Travis Perkins plc

Scope 3 Overview 2022

Travis Perkins TOOLSTATION BSS Keyline CIVILS SPECIALIST CCF

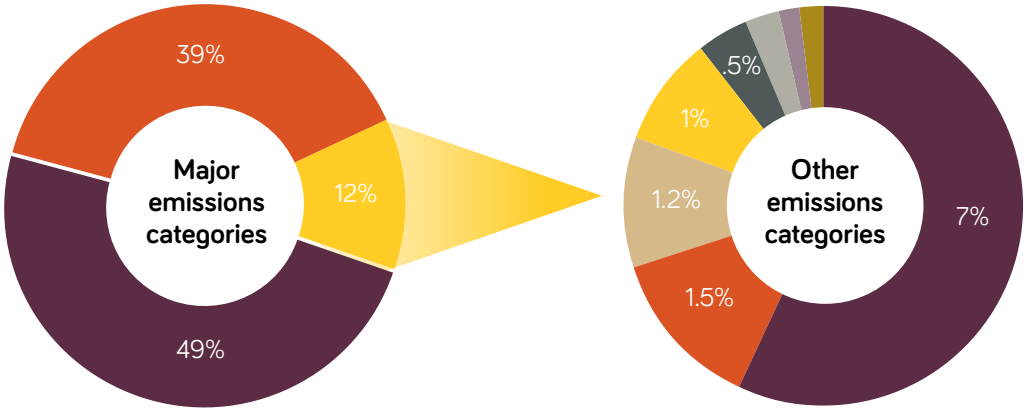
Scope 3 Overview

The Scope 3 emissions of Travis Perkins Group represent **99% of the Group's carbon footprint.**

Out of the 15 Scope 3 emissions categories, two represent 88% of the footprint; Category 1 (purchased goods and services) and Category 11 (use of sold products). This is highlighted in the pie charts below.

Scope 3 emissions are calculated in line with the GHG protocol, including all relevant categories (3 are not applicable), covering all businesses in the Group, and the data has been assured by Lloyds Register in 2022 and 2021.

The assurance statement can be found in the Sustainability section of the plc website **www.travisperkinsplc.co.uk**

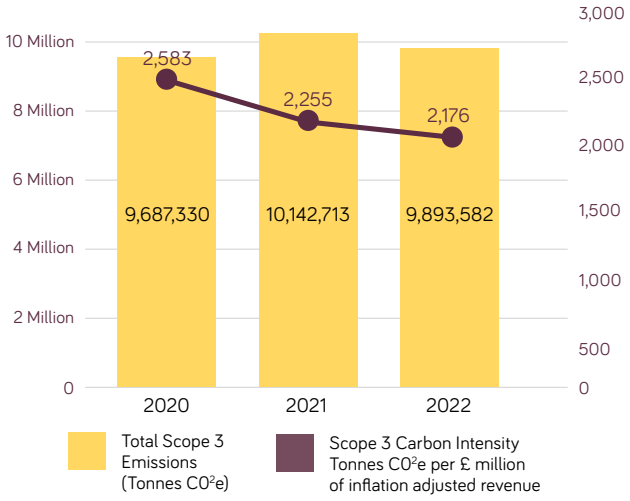


- Use of sold products
- Purchased goods and services
- All other categories

- Upstream transportation and distribution - 7%
- End-of-life treatment of sold products 1.2%
- Downstream leased assets - 0.5%
- Capital goods - 0.1%
- Employee commuting - 0%
- Downstream transportation and distribution - 1.5%
- Processing of sold products - 1%
- Fuel and energy related activities - 0.3%
- Business travel - 0.1%
- Waste generated in operations - 0%

The chart below shows that whilst the Group's total emissions were higher in 2022 than the baseline year of 2020, carbon intensity is trending downwards. Absolute emissions reduced by 2% in 2022 vs 2021.

