbon emissions. As such this is the baseline year of the company with the breakdown of emissions analysed throughout this report.

The Company will aim to measure an increasing amount of Scope 3 emissions and is committed to reducing their emissions across all scopes.

### 8 Analysis by Scope



Scope 1 emissions amount to 39.0 tCO<sub>2</sub>e, representing 94% of the company's emissions. Scope 1 emissions include gas used in the office and fuel from company vehicles.

Scope 2 emissions accounts for 4% of calculated emissions. This is the electricity used at the company's office. Scope 2 emissions were 1.5 tCO<sub>2</sub>e in this period. The office is not on a renewable tariff.

Scope 3 emissions accounts for 2% of calculated emissions and includes employee commuting and transmission and distribution of office electricity. Scope 3 emissions were 0.7 tCO<sub>2</sub>e in this period

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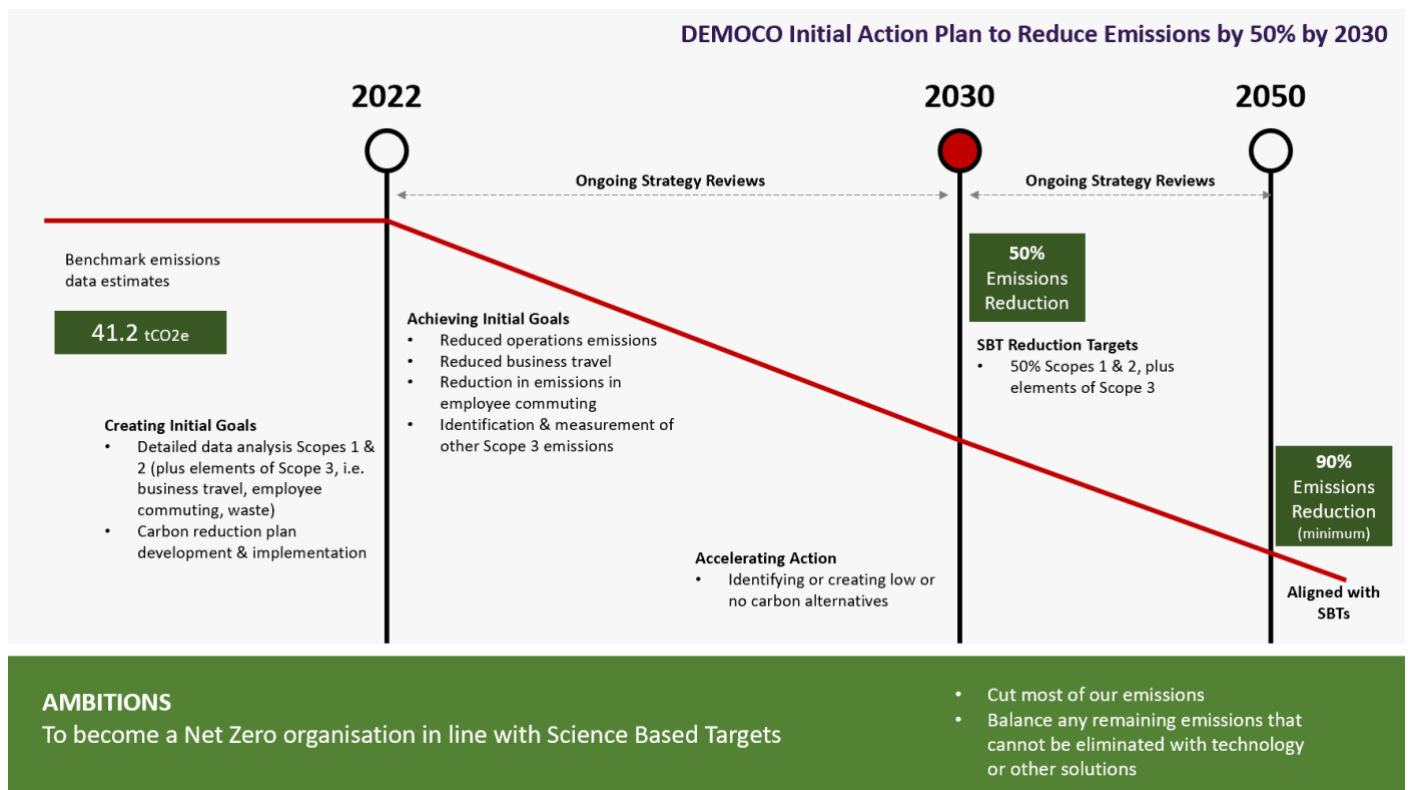
## 9 Intensity Metric Analysis



The chosen intensity metric shows a carbon emissions value of 5.9 tCO<sub>2</sub>e per employee. The business headcount averaged 7 people during the baseline period.

