



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Carbon Reduction Plan

Supplier name: Harrogate Water Brands

Publication date: 30/10/2024

Commitment to achieving Net Zero

Harrogate Water Brands as part of the Danone company is committed to achieving Net Zero emissions by 2050. [Click here](#) to view our Danone Climate Transition Plan, which sets out our plan to achieve near term reduction targets by 2030 and places us on the pathway towards Net Zero.

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.

Harrogate Spring Water original baseline year was **2019** when total emissions were **25059 tCO₂e**, before carbon reduction initiatives were implemented. Since becoming part of Danone the baseline year has been adjusted to 2020 to align with Danone's global SBTi target. The Harrogate Spring Water CO₂ emissions in 2020 are much lower than the 2019 figure as sales were very significantly impacted by the covid lockdown, as well as carbon reduction initiative that commenced in 2020, leading to a corresponding reduction in CO₂ emissions.

Baseline Year: 2020

Additional Details relating to the Baseline Emissions calculations.

As part of Danone Harrogate Water use the Danone company calculation methodology (from the published Universal Registration Document) To the exclusion of offices and R&D centres, Scopes 1 and 2 emissions were calculated in accordance with the methodology set out in the GHG Protocol Corporate Standard (January 2015 revised edition). In January 2015, the GHG Protocol published a guidance document on the method used to account for Scope 2 greenhouse gas emissions, which introduces dual reporting:

- Location-based reporting, which reflects emissions due to electricity consumption from a conventional power grid. It therefore uses primarily an average emissions factor of the country's energy mix.
- Market-based reporting, which reflects emissions from energy consumption considering the specific features of the energy contracts chosen and also considers the impact of the use of energy from renewable sources.

Danone has set its reduction targets according to the market-based method.

Emissions (scopes 1 and 2) are calculated by applying global warming potentials and emissions factors to the activity data:

- The global warming potentials used for methane (CH₄) and nitrous oxide (N₂O) as well as the impact of fugitive emissions of refrigerants correspond to data in the IPCC Fifth Assessment Report (AR5), Climate Change 2013. The IPCC (Intergovernmental Panel on Climate Change) is a group of inter-governmental experts specialized in climate change.
- The emissions factors used to calculate emissions related to energy combustion correspond to data in the 2006 IPCC Guidelines (2006 IPCC Guidelines for National Greenhouse Gas Inventories)
- Electricity emissions factors follow the hierarchy defined in the new Scope 2 guidance document of the GHG Protocol for market-based reporting. Suppliers' specific factors must be certified by instruments that prove the origin of electricity (guarantee of origin certificates). If some of the electricity used is not of certified origin, the emissions factors used are the national residual mixes published by official bodies such as the Association of Issuing Bodies (AIB) in Europe and Green-e in North America. For countries that do not have green-electricity attribute instruments, the emissions factors used are those used for location-based reporting provided by the International Energy Agency (2019 publication of energy mixes in 2017 for year 2020)
- The factors used for heating and steam are from the UK Department for Environment Food & Rural Affairs' (DEFRA) 2018 publication and the factors used for cooling are from the carbon database of the French Agency for the Environment and Energy Management (ADEME, 2017)
- The emissions factors used to characterize the impact of fugitive refrigerant emissions are based on the IPCC Fifth Assessment Report (AR5), "Climate Change 2013: The Physical Science Basis" published in 2013.

Scope 3 emissions are calculated in accordance with the methodology set out in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. These emissions are calculated by applying to each reporting entity's activity data the emissions factors from life-cycle analysis databases (Ecoinvent), professional federations (Plastics Europe, FEFCO, FEVE), the Food and Agriculture Organization of the United Nations (FAO), suppliers that have measured their products, and measures recorded as part of the deployment of the Cool Farm tool.

The updated methodology and rules for calculating scope 3 emissions were documented. An independent third party has confirmed that these carbon accounting guidelines comply with the GHG Protocol.