Scope 3 Total Emissions and Carbon Intensity - 2020 to 2022



	2020	2021	2022
Total Scope 3 Emissions (Tonnes CO^2e)	9,687,330	10,142,713	9,893,582
Scope 3 Carbon Intensity (Tonnes CO^2e per £million of inflation-adjusted revenue)	2,583	2,255	2,176

Methodology for Calculating Emissions

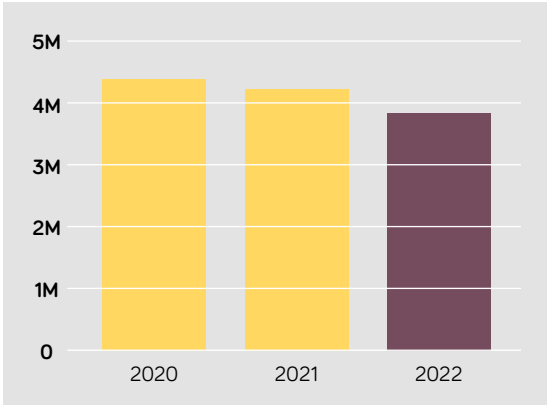
The following information explains the methodology used to calculate emissions for each Scope 3 category along with key findings, 2022 category emissions and the year-on-year trend.

Scope 3 Emissions Category:
1. Purchased Goods and Services

Methodology and Observations

- Includes emissions generated upstream of Travis Perkins plc associated with Products (the extraction and transportation of raw materials and production of products - Cradle to Gate product carbon) and Services purchased during 2022.
- Product weight and volume data is collated by product category and Ecoinvent emissions factors are applied.
- For Services, COICOP (2018) emission factors are applied to spend.
- TP, Toolstation UK, Keyline and CCF are the business units with the largest footprint in this category.
- Bricks, blocks, cement and plasterboard account for the largest share of Category 1.
- Most of the larger and more mature businesses saw a modest drop in Category 1 emissions in 2022 compared to 2021. The reasons for this will be investigated during 2023 as supplier and product level emissions are analysed in greater detail.

Year on Year Trend



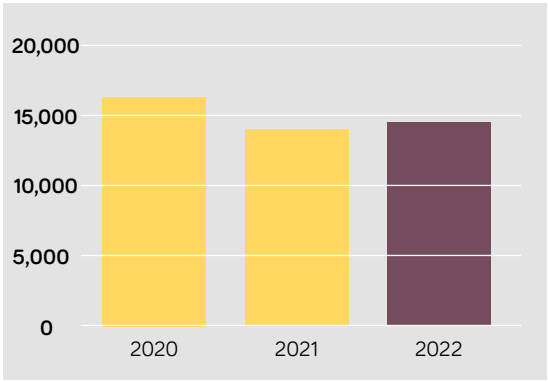
2022: **3,890,080 tonnes**

Scope 3 Emissions Category:
2. Capital Goods

Methodology and Observations

- Covers emissions generated upstream of Travis Perkins plc associated with the extraction, production and transportation of capital goods acquired in 2022.
- The average spend-based method, detailed within the Scope 3 standard, has been applied.

Year on Year Trend



2022: **14,723 tonnes**

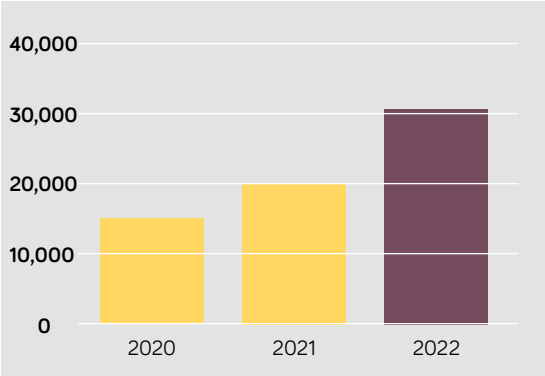
Scope 3 Emissions Category:

3. Fuel- and energy-related activities (not included in Scope 1 or 2)

Methodology and Observations

- Calculations followed the methods advised by the GHG protocol. The average-data method was applied, as detailed within the Scope 3 standard. WTT (Well to Tank), WTW (Well to wheel) and T&D (Transmission and Distribution) factors were applied to energy and fuel use in the Group's own fleet and estate. Also fuel consumption for internal distribution is included here as third parties deliver product from the Group's Distribution Centres to branches.
- Activity data was multiplied by DEFRA 2022 GHG emissions factors.
- Calculations could include employee use of energy at home for home workers in future years. This is expected to be immaterial as most colleagues work in branches and would not be able to work from home. Some office colleagues are now hybrid workers.

Year on Year Trend



2022: **30,963 tonnes**

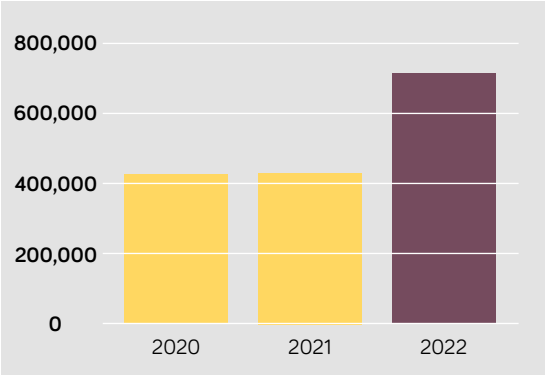
Scope 3 Emissions Category:

4. Upstream transportation and distribution

Methodology and Observations

- Includes the upstream transport emissions from the transport of goods purchased during 2022, from the supplier factory to the distribution centres and retail stores of Travis Perkins plc, in vehicles not owned or operated by Travis Perkins plc.
- This category also includes emissions from the direct delivery of goods from suppliers to customers, where Travis Perkins plc acts as an intermediary.
- An uplift in emissions of c. 54% was observed during 2022 compared to 2021 due to the availability of better quality data.

Year on Year Trend



2022: **695,228 tonnes**

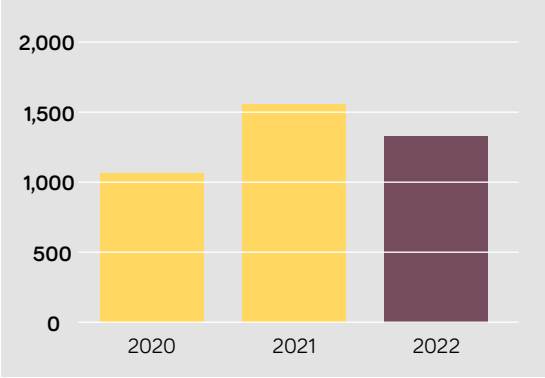
Scope 3 Emissions Category:

5. Waste generated in operations

Methodology and Observations

- Includes all waste material produced by Travis Perkins plc during its operations in 2022
- Calculations followed the methods advised by the GHG protocol. The average-data method was applied, as detailed in the Scope 3 standard.
- Activity data was multiplied by the emission factors listed by DEFRA in 2022.

Year on Year Trend



2022: **1,364 tonnes**

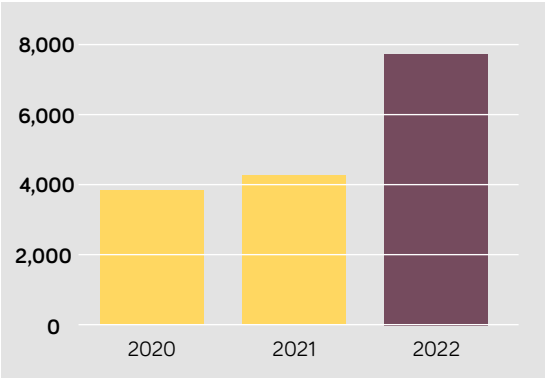
Scope 3 Emissions Category:

6. Business Travel

Methodology and Observations

- Includes emissions from business travel activities of Travis Perkins plc in 2022. This includes air travel, ground travel (rental cars, trains, taxi), staff car reimbursements and accommodation stays (hotels).
- Activity data was multiplied either by spend based or distance based emission factors provided by South Pole.
- A distance based emissions estimation was applied for employee cars, rental cars and other business travel. For rental cars, fuel consumption was estimated using average fuel prices in the UK. For accommodation, spend based emissions factors were applied.

