



Cabinet Office

## CARBON REDUCTION PLAN GUIDANCE

### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

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<sup>1</sup>Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>2</sup>Technical Standard can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991625/PPN\\_0621\\_Technical\\_standard\\_for\\_the\\_Completion\\_of\\_Carbon\\_Reduction\\_Plans\\_\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf)

<sup>3</sup>Guidance can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991623/Guidance\\_on\\_adopting\\_and\\_applying\\_PPN\\_06\\_21\\_\\_Selection\\_Criteria\\_\\_3\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf)

# Carbon Reduction Plan Template

Supplier name: Orifarm UK Limited.....

Publication date: Responsible Growth ESG Report 2023.....

## Commitment to achieving Net Zero

[Orifarm Supply AS] Awaiting SBTI validation of our short-term targets - January 2025.

## 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.

**[Instructions to Suppliers:**

**Please provide details of your organisation's baseline emissions below. If your organisation has not previously assessed or reported emissions, please detail this below and use your first reporting period as your Baseline.]**

<b>Baseline Year: 2022</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
<b>[Instructions to Suppliers:</b>	
<b>Add commentary regarding your Baseline Emissions as required: e.g. historic baseline which deviates from the requirements under this measure (e.g. no prior Scope 3 emissions reporting), where there is no previous reporting and the creation of a new baseline due to substantial organisational change or restructuring]</b>	
<b>Baseline year emissions: 2022</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	4,315
<b>Scope 2</b>	Location-based and market-based 8,264
<b>Scope 3 (Included Sources)</b>	To be defined 2024
<b>Total Emissions</b>	12,579

## Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	4,420
Scope 2	Location-based and market-based 7,529
Scope 3 (Included Sources)	To be defined 2024
<b>Total Emissions</b>	11,949

## Emissions reduction targets

*[Instructions to Suppliers:*

*If existing emissions reduction targets are in place for your organisation, please provide details below.*

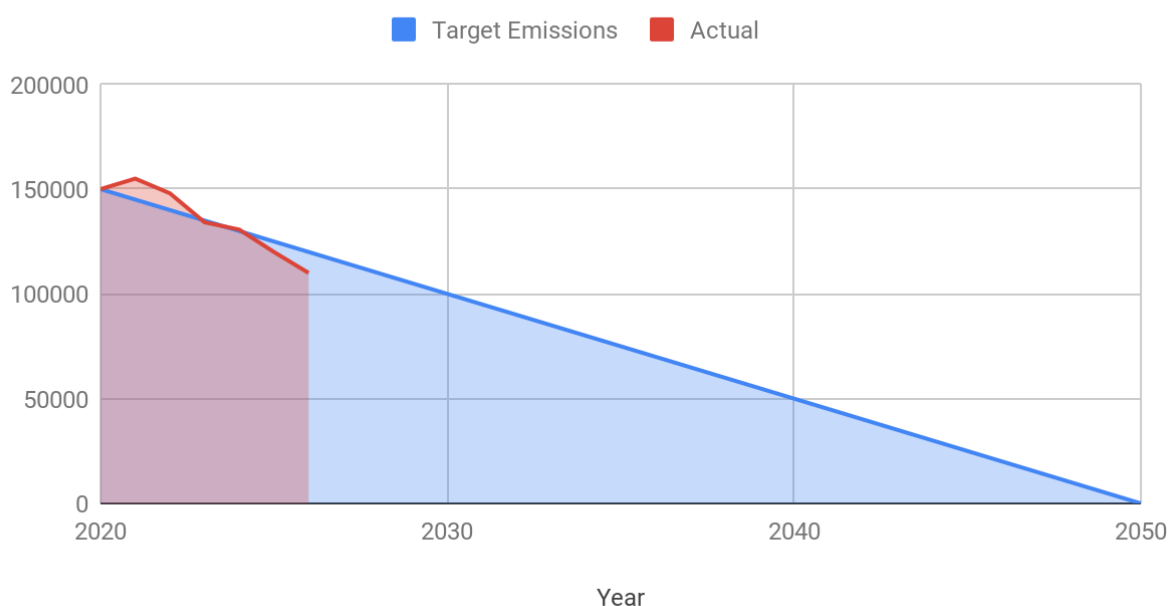
*If you have no previous emissions reduction commitment, or if this is your organisation's first carbon footprint, please provide targets for your organisation]*

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 **XX** tCO<sub>2</sub>e by 20**XX**. This is a reduction of **XX**%

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

## Carbon Reduction: Projected vs. Actual



## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2022 baseline. The carbon emission reduction achieved by these schemes equate to 630 tCO<sub>2</sub>e, a 5.0%ge reduction against the 2022 baseline and the measures will be in effect when performing the contract

Dealing with climate risks according to the recommendation of the Taskforce on Climate related Financial Disclosures (TCFD) is also an integrated part of the journey that lies ahead for Orifarm in terms of climate change.

In 2022, we updated our supply chain risk assessment methodology to include a supply chain evaluation of the physical climate risks both chronic and acute. This was done as part of a bigger effort to improve supplier management in our Generics business area and shows some of the great opportunities for Orifarm to fully integrate sustainability into our core business.

In 2023, we have continued mapping climate risks. The transactional risks on policy, technology, market, and reputation are also to be integrated into our work on setting science-based targets.

### **Energy use from renewable sources**

The energy consumption in 2023 ended at 35.242 MWh (34.816 MWh in 2022) with a share of renewable energy at 4% (23% in 2022). The share of renewable energy is partly coming from our own production of renewable electricity through PV solar panels and partly through the renewable energy share in the energy grid in the country of use.

This year, we have a lower percentage of renewable energy. This is mainly because we purchased fewer Renewable Energy Certificates (RECs) compared to 2022, as we have decided to invest in concrete efforts to improve our energy use.

Our targets for share of renewable energy are unchanged, and we believe our efforts will bear fruit in the coming years. One of these efforts have this year been our focus on implementing solar panels in Poland, aiming to achieving CO2 neutrality at our production site in Poland by 2032.

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

Orifarm has committed to set near-term and long-term company-wide emission reductions in line with science-based net-zero with the SBTi.

Orifarm has responded to the SBTi's urgent call for corporate climate action by committing to align with 1.5°C and net-zero through the Business Ambition for 1.5°C campaign.

### **Orifarm Targets**

#### **Operational GHG emissions**

- SBTi-aligned interim target, 2025 - At least 15.7% reduction; no use of unbundled RECs or offsetting
- SBTi-approved near-term target, 2030 - At least 42% reduction; no use of unbundled RECs or offsetting

#### **Renewable energy**

- 30% renewable energy, 2025 Without use of unbundled RECs
- 50% renewable energy, 2030 Without use of unbundled RECs

*Our baseline for 2022 is 21% renewable energy*

It is our ambition to implement an environmental management system based on the ISO14001:2015 to secure we are in control and continuously improve our packaging materials to promote a higher environmental responsibility with our suppliers, subcontractors, and strategic partners.

## **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>4</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>5</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

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<sup>4</sup><https://ghgprotocol.org/corporate-standard>

<sup>5</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>6</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:**

.....*John Vaughan*.....

Date: .....07/08/2024.....

<https://www.orifarm.com/publications/>

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<sup>6</sup><https://ghgprotocol.org/standards/scope-3-standard>