

Qualifying Explanatory Statement (QES) in support of PAS 2060:2014

Purchase Direct Ltd

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1.0: Summary

Purchase Direct Ltd is a management consultant, providing outsourced procurement and cost reduction planning for their customers.

In 2023, Purchase Direct Ltd achieved carbon neutrality for Scope 1 and 2 emissions and Scope 3 emissions estimated to be 0.6% or more of the total carbon footprint, for the year 1st September 2022 – 31st August 2023. The current commitment to maintain the status of carbon neutrality extends to 31st August 2024. This report, referred to as the Qualifying Explanatory Statement (QES), contains all the relevant documentation to support Purchase Direct Ltd's commitment to and claim of achieved carbon neutrality as defined in PAS 2060:2014.

2.0: Carbon Neutrality Declaration

"Carbon neutrality of Purchase Direct Ltd 's Scope 1 and 2 emissions and Scope 3 emissions estimated to be 0.6% or more of the total carbon footprint, achieved by Purchase Direct Ltd in accordance with PAS 2060:2014 at 1st September 2023 with commitment to maintain to 31st August 2024 for the period commencing 1st September 2022, Purchase Direct Ltd self-declared."

Sign: 
Name: Anthony Landau
Position: Managing Director
Date: 26/02/2024

For and on behalf of Purchase Direct Ltd

As the second declaration of commitment, this QES contains all the required information on the carbon neutrality of the given subject, and has been made publicly available via Purchase Direct Ltd's website.

3.0: Introduction

This document forms the Qualifying Explanatory Statement to demonstrate that Purchase Direct Ltd has achieved carbon neutrality. The carbon footprint has been quantified in accordance with PAS 2060:2014 and carbon credits purchased to offset the carbon footprint. This has been made publicly available via Purchase Direct Ltd's website.

Purchase Direct Ltd has a carbon management plan in place to reduce their carbon intensity footprint and demonstrate commitment to being carbon neutral in accordance with PAS 2060:2014 until 31st August 2024.

Table 1 documents PAS 2060:2014 required information for a QES supporting a declaration of commitment and achievement of carbon neutrality.

Table 1: PAS 2060:2014 Qualifying Explanatory Statement Information Summary

PAS 2060:2014 Information Requirement	Information as it relates to Purchase Direct Ltd
Entity making PAS 2060:2014 declaration	Purchase Direct Ltd
Subject of PAS 2060:2014 declaration:	The office and fleet operated by Purchase Direct Ltd
Individual(s) responsible for the evaluation and provision of data necessary for the substantiation of the declaration (including that of preparing, substantiating, communicating, and maintaining the declaration)	Matt Woods (Sustainability Lead) Purchase Direct Ltd
Function of Subject:	The provision of outsourced procurement and cost reduction planning for their customers.
Activities required for the subject to fulfil its function	Office based activities, operation of vehicle fleet.
Rationale for selection of the subject:	The scope and subject of this PAS2060 includes all emissions based on the operational control principle defined in the 2014 WBCSD-WRI GHG Protocol – Corporate Accounting Standard. This enables the business to have direct influence over the reduction of emissions and take necessary steps to achieving carbon neutrality.
Type of conformity assessment has been/is to be undertaken	ESV-3 – Self-validated - Unified
Baseline date for PAS 2060:2014 programme	1 st September 2021
Achievement Period	1 st September 2022 – 31 st August 2023
Qualifying Date	1 st September 2023
Commitment Period	1 st September 2023 – 31 st August 2024

This Qualifying Explanatory Statement contains information pertaining to the subject's carbon neutrality and has been collated and reviewed by Purchase Direct Ltd as self-validation. Any and all information herein is believed to be correct at the time of publishing. Should any information come to light that would affect the validity of the statements made, this document will be updated to accurately reflect the subject's current status with regards to carbon neutrality.

3.1: Scope

The achievement and commitment to maintain carbon neutrality covers all Scope 1 and Scope 2 greenhouse gas (GHG) emissions that arise from Purchase Direct Ltd's operations and Scope 3 emissions listed in Table 3. These emissions can be impacted through a Carbon Management Plan, detailed in 6.0: Carbon Footprint Management Plan.

Table 2 describes emission scopes and the activities that generate direct and indirect emissions.

Table 2: Emission Scope Description.

GHG Protocol Scope	Definition
Scope 1 (Direct) GHG emissions	These include emissions from activities owned or controlled by the organisation that directly release emissions into the atmosphere. Examples of Scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces, vehicles; emissions from chemical production in owned or controlled process equipment.
Scope 2 (Energy indirect) GHG emissions	These include emissions released into the atmosphere associated with consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of an organisation's activities, but which occur at sources they do not own or control.
Scope 3 (Other indirect) GHG emissions	Emissions that are a consequence of organisational actions, which occur at sources which are not owned or controlled by that organisation and which are not classed as Scope 2 emissions. Examples of Scope 3 emissions are business travel by means not owned or controlled by the organisation, waste disposal which is not owned or controlled, or purchased materials.

Scope 3 emissions beyond that stated in Table 3 are not included in this commitment to carbon neutrality because Scope 3 emission estimates are not reliable. Any further exclusion justifications can be found in Section 4.5 Exclusions. In line with PAS 2060:2014 guidance, emission sources estimated to contribute less than 1% of the total carbon footprint can be excluded. However, Purchase Direct Ltd have opted to exclude emission sources that contribute to less than 0.6%*. The total excluded emissions does not equate to more than 5% of the total carbon footprint. Where a single source contributes more than 50% of the total emissions, the 95% threshold has been applied to the remaining sources of emissions.

* Where accurate consumption data was available for scope 3 emissions which equate to <1% of the total footprint (e.g. weight, kWh etc). This is still included to represent the reliability of the data and prevent underestimation of the total carbon footprint.

Purchase Direct Ltd intends to follow the Carbon Neutrality timeline in accordance with Figure 1. The baseline period of 1st September 2021 - 31st August 2022 uses data from the period 1st September 2018 to 31st August 2019 as a proxy. This is because lockdown periods imposed by the Covid19 pandemic meant that Purchase Direct Ltd's business consumption, production and activities had not yet returned to normal practise during the baseline period. This includes within onsite activities as well as through the entire supply chain. The proxy data period of 1st September 2018 to 31st August 2019 removes the effects of the Covid19 pandemic on the baseline period, and provides a more accurate and reliable representation of Purchase Direct Ltd's GHG emissions.

3.2: Boundaries of subject

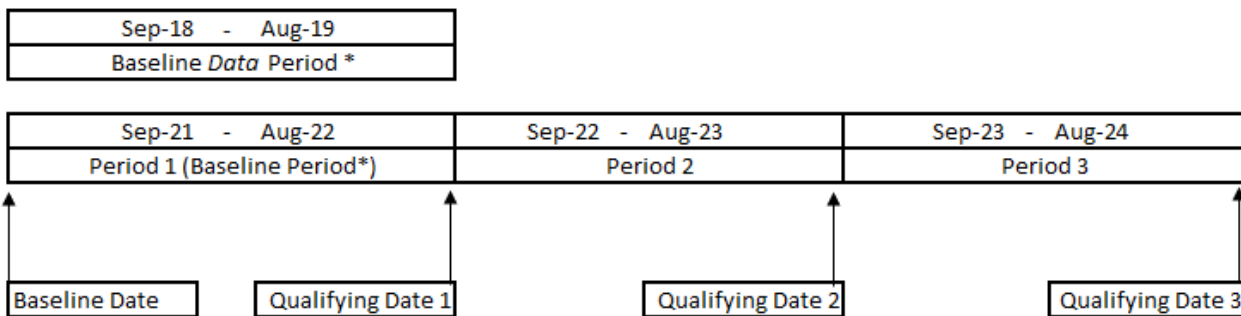
Purchase Direct Ltd is a management consultant, providing outsourced procurement and cost reduction planning for their customers.

The declaration of carbon neutrality covers greenhouse gas (GHG) emissions relating to Purchase Direct Ltd’s organisational boundary. The operational control approach has been used to define Purchase Direct Ltd’s organisational boundary. All material emission sources required by PAS 2060:2014 standards have been reported for which Purchase Direct Ltd deems themselves responsible.

The GHGs reported here relate to the location where Purchase Direct Ltd can employ their own operating policies and therefore wield the most control to reduce GHG emissions.

Purchase Direct Ltd have maintained records of all source data and calculations.

The definition of the subject will remain unchanged through each and every stage of the methodology. In the event that material change to the subject described above does occur, the sequence shall be re-started on the basis of a newly defined subject.



*In order to remove the effects of Covid19 and to provide a more accurate representation of the business' carbon footprint, the baseline period uses data from the period 1st September 2018 - 31st August 2019.

Figure 1 - Carbon Neutrality Timeline

4.0: Carbon Footprint Assessment

4.1: Greenhouse Gas Emissions

All Scope 1 & 2 GHG emissions within Purchase Direct Ltd's organisational boundary, as outlined previously, are included and summarised in Table 3, alongside selected Scope 3 emissions.

Table 3 - Scope 1, 2 & 3* GHG emissions.

GHG emissions 1st September 2022 to 31st August 2023			
Scope	Emission source	Tonnes CO ₂ e	Percentage of Total Footprint (%)
Scope 1 - Direct emissions	Scope 1: Vehicle Fuel Combustion Emissions	37.81	17.6%
	Scope 1: subtotal (tonnes CO₂e)	37.81	
Scope 2 - Indirect emissions	Scope 2: Purchased Electricity	21.86	10.2%
	Scope 2: subtotal (tonnes CO₂e)	21.86	
Scope 3 - Other indirect emissions	Scope 3: Purchased Electricity Transmission & Distribution	1.89	0.9%
	Scope 3: Well-to-tank Vehicle Fuel Combustion Emissions	11.17	5.2%
	Scope 3: Water supply	0.07	0.0%
	Scope 3: Water treatment	0.08	0.0%
	Scope 3: Business travel & WTT - Air	7.38	3.4%
	Scope 3: Business travel & WTT - Taxi, Tube, Tram, Train, International Train, Bus, Ferry	0.45	0.2%
	Scope 3: Grey Fleet Fuel & WTT	0.75	0.3%
	Scope 3: Hotel Stays	4.01	1.9%
	Scope 3: Waste Disposal	1.25	0.6%
	Scope 3: Employee Commuting	48.83	22.7%
	Scope 3: Homeworking	19.90	9.2%
	Scope 3: specialised construction works	6.80	3.2%
	Scope 3: Wholesale trade services, except of motor vehicles and motorcycles	3.35	1.6%
	Scope 3: Retail trade services, except of motor vehicles and motorcycles	1.97	0.9%
	Scope 3: Postal and courier services	17.98	8.4%
	Scope 3: Food and beverage serving services	2.06	1.0%
	Scope 3: Buying and selling of own real estate: renting and operating of own or leased real estate, excluding imputed rent	1.85	0.9%
	Scope 3: Architectural and engineering services; technical testing and analysis services	3.40	1.6%
	Scope 3: Rental and leasing services	12.41	5.8%
	Scope 3: Office administrative, office support and other business support services	4.05	1.9%
	Scope 3: Public administration and defence; Compulsory social security	1.15	0.5%
	Scope 3: Sporting services and amusement and recreation services	4.85	2.3%
	Scope 3: subtotal (tonnes CO₂e)	155.67	
	Total GHG emissions (Scope 1 to 3)	215.33	100.00%
	Annual Turnover (£m)	6.20	
	Intensity Ratio: Turnover (tCO₂e/£m)	34.73	