The following categories are reported as Scope 3 emissions:

Upstream:

- Category 1. Purchased goods and services
- Category 3. Fuel and energy related activities (not included in Scope 1 and 2)
- Category 4. Upstream transportation and distribution
- Category 5. Waste generated in operations
- Category 6. Business travel
- Category 7. Employee commuting

Downstream:

- Category 9. Downstream transportation and distribution
- Category 11. Use of sold products
- Category 12. End of life treatment of sold products

Excluded Scope 3 categories:

- Category 2. Capital goods¹
- Category 8. Upstream leased assets²
- Category 10. Processing of sold products³
- Category 13. Downstream leased assets⁴
- Category 14. Franchises⁵
- Category 15. Investments⁶
-

Harrogate Water Scope 1 and 2 Emissions

Scope 1 and 2 consumption and CO2e emission data has been calculated in line with the 2019 UK Government environmental reporting guidance. The following Emission Factor Databases consistent with the 2019 UK Government environmental reporting guidance have been used, utilising the current published kWh gross calorific value (CV) and kgCO2e emissions factors relevant for reporting year 01/01/2021 – 31/12/2021: Database 2021, Version 1.0. Estimations undertaken to cover missing billing periods for properties directly invoiced to Danone Holdings (UK) were calculated on a kWh/day pro-rata basis at meter level. These estimations equated to 1% of reported consumption.

¹ In 2021, Danone performed an estimation of the emissions related to its annual spend of any investments in capital goods, e.g buildings and equipment's (as production lines, vehicles etc...). A financial approach with emission factors from the database Exiobase and with spent by categories defined base on their business objectives, e.g innovation, increase in margin of operations has been performed. It provided an estimation of emissions of 729 ktons CO2 equivalent, that represents 2,9% of total scope 3 emissions in 2020. The breakdown of capital goods spend by nature and with physical indicators was not available. Thus, due to the high level of uncertainty of this estimation Danone decided not to include this category of emissions in its inventory in 2021.

² This category is not relevant to Danone's business model and therefore has been excluded.

³ Evaluated, not material. This category is not relevant to Danone's business model and therefore has been excluded.

⁴ Emissions from downstream warehouses which are not owned or under operational control of Danone are reported in the category downstream transportation and distribution.

⁵ Not relevant, Danone does not grant any license to other entities to sell or distribute its goods or services in return

for payments, such as royalties for the use or trademarks and other services.

⁶ Evaluated, not material. In 2021, Danone performed an estimation on the basis of the sales where it has an ownership interest.

The sales have been multiplied by a proxy determined on the basis of Danone's direct emissions. Danone concluded that this category of emissions would represent 0,1% of total scope3 emissions and thus it excluded it from its inventory.

Baseline year emissions:	
In 2020, all emission scopes were accounted for in line with the method given above, and this year was chosen as the baseline year in line with Danone's Global SBTi target.	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	71
Scope 2	0 (<i>100% REGO certified renewable electricity for office facilities</i>)
Scope 3 (Included Sources)	15,647
Total Emissions	15,718

Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	48
Scope 2	0
Scope 3 (Included Sources)	24,172
Total Emissions	24,220

Emissions reduction targets

Harrogate Waters was acquired by Danone in February 2020 and is included in the Danone emissions reduction targets. Danone company submitted in October 2022 to the Science Based Target initiative company-wide near term 1.5°C GHG emission reduction targets, that were approved on December 8th, 2022.

The Danone overall carbon reduction target is 34.7% by 2030, on the 2020 baseline, this is split;

Energy and Industrial:

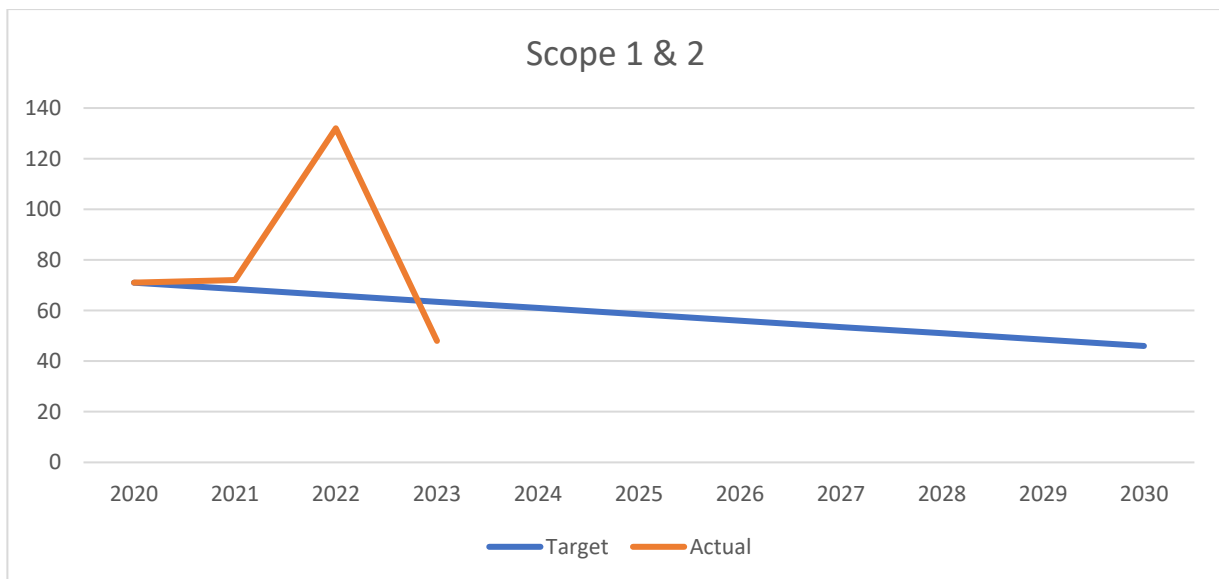
- Danone commits to reduce absolute scope 1 and 2 GHG emissions 47.2% by FY2030 from a FY2020 base year (the target boundary includes land-related emissions and removals from bioenergy feedstocks)
- Danone also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, fuel-and energy-related activities, upstream transportation and distribution, waste generated in operations, downstream transportation and distribution and end of life treatment of sold products 42% within the same timeframe.

FLAG (Forest, Land and Agriculture):

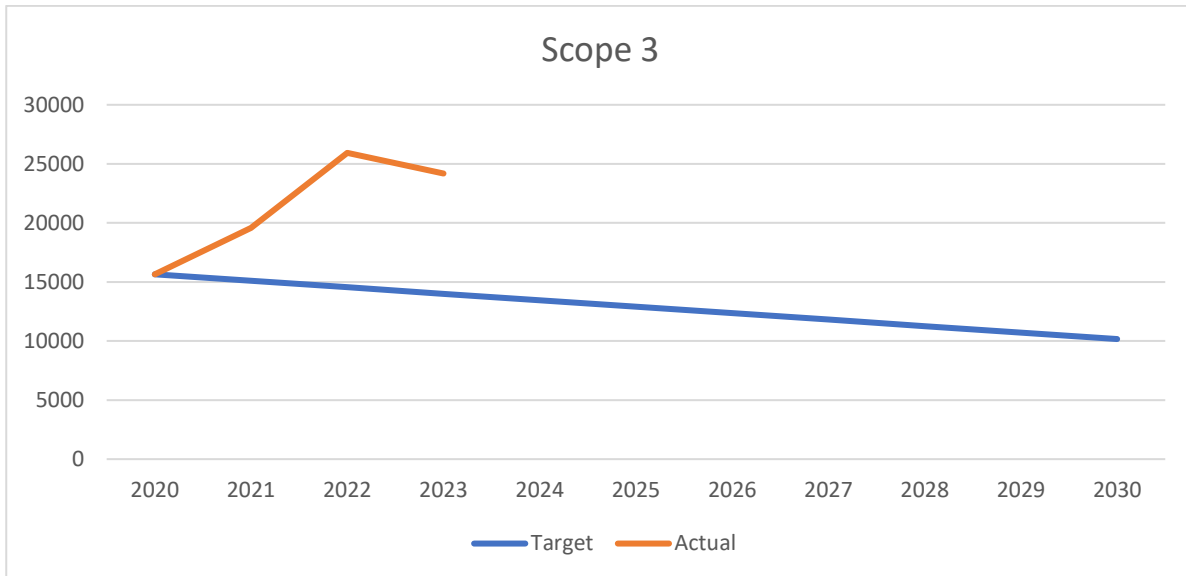
- Danone further commits to reduce absolute scope 1 and 3 FLAG GHG emissions 30.3% by FY2030 from a FY2020 base year (target includes FLAG emissions and removals).