## 10 Emissions Reductions Targets

The following graph summarises the carbon emissions reduction targets.



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**Carbon Emissions Report**

**11 Carbon Reduction Projects**

DEMOCO will develop the following initiatives that will support the company's strategies to meet Science Based Targets:

Strategy	Initiative
Sustainable travel policy	<ul style="list-style-type: none"><li>• Encourage the use of public transport and lower carbon transport where practical to do so.</li><li>• i.e. using ferry instead of flights, using train rather than car.</li></ul>
Employee engagement	<ul style="list-style-type: none"><li>• Ensure all team are aware of the report and their impact on the emissions of the business.</li><li>• Create an opportunity for all the team to contribute to ideas and opportunities to reduce emissions.</li></ul>
Sustainable supplier policy	<ul style="list-style-type: none"><li>• To review our supplier policy in 2023 to launch a sustainable supplier policy in 2024.</li><li>• To liaise with industry and other partners to promote low carbon innovation.</li></ul>
Sustainable company vehicle policy (electric car feasibility)	<ul style="list-style-type: none"><li>• We will review the replacement of our diesel vehicle with electric when it is practical to do so.</li></ul>
Energy Review	<ul style="list-style-type: none"><li>• To review gas and electric supplies and to consider the option of moving to electric heating for the building.</li></ul>

**Signed on behalf of DEMOCO**

Name:

Position: **Director**

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## Carbon Emissions Report

### 12 Emissions Data

The data contained in the table below represents total emissions calculated and is consistent with SECR requirements. All sources of emissions that have been measured are included in the totals below. Emissions from key activities are summarised in the previous sections.

	SECR Status	Current Reporting Year Nov 21–Oct 22
Energy consumption used to calculate emissions Electricity Scope 2 - UK & Offshore (kWh)	Mandatory	7,252
Energy consumption used to calculate emissions – Global, excluding UK & Offshore (kWh)	Mandatory	N/A
Basis of Energy reporting (Location or Market)		Location
% of total energy sourced from certified renewable sources		0%
Emissions associated with energy consumption - UK, Offshore & Global (tCO <sub>2</sub> e)		1.5
Emissions from activities for which the company is responsible including combustion of fuel & operation of facilities - <b>Scope 1</b> (tCO <sub>2</sub> e)	Mandatory	39.0
Emissions from purchase of electricity, heat, steam and cooling purchased for own use - <b>Scope 2</b> (tCO <sub>2</sub> e)	Mandatory	1.5
<b>Total Scope 1 &amp; 2 Emissions (tCO<sub>2</sub>e)</b>	<b>Mandatory</b>	<b>40.5</b>
Emissions from upstream activities out of operational control - <b>Scope 3</b> (tCO <sub>2</sub> e)	Optional	<b>0.7</b>
Emissions from use of sold products and services out of operational control - <b>Scope 3</b> (tCO <sub>2</sub> e)	Optional	None included
<b>Total Gross Scope 3 Emissions (tCO<sub>2</sub>e)</b>	<b>Optional</b>	<b>0.7</b>
<b>Total Scope 1, 2 &amp; 3 Emissions (tCO<sub>2</sub>e)</b>	<b>Optional</b>	<b>41.2</b>
Intensity ratio tCO <sub>2</sub> e (gross Scope 1, 2 & 3) per employee	Optional	5.9
Carbon offsets (tCO <sub>2</sub> e)	Optional	<b>0.0</b>
<b>Total Annual Net Emissions (tCO<sub>2</sub>e)</b>	<b>Optional</b>	<b>41.2</b>



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**13 Data Overview**

Data Details		2022		
Emission Type	Scope	Volume tCO <sub>2</sub> e	Data Source (2021-22)	Data Confidence
<b>Energy</b>				
Gas	1	6.0	Consumption data	High
Electricity	2	1.5	Consumption data	High
<b>Business Travel</b>				
Owned Vehicles	1	33.0	Litres Purchased	High
<b>Employee Commuting</b>				
Car Travel	3	0.6	Employee Engagement	Medium
<b>Other Emissions Calculated</b>				
Transmission & Distribution	3	0.1	Electricity Bills	Medium
		<b>41.2</b>		

## 14 Standard and Methodology Used

**DEMOCO** categorises its Greenhouse Gas (GHG) Emissions as Scope 1, 2 or 3 as referred to in the WBCSD – WRI Greenhouse Gas Protocol (revised edition, dated March 2014). Emissions in Carbon Dioxide equivalent (CO<sub>2</sub>e) for all scopes are calculated using the conversion factors listed in DESNZ Greenhouse Gas Conversion Factors for the relevant 12-month period over which the Carbon Footprint is calculated. Procured renewable electricity and gas is calculated in accordance with the WBCSD – WSI Scope 2 Guidance on procured renewable energy (2015).