Year on Year Trend



2022: **7,411 tonnes**

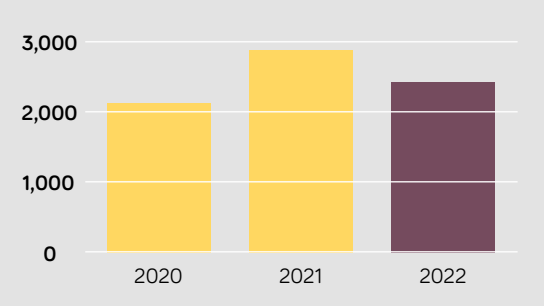
Scope 3 Emissions Category:

7. Employee Commuting

Methodology and Observations

- Includes emissions from the commuting of employees to and from work in 2022.
- Calculations followed the average-based method, as laid out in the Scope 3 standard of the GHG protocol.
- Average statistics were sourced on the distances travelled by employees in the UK, as well as their mode of transport, to estimate emissions.
- It was assumed that 68% of employees travelled to work by car, 9% walked, 18% used public transport and 4% used other methods. This is based on average statistics published by the UK Department of Transport in 2021.

Year on Year Trend



2022: **2,411 tonnes**

Scope 3 Emissions Category:

8. Upstream Leased Assets

An emissions figure for this category is not calculated due to all major operations of Travis Perkins plc being conducted within company owned and operated facilities.

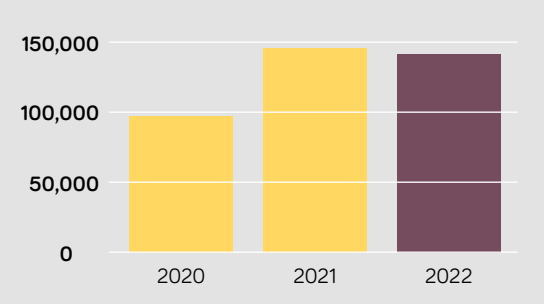
Scope 3 Emissions Category:

9. Downstream transportation and distribution

Methodology and Observations

- This category includes emissions from deliveries of products to customers by third party courier services, as well as the distances travelled by customers to and from retail stores or branches.
- Calculations followed the distance-based method, as outlined in the Scope 3 standard.
- To calculate emissions for customer journeys, average journey times to properties were sourced from an internal document which analysed the potential construction of a Travis Perkins site in Ipswich. This, combined with the average driven speed of vehicles in urban and rural areas, gave the average distance travelled for both sets of locations.
- A breakdown was also used of the average customer trips per acre for both rural and urban properties from green travel planning work commissioned to satisfy new branch approval processes. The travel plan analysis, in combination with the total property area, yielded the total number of customers.
- For deliveries direct from suppliers, primary sales data details the weight of goods sold. This, multiplied by the urban/rural distances listed above resulted in the total tonne kilometres carried. All deliveries were assumed to occur in EURO 5 diesel vans.

Year on Year Trend



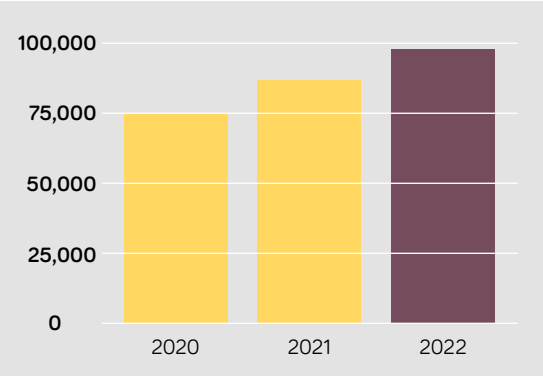
2022: **144,628 tonnes**

Scope 3 Emissions Category:
10. Processing of sold products

Methodology and Observations

- This category includes emissions from the processing of sold intermediate products. Cement was the only product identified to undergo relevant processing subsequent to the sale of the product.
- The average-data method, as laid out in the Scope 3 standard of the GHG protocol was used,
- Travis Perkins, Keyline and CCF were identified as the only business units to sell cement.
- Emission factors sourced from Ecoinvent.

Year on Year Trend



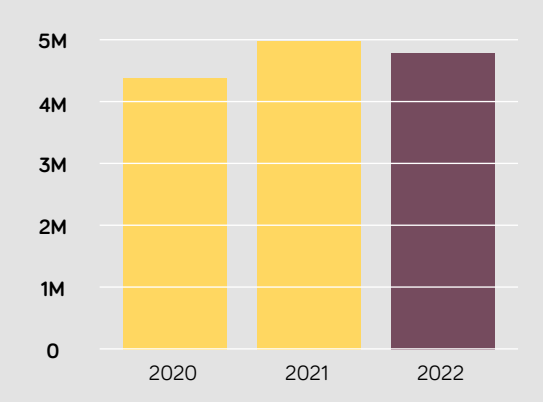
2022: **95,935 tonnes**

Scope 3 Emissions Category:
11. Use of sold products

Methodology and Observations

- This category includes lifetime emissions from the use-phase of products which directly consume electricity and/or fossil fuels, or in which the use directly emits emissions.
- During analysis conducted by South Pole, the following product categories were identified as material use-phase emitting goods: boilers, power driven hand tools, electrical goods, lighting appliances, pumping equipment and refrigerants.
- Emissions factors have been calculated through the collection of data on average product lifetime and average energy/fuel use. These are supplemented where available with emission factors from Ecoinvent and electricity conversion factors from DEFRA.
- During 2022, discussions were held with subject matter experts in BSS and Toolstation who challenged the historic application of emissions factors to entire product categories when more granular sub category level detail was available. They made suggestions for more accurate application of emission factors and these have been incorporated into the 2022 calculation. The 2020 and 2021 Category 11 footprints have also been recalculated to allow for meaningful year-on-year comparison.
- TF Solutions, BSS, TP and Toolstation UK account for the bulk of emissions relating to sold products.

Year on Year Trend



2022: **4,836,076 tonnes**

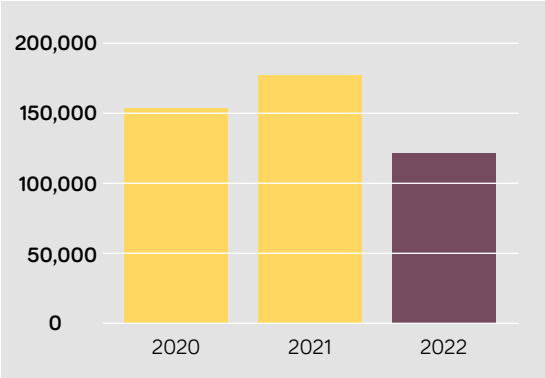
Scope 3 Emissions Category:

12. End-of-life treatment of sold products

Methodology and Observations

- Includes the emissions from the waste disposal and treatment of products sold by Travis Perkins plc at the end of their life. This emissions source was material for the vast majority of goods sold by Travis Perkins plc.
- Calculations followed the recommendations laid out in the Scope 3 standard of the GHG protocol.
- Weight data from the sales dataset formed the primary activity data. Emissions factors for each type of good were sourced from Ecoinvent and averaged out by the average waste treatment method in the UK.

Year on Year Trend



2022: **120,348 tonnes**