We project that Harrogate Water carbon emissions will decrease over the next five years to **10,170** tCO₂e by 2030. This is a reduction of more than **35%**

Progress against these targets can be seen in the graphs below (see comment above on the change to 2020 baseline when Harrogate Waters became part of Danone. The original 2019 baseline was very similar to the 2022 figures, 2020/1 being much reduced due to the impact of covid on sales volume:



⁷ Note that the scope 2 emissions are zero due to the purchase of REGO certificates to cover 100% of purchased electricity, a practice which will be maintained.



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the **2020** baseline. The carbon emission reduction achieved by these schemes equate to **225 tCO₂e** of the total emission. Please note that after including this reduction there has been an increase in emissions overall against the **2020** baseline, primarily due to the significant impact of the COVID-19 lockdown on sales in 2020. The carbon reduction measures will remain in effect during the execution of the contract.

Energy Consumption:

- The site continues to purchase REGO certificates to offset and cover 100% of its renewable electricity use thereby preserving zero scope 2 emission status since 2020.
- The site uses low energy (LED) floodlights. Between 2019 and 2020 this delivered a reduction of 3.9 tonnes of CO₂. Since the practice of purchasing REGO certificates started in 2020 there has been a saving of over 20000KWh of energy.
-
- Maintained car fleets of Hybrids, BEVs, and free electric charging points saving more than 3 tonnes of Carbon emissions.
- The Electric forklift trucks acquired in Feb 2023 reduced the LPG consumption by 20 cubic meters, reducing the CO₂ emission by more than 35 tonnes.

Packaging Light weight Optimisation:

- Since 2021 we have reduced the weight of our PET bottles by removing more than 90 tonnes of material thereby reducing our CO₂ emission by more than 360 tonnes.
- Since 2021 we've reduced the pallet wrap film weight by more than 43 tonnes thereby reducing our carbon emission by more than 110 tonnes.

Recycled Packaging:

- The supplier increased the recycled content of glass by 11% removing more than 600 tons of CO₂ emissions.

Carbon Offsetting:

- The site has continued to maintain Carbon offsetting for the purchase of LPG through voluntary offset from Carbon Trust. Since 2020 we've successfully offset more than 187 tonnes of CO2.

The impact of the reduction initiatives is easily noticeable in scope 1 and 2 emission. However, a more than 50% increase in the DEFRA conversion factors for primary glass and a 30% increase for closed-loop glass in 2023 have contributed to raising the scope 3 emissions, thereby affecting the total site emission.

Planned Carbon Reduction Initiatives

As part of Danone, Harrogate Spring Water is committed to reducing carbon emissions in line with our near-term science-based targets aligned with the 1.5°C goal, aiming for an average 35% reduction across all emission scopes by 2030 compared to our 2020 baseline.

The plan will focus on the following:

- **Recycled Packaging:** The site will increase the recycled content of PET from 51% to 100%. This is expected to reduce the carbon emission annually by over 1200 tonnes.
- **Packaging Lightweight Optimisation:** The site will implement a bottle neck change that will reduce the weight of each PET preform by an average of 1g, this change will remove more than 190 tonnes of plastic material annually and save 145 tonnes of carbon.
- **Packaging Waste:** The site has approved the use of reusable plastic layer pads to replace cardboard, a change expected to reduce cardboard waste by more than 30%.
- **Logistics:** Increasing the use of biodiesel by our hauliers.

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 standard⁸ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁹.

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) Standard¹⁰.

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:



.....
Richard Hall, VP, General Secretary

30/10/24

Date:

⁸<https://ghgprotocol.org/corporate-standard>

⁹<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

¹⁰<https://ghgprotocol.org/standards/scope-3-standard>