4.2: Standard and Methodology

GHG emissions have been calculated in accordance with the WBCSD-WRI Greenhouse Gas Protocol (revised edition, dated March 2014), produced by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). This is a globally recognised standard and is best practice for a carbon footprint calculation. As stated by PAS 2060:2014, the GHG Protocol methodology can be presumed to meet the requirements of PAS 2060:2014.

Purchase Direct Ltd categorises its GHG Emissions as Scope 1, 2 or 3 as referred to in the WBCSD-WRI Greenhouse Gas Protocol (revised edition, dated March 2014).

Carbon multipliers, fuel densities and calorific values have all been sourced from UK Government DEFRA's 2023 conversion factors¹ (unless otherwise stated within backing data) and emissions have been expressed in terms of Carbon Dioxide Equivalent (CO₂e).

BEIS' 2023 weekly road fuel prices² have been utilised where only fuel spend is available with additional factors from the International Energy Agency (2023) and Bitzer 20 for refrigeration gases.

Electricity data has been collated for all utility supplies across the company's estate. Purchase Direct Ltd have provided landlord recharges for supplies outside of their remit including gas and water supplies. Purchase Direct Ltd occupy 28.6608% of the square footage of the office building they rent from a landlord. Where billed consumption from the landlord has been used, their building demise has been applied to the total consumption to calculate the proportionate consumption. This is recognised to bring about an element of uncertainty.

The majority of vehicle fuel is purchased with company credit cards. The monthly business mileage by each employee who drives a company vehicle was obtained from expense claims. This has been cross referenced against fleet records to identify the fuel type for which the business mileage is associated. Only business fuel has been included in this carbon report. In some instances, it has been necessary to extrapolate fuel use from a sample month of data. Additionally, where business mileage was not available for an employee, average monthly mileage of other employees within their department and similar business travel requirements was taken. Some business fuel has also been used within employee's personal vehicles and only spend data is available for this fuel use. In these instances, the spend has been allocated to the vehicle's fuel type in use by the employee during the date of purchase. It is noted that this brings about an element of uncertainty. These instances are documented.

Quantities of refrigeration top up during maintenance have been used as a proxy to estimate refrigerant leakage and relative GHG emissions.

All emission factors used within calculation methods have been noted within the backing data. Where specific emission factors for Scope 3 products and services are not yet available either within UK Government DEFRA's 2023 conversion factors, from the source, supplier, or within the relative industry, annual spend against Standard Industrial Classification (SIC) codes have been used. Relative emissions have been calculated using the Office for National Statistics' Atmospheric emissions: greenhouse gas emissions intensity by industry³. Every effort will be made to work with suppliers and manufacturers in order to obtain the most accurate emission factors in future. Procured renewable electricity and gas is accounted in accordance with the WBCSD-WRI Scope 2 Guidance on procured renewable energy (2015).

¹ <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023>

² <https://www.gov.uk/government/statistics/weekly-road-fuel-prices>

³ <https://www.ons.gov.uk/economy/environmentalaccounts/datasets/ukenvironmentalaccountsatmosphericemissionsgreenhousegasemissionsintensitybyeconomicsectorunitedkingdom>

The methodology employed minimises uncertainty and yields accurate, consistent and reproducible results whilst applying a conservative approach that precludes underestimation. The carbon footprint calculation is a best estimate based on reasonable costs and resources of evaluation.

4.3: Data Source

Primary and secondary data have been used to quantify the carbon footprint. Primary data has been used to quantify emissions wherever possible, with secondary data only used where primary data was not available.

4.4: Assumptions and estimations

Where it was not possible to obtain 12 months of actual consumption for gas (Scope 1) and electricity (Scope 2) in order to determine relative GHG emissions, consumption was estimated. There are a number of methods which can be used for estimation of consumption;

1. Direct Comparison

If actual data for the benchmark data period is not available, actual data from an alternate, comparable period will be used if possible.

2. Pro-rata Extrapolation

Where some consumption data is available, an extrapolation method will be used to estimate 12 months of consumption. Where appropriate a seasonal profile will be applied to the extrapolation. Purchase Direct Ltd's seasonal profiles are calculated from actual consumption from similar sites they work with, these are:

	Jan	Feb	Mar	April	May	June	July	Aug	Sep	Oct	Nov	Dec
Electricity	10%	9%	10%	8%	7%	7%	8%	8%	7%	8%	9%	9%
Gas	17%	16%	17%	9%	3%	1%	1%	1%	2%	7%	12%	14%

If it is not appropriate to apply the seasonal profiles a straight extrapolation will be used, for example 75,000kW consumed over 9 months would be extrapolated up to 100,000 kW. Extrapolated Annual Quantities (AQ) will be highlighted within the backing data.

3. Supplier Estimation

For mains electricity and gas, where there is insufficient data available, an estimated AQ will be taken from the supplier. A supplier estimated AQ will be highlighted within the backing data.

4. Benchmarking

This method will only be used where there is little or no consumption data available and no supplier estimate available. A site of similar size and with similar services/functions will be selected and its AQs used as estimate figures. Benchmarking estimations will be highlighted within the backing data.

Quantities of refrigeration top ups during maintenance have been used to estimate refrigerant leakage and relative GHG emissions. It was assumed that the equivalent amount topped up is equivalent to the amount of refrigerant leaked and is used as a proxy in the calculations. Where quantities of refrigeration top up were not available but a top up during maintenance has been confirmed, this was estimated in line with industry research, including that of Chapter 5 of the IPCC/TEAP Special Report: Safeguarding the Ozone Layer and the Global Climate System⁴ and 2002 Report of the Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee⁵.

⁴ IPCC/TEAP Special Report: Safeguarding the Ozone Layer and the Global Climate System. Chapter 5 : Residential and Commercial Air Conditioning and Heating . Available at : <https://archive.ipcc.ch/pdf/special-reports/sroc/sroc05.pdf>

⁵ 2002 Report of the Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee. Available at : <https://wedocs.unep.org/bitstream/handle/20.500.11822/7796/47.pdf?sequence=2&isAllowed=y>

GHG emissions intensity figures within the Office for National Statistic's Atmospheric emissions: greenhouse gas emissions intensity by industry, were calculated by dividing the level of GHG emissions by Gross Value Added (GVA). GVA is defined as "the difference between output and intermediate consumption for any given industry"⁶. It is noted that the data obtained from Purchase Direct Ltd is the annual spend within the SIC Code category, and not the GVA. As the GVA is unknown for the supplier or sector for each category and is not feasible or practicable to calculate, the GHG emissions across these categories use annual spend and therefore are an overestimation of GHG emissions.

Where economic value information was not available during application of the spend-based methodology (see Technical Guidance for Calculating Scope 3 Emissions Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard (version 1.0)⁷), Purchase Direct Ltd have provided an estimation of annual spend for various elements. This has been documented within the backing data.

Where meter reads/consumption figures are not available for waste water SPIDs, a proportion of the supply SPID consumption is assumed to be waste water. This is based on supplier standards at the date of calculation and is noted in the backing data.

Where actual weight data was unavailable for waste collections, supplier estimated weights have been used based on the container capacity. This has been noted in the backing data.

Due diligence checks on the calculations have been performed by Purchase Direct Ltd. When calculating indirect emissions (Scope 3), the following assumptions have been made. The following list of Scope 3 categories is not exhaustive, and only lists appropriate assumptions:

Business Travel - Rail

- Reported distances have been calculated based on distance travelled (km) along the most likely route taken between the known stations.
- Where Beginning destinations are unknown, journeys are assumed to from Purchase Direct Ltd's office in Welwyn Garden City.
- Journeys are assumed to be return journeys for 1 passenger unless otherwise stated.
- Where only spend on business travel by rail was available without distance travelled, distance has been calculated using an average of distance (km) per pound (£) spend across other journey details where this information was available. An average km/£ was applied to the spend with unknown distance to calculate journey distance. Journeys were also assumed to be return journeys for 1 passenger. The limitations of this methodology are acknowledged and have only been used where limited data was available.

Business Travel – Underground

- Reported distances have been calculated based on distance between stations along underground tube lines.
- Where only spend on business travel by Underground was available without distance travelled, distance was calculated using the lowest £/km value across a sample of 5 underground journeys within Zone 1, and applied to the known cost spend on travel. The lowest £/km value was chosen because this gives the greatest possible distance travelled and avoids underestimation.
- Journeys are based on a Return Adult Journey, using Oyster or Contactless.

⁶ Office for National Statistic's Atmospheric emissions: greenhouse gas emissions intensity by industry: <https://www.ons.gov.uk/economy/environmentalaccounts/datasets/ukenvironmentalaccountsatmosphericemissionsgreenhousegasemissionsintensitybyeconomicsectorunitedkingdom>

⁷* https://ghgprotocol.org/sites/default/files/standards/Scope3_Calculation_Guidance_0.pdf

Business Travel – Land

- Uber and Taxi journeys have been assumed to be outside of London and for 1 passenger per journey, unless otherwise stated.
- Where Taxi journeys were stated to be in London, the 'Black cab' emission factor has been used as it is impracticable to determine if each taxi journey is a black cab or regular taxi. This is to prevent underestimation.
- Reported distances have been calculated based on distance between start and end destinations as the crow flies.

Business Travel – Air

- Reported distances have been calculated based on distance between airports as the crow flies.
- “Average passenger class” has been assumed for Long haul flights to/from the UK.
- Calculations include the influence of radiative forcing (RF) in air travel emissions to capture the maximum climate impact of travel habits. However, it should be noted that there is very significant scientific uncertainty around the magnitude of the additional environmental impacts of aviation. Further information on this uncertainty is provided in the Department for Business, Energy & Industrial Strategy, 2023 Government greenhouse gas conversion factors for company reporting: Methodology paper for emission factors⁸.

Waste

- Purchase Direct Ltd's waste collections form part of a maintenance agreement combined with other building tenants. Therefore, the building's total waste collections are demised by 28.6608% to reflect Purchase Direct Ltd's waste in line with the occupied square footage of the building.
- Maximum bin weights have been used where weight data is not available. This is to prevent underestimation.

Employee Commuting

- Weekly mileage commuted by employees is determined by the number of days an employee estimates they commute in an average working week.
- Annual miles is then calculated based on a 260 working days in a year period, unless otherwise stated. This matches the methodology employed by Purchase Direct Ltd's financial controller to employ consistency with calculations.
- Longitude and latitude of the postcode given by the employee (start destination) and the office (end destination) is used to calculate miles commuted.
- It is assumed the employee makes the same return journey each day unless otherwise stated.

⁸ <https://assets.publishing.service.gov.uk/media/647f50dd103ca60013039a8a/2023-ghg-cf-methodology-paper.pdf>

Scope 3 emissions quantified by SIC Code

- Annual spend across certain SIC code categories was assumed to make up a minimal proportion of total spend for a management consultancy. In addition, the Greenhouse gas emissions intensity of certain SIC code categories indicates that a management consultancy is unlikely to be a large emitter in this category. Therefore, the associated Scope 3 emissions of certain SIC code categories have been assumed to be not material. This assumption has been based upon analysis of Purchase Direct Ltd's annual accounts and discussions with the Financial Controller, as well as analysis of the ONS Greenhouse gas emissions intensity factors by industry.

4.5 Exclusions

Annex A outlines all inclusions and exclusions for GHG emissions.

In line with PAS 2060:2014 guidance, emission sources estimated to contribute less than 1% of the total carbon footprint can be excluded. Purchase Direct Ltd have opted to exclude emission sources estimated to contribute less than 0.6% of the total carbon footprint*. The total excluded emissions does not equate to more than 5% of the total carbon footprint. Where a single source contributes more than 50% of the total emissions, the 95% threshold has been applied to the remaining sources of emissions.

* Where accurate consumption data was available for scope 3 emissions which equate to <1% of the total footprint (e.g. weight, kWh etc). This is still included to represent the reliability of the data and prevent underestimation of the total carbon footprint.

Purchase Direct Ltd have confirmed there are no stored or bulk fuels.

5.0: Carbon Offset Strategy

Purchase Direct Ltd have purchased carbon credits to offset 100% of GHG emissions defined by the boundary of the subject (Table 3), in order to achieve carbon neutrality for the first application period. Under PAS 2060:2014 standards, the offsetting methodology and credits meet the following principles:

- Credits generated or allowance credits surrendered represent genuine, additional GHG emission reductions elsewhere.
- Projects involved in delivering carbon credits meet the criteria of additionality, permanence, leakage and double counting.
- Carbon credits are verified by an independent third party verifier.
- Credits from carbon offset projects are only issued after the emission reduction associated with the offset project has taken place.
- Credits from carbon offset projects are retired within 12 months of the date of the declaration of achievement.
- Credits from carbon offset projects are supported by publicly available project documentation on a registry or equivalent publicly available record, which provides information about the offset project, quantification methodology and validation and verification procedures.
- Credits from carbon offset projects are stored and retired in an independent and credible registry or equivalent publicly available record.

Purchase Direct Ltd has chosen to offset through the following project.

Project Details:

- Project name: National Solar Power Development Programme, India
- Location: India, Asia.
- Standard: Clean Development Mechanism (CDM)
- Reference number: VC31996/2024
- Volume of credits purchased: 216
- Carbon Offset: 216 T/CO₂e
- Retirement registry: CDM Registry <https://offset.climateneutralnow.org/vchistory>
- Credits verified by UNFCCC secretariat (UN Climate Change)
- Time period over which credits have been generated: 06/06/2012 – 05/06/2019
- Credits are valid for use in PAS 2060:2014 standard

More information about the project is available in Annex B. The cancellation of the credits has been publicly documented on Purchase Direct Ltd's website.

6.0: Carbon Footprint Management Plan

Purchase Direct Ltd is committed to achieving carbon neutrality for the application period of 01/09/2023 – 31/08/2024 in accordance with PAS2060:2014.

Purchase Direct Ltd aims to reduce the total carbon footprint intensity by 2% per year on an ongoing basis. This will be continually reviewed in line with Purchase Direct Ltd’s aspirations and progress.

Carbon reduction actions will be assessed against performance annually, with corrective action being implemented should the reduction target (declaration) not be met or actions not being in place.

6.1: Emission Reduction Progress

Purchase Direct Ltd have achieved their 2% emissions reduction target against their baseline carbon footprint (see figure 2). The methodology employed to quantify reductions was the same as that used to quantify the original carbon footprint. The total carbon footprint has seen a 34% absolute reduction and 48% intensity reduction against the baseline.

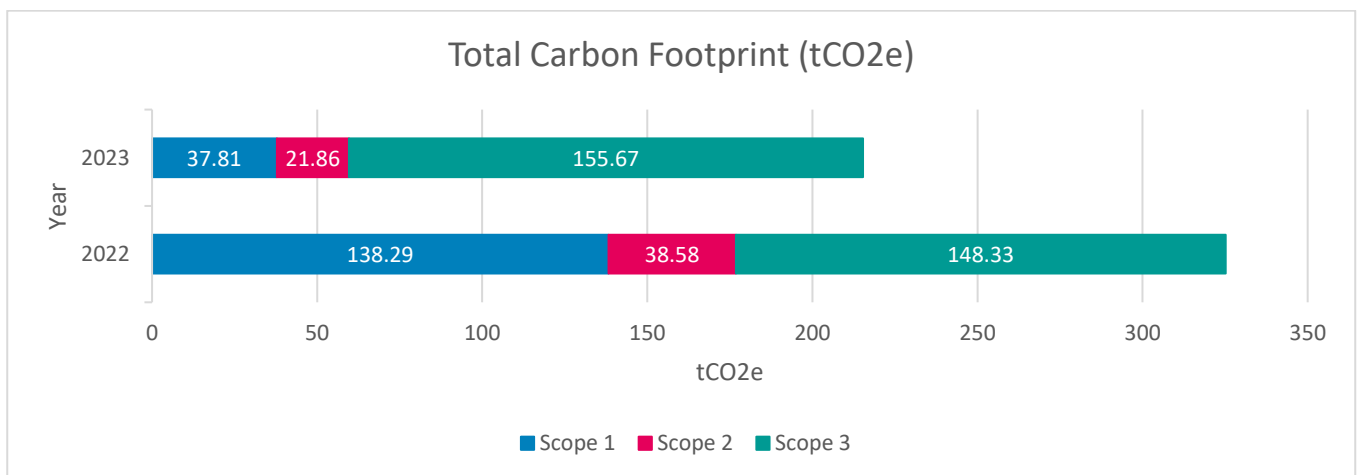
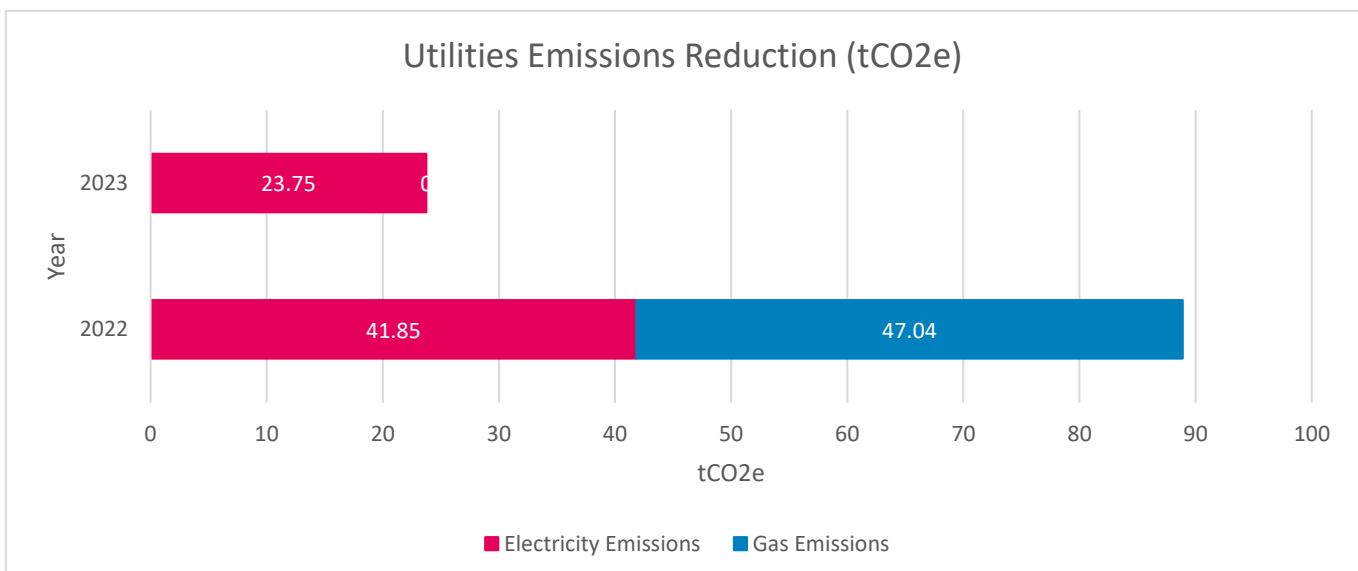


Figure 2 - Total Emissions Reduction

A significant reduction in electricity and gas consumption has been achieved as a result of applying their energy policy to improve staff engagement with behavioural changes across the business.

The carbon footprint for the gas and electricity has reduced by **73%** against the 2021 baseline (see figure 3). This equates to an actual reduction of **65.14** tonnes CO₂e.



Purchase Direct Ltd has seen a 27% economic growth rate in the second application period, compared to the baseline. Therefore, they have seen both an absolute and intensity reduction in their total carbon emissions.

A significant reduction in electricity and gas consumption has been achieved as a result of degasifying (removal of GAS HVAC), LED lighting Upgrade and general energy management.

Implementing emission reductions during this qualifying period was achieved by the utility reductions measures outlined above, the substitution of many petrol and diesel fleet vehicles for PHEV and EV alternative, resulting in a large reduction in vehicle fuel emissions. The encouraged use of online teams' meetings instead of travelling to customer sites has also helped reduce vehicle emissions. Specialist waste bins have been provided for alternative recycling waste that cannot be placed in typical recycling collections, reducing general waste emissions. A company objective has been implemented to minimise paper use and investigate paperless presenting.

Purchase Direct Ltd is committed to continued carbon reduction efforts through the carbon management plan (refer to section 6.2 for details).

Further details of emissions reduction activities and opportunities can be found in Annex C .

6.2: Ongoing Emission Reduction Plan – For the PAS 2060:2014 Commitment Period

The on-going plan to reduce emissions over the commitment period is summarised below. These measures have been chosen as they represent some of the largest consumption areas across Purchase Direct Ltd's organisational boundary, and are feasible changes that Purchase Direct Ltd could implement to the business within the commitment period. In order to accurately calculate the emission reductions that these measures generate, the same methodology used to quantify the original Carbon Footprint shall be employed. Any assumptions, justifications or elements of uncertainty will be declared.

Energy Procurement

- Upon contract renewal, investigate procurement of 100% renewable electricity contracts that are Renewable Energy Guarantees of Origin (REGO) backed with the landlord who procures electricity for the building.

Energy Management

- Investigate the installation of data loggers through Automatic Meter Read (AMR) meters on all electricity supplies to provide access and visibility of HH data.
- Review and consider implementation of no cost, low cost and investment energy saving opportunities identified in a recently undertaken Energy Audit.
- Investigate the implementation of an Energy Management Programme. This would include the monitoring of energy consumption in relation to a baseline target to identify and correct increases in consumption.
- Implementation of a companywide energy reduction policy which aims to engage staff with behavioural changes across the business.

Road Transportation

- Review opportunities to expand the electric vehicle fleet, including both PHEVs and BEVs, in order to further move away from Internal combustion engine vehicles. A company objective has been set to have 75% of all company vehicles as PHEV or BEV by 2027.
- Investigate creating and providing an information pack for employees who are considering EV or Hybrid vehicles to encourage their uptake.

Waste Disposal

- Further investigate and review waste streams with the intention to move to less GHG intensive waste disposal such as recycling. Expand the options for the previously implemented recycling zone.

Paper Consumption/Waste

- Review paper consumption and waste, and consider the implementation of paperless processes across the business.

Future Carbon Offsetting Strategy

- Following implementation of the reduction measures above, only then will Purchase Direct Ltd implement Carbon Offsetting through carbon credits to offset any remaining GHG emissions.
- In line with the Carbon Reduction target, and assuming there is no change to operational procedures or the defined boundary it is estimated that approximately 211 tonnes CO₂e will be required to offset.
- Carbon Credits will be purchased in line with the current offsetting strategy and methodology (as outlined in section 5.0: Carbon Offset Strategy) in order to align with PAS 2060:2014 standards, and the carbon credits purchased will equate to the required GHG emissions to be offset.

7.0: Annex

Annex A: Scope 1, 2 and 3 emissions inclusion and exclusion

Emission Source	Description	Justification of exclusion (or inclusion as otherwise stated)
Purchased goods and services (upstream)	Extraction, production, and transportation of goods and services purchased	Excluded: Emissions from the production of purchased goods are not under the direct operational control of Purchase Direct Ltd, as Purchase Direct Ltd does not own or operate any manufacturing facilities that are responsible for production of these goods. These products are obtained from various sources globally, and therefore is not practicable or cost effective to quantify such emissions. Unless otherwise advised of product use, portable fire suppression systems are assumed to be 'unconsumed'. At the end of the products life, the product is passed on to a third party for disposal (see waste generated in operations). For these reasons, portable fire suppression systems are excluded.
Processing of Sold Intermediate Products	Cost Reduction Services to Clients	Excluded: Purchase Direct Ltd do not sell products, rather they provide a service to customers. Whilst Purchase Direct Ltd recommend suppliers for cost reduction consultancy, it is currently not feasible, practicable or cost effective to measure, report and offset in the boundary, nor does Purchase Direct Ltd have control over this. In addition, these services are not employed by Purchase Direct Ltd, but rather the end user.
Use of sold products and services (downstream)	Cost Reduction Services to Clients	Excluded: Purchase Direct Ltd do not sell products, rather they provide a service to customers. Whilst Purchase Direct Ltd recommend suppliers for cost reduction consultancy, it is currently not feasible, practicable or cost effective to measure, report and offset in the boundary, nor does Purchase Direct Ltd have control over this. In addition, these services are not employed by Purchase Direct Ltd, but rather the end user.
End-of-Life Treatment of Sold Intermediate Products	Cost Reduction Services to Clients	Excluded: Purchase Direct Ltd do not sell products, rather they provide a service to customers. The associated emissions from these services is expected to be minimal but also not practicable, feasible or cost effective to quantify such emissions.
Capital Goods	Fixed assets such as plant, property and equipment (PP&E).	Excluded: The emissions associated with much of Purchase Direct Ltd's PP&E is not practicable or cost effective to quantify such emissions. The majority of large PP&E is landlord owned, and it is also not considered to be material.

Leased Assets (Upstream)	Operational of leased assets	<p>Excluded: The non-combustion emissions of leased assets are not feasible, practicable or cost effective to measure and report.</p> <p>Included: Any operational combustion emissions are included within either Scope 1 or Scope 2 emissions. These would be impracticable to isolate and therefore, to prevent double counting, are included within Scopes 1 and 2 only.</p>
Leased Assets (Downstream)	Operational of leased assets	<p>Excluded: Non-combustion emissions from leased assets are not under the direct operational control of Purchase Direct Ltd, but rather would be passed on to customers. However, this is not applicable for Purchase Direct Ltd's operations and associated emissions are expected to be minimal. It is also not practicable or cost effective to quantify such emissions.</p>
Fuel and Energy Related Activities	Employee energy consumption for remote based employees	<p>Excluded: Some of Purchase Direct Ltd's employees may have flexible working arrangements (including part time, home based and shared office facilities). It is not practicable or cost effective to quantify such emissions and is subject to change. It is also not considered to be material.</p>
Transport and distribution (upstream)	Transportation of purchased materials or goods	<p>Excluded: Transportation and distribution of products purchased by Purchase Direct Ltd between their site and the supplier's is not considered to be material, and is considered impracticable to quantify.</p>
	Transportation of sold products	<p>Excluded: Purchase Direct Ltd do not transport sold products due to the nature of the business being a management consultancy.</p>
	Transportation of waste	<p>Excluded: Transportation of waste from the site is not considered to be material. Separating out Purchase Direct Ltd's own waste transportation emissions from a single collection trip by a third party vehicle that provides waste collection to a number of other organisations at the same time would also be impracticable to quantify.</p>
Transport and distribution (downstream)	Transportation and distribution in vehicles and facilities not owned or controlled by Purchase Direct Ltd.	<p>Excluded: Purchased transportation and distribution as well as any inbound or outbound between Purchase Direct Ltd's own facilities and supplier facilities is considered to be not practicable or cost effective to quantify such emissions.</p>
Waste Generated in Operations	Waste from fire suppression systems.	<p>Included: Emissions from waste generation within Purchase Direct Ltd's boundary are included.</p> <p>Excluded: This is with the exception of fire suppression systems for which at the end of the products life, the product is also passed on to a third party for disposal. Emission factors associated with these methods for disposal are not readily available, and could be highly</p>



		inaccurate if estimated. For these reasons the emissions associated with these elements are excluded. Specialist recycling waste streams have also been excluded due to inaccuracies in the weight data.
Investment	Investments including equity and debt investments, project finance	Excluded: Purchase Direct Ltd's access to carbon emissions associated with investments are not feasible, practical or cost effective to quantify. They are also not considered to be material.



Annex B – Carbon offset credit



United Nations
Framework Convention on
Climate Change

Date: 8 FEBRUARY 2024
REFERENCE: VC31996/2024

**VOLUNTARY
CANCELLATION
CERTIFICATE**

Presented to

Purchase Direct

Project

National Solar Power Development Programme, India

Reason for cancellation

I am offsetting greenhouse gas emissions for my company

**Number of units
cancelled**

216 CERs

Equivalent to 216 tonne(s) of CO₂



Start serial number: IN-5-314823602-2-2-0-6328
End serial number: IN-5-314823817-2-2-0-6328

The certificate is issued in accordance with the procedure for voluntary cancellation in the CDM Registry. The reason included in this certificate is provided by the cancellor.

Annex C – Emissions Reductions

Continued Improvement (PDCA)

	CMP - Action 1	CMP - Action 2
<p>Plan Problem identification, Problem analysis, Developing an experiment</p>	<p>Investigate removal of gas meter, and upgrade of HVAC system to electric air-conditioning in order to degasify building energy emissions.</p>	<p>Purchased Direct rented spaces were lit by high consuming fluorescent lighting, replacement of these fittings with lower consuming LED fittings would result in a considerable reduction in electricity consumption and subsequent emissions.</p>
<p>Do Develop and implement the solution to the problem</p>	<p>The buildings gas meter was removed, and the supply capped off. The old HVAC system was removed and replaced with a new, more efficient system which was sufficient to heat and cool all office areas without the assistance of a gas fired heating system.</p>	<p>Conduct a LED lighting survey and complete LED replacement of fittings to reduce electricity consumption.</p>
<p>Check Did the implementation of the solution achieve the desired result?</p>	<p>The removal of gas use results in a significant reduction in the businesses utility emissions. The businesses annual electricity consumption has reduced by 43% compared to the baseline period. Significantly reducing scope 2 emissions. Regulation of the office temperature has improved drastically, resulting in higher staff satisfaction.</p>	<p>The businesses annual electricity consumption has reduced by 43% compared to the baseline period. Significantly reducing scope 2 emissions. Working light quality has improved since replacement of the old fittings with LED alternatives.</p>
<p>Act Document your results. Inform other about any potential process changes and recommendations for the future PDCA cycles.</p>	<p>This has been recorded in the backing data of this QES and in the organisations ISO140001 application. Energy management practices are being constantly applied and reviewed to ensure use of the HVAC system is optimised.</p>	<p>This has been recorded in the backing data of this QES and in the organisations ISO140001 application. Investigate use of PIR sensors in lower use areas.</p>



Annex D – Carbon Neutral Assurance Sign Off

By signing below, Purchase Direct Ltd confirms that they are Carbon Neutral in accordance with PAS 2060:2014, as outlined in the above documentation.

Sign:

Validator: Matt Woods

Position: Sustainability Lead

Date: 20/02/2023

Sign:

Auditor: Daniel Hollington

Position: Sustainability Advisor

Date : 21/02/2023

Both for and on behalf of Purchase Direct Ltd

By signing below, the board level director for Purchase Direct Ltd confirms they

- are responsible for providing the validator and auditor with all data required to calculate GHG emissions within the organisational boundary;
- have reviewed the recommendations within this QES;
- are satisfied, to the best of their knowledge, that the information provided for the use within this QES is correct.

Sign:

Name: Anthony Landau

Position: Managing Director

Date: 26/02/2024

For and on behalf of Purchase Direct Ltd

Glossary

Abbreviation Key:

AQ: Annual quantity

GHG: Greenhouse Gas

HH: Half Hourly metered electricity supply

NHH: Non Half hourly metered supply

P272: Half Hourly metered electricity supply (medium supplies that were previously NHH)