## 15 Data Quality / Confidence

The data used to generate this report has been collected from various sources from both within the company and using assumptions gathered by Net Zero International. These emissions have been converted to CO<sub>2</sub>e using GHG Protocol and BEIS frameworks and conversion factors for the relevant period.

## 16 Declaration & 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.

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 agreed by the board of directors (or equivalent management body).

**Signed on behalf of DEMOCO**

Name:

Position: **Managing Director**

**Signed on behalf of Net Zero International**

Name: **David Hawes**



Position: **Co-Founder**

**Signed on behalf of Net Zero Nation**

Name: **Tabitha Jayne**

Position: **Director+**

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## Carbon Emissions Report

### 17 Glossary

<b>Baseline Data</b>	The chosen 12-month period that sets the calculated emissions that need to be mitigated and/or offset.
<b>Carbon Reduction</b>	Reduction in measured CO <sub>2</sub> e emissions
<b>Carbon Reduction Plan</b>	Plan to reduce CO <sub>2</sub> e emissions over a period of time, updated annually
<b>Carbon Emissions (Gross)</b>	CO <sub>2</sub> e emissions from Company activities
<b>Carbon Emissions (Net)</b>	CO <sub>2</sub> e emissions from Company activities minus verified carbon offsets the Company purchases
<b>Carbon Neutral</b>	When emissions are fully offset including those emissions that could be mitigated.
<b>Carbon Offsets</b>	A removal or reduction of carbon emissions through a verified scheme.
<b>CO<sub>2</sub>e</b>	All greenhouse gases expressed in terms of Carbon Dioxide equivalent (CO <sub>2</sub> e) for consistency of reporting.
<b>DESNZ</b>	Department of Energy Security and Net Zero ( <a href="https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting">https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting</a> )
<b>GHG Protocol</b>	Greenhouse Gas Protocol <a href="https://ghgprotocol.org/">https://ghgprotocol.org/</a>
<b>Greenhouse Gases</b>	Carbon Dioxide (CO <sub>2</sub> ), Methane (CH <sub>4</sub> ), Nitrous Oxide (N <sub>2</sub> O), Chlorofluorocarbons (CFCs and HCFCs), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF <sub>6</sub> )
<b>Greenhouse Gas Conversion Factors</b>	Annually published conversion factors normally published by relevant government departments. Converts activity into CO <sub>2</sub> e emissions.
<b>Greenhouse Gas Emissions (GHG)</b>	Gases in the atmosphere that absorb and radiate heat
<b>Intensity Metric/Ratio</b>	A metric that measures carbon emissions per relevant unit of activity in a business.
<b>Market Reporting v Location Reporting</b>	Market is based on specific tariffs. Location is based on the country from which you are reporting.
<b>Net Zero</b>	GHG emissions are mitigated and those that cannot are offset
<b>Renewable Tariff</b>	An energy tariff that is 100% powered by renewable energy and is certified.
<b>SBT</b>	Science Based Targets – reducing emissions by 50% by 2030 and by 90% by 2050 and offsetting the remaining amount.
<b>Scope 1</b>	The fuels that are burnt (gas, transport the company owns, refrigerant gases)
<b>Scope 2</b>	The energy that is bought (electricity from the grid, purchased heat)
<b>Scope 3</b>	Emissions embedded in everything a company buys and emitted as a consequence of everything a company sells.
<b>SECR</b>	Streamlined Energy & Carbon Reporting
<b>tCO<sub>2</sub>e</b>	Metric tonnes of CO <sub>2</sub> equivalent emitted.
<b>WBCSD</b>	World Business Council for Sustainable Development <a href="https://www.wbcsd.org/">https://www.wbcsd.org/</a>
<b>WRI</b>	World Resource Institute <a href="https://www.wri.org/">https://www.wri.org/</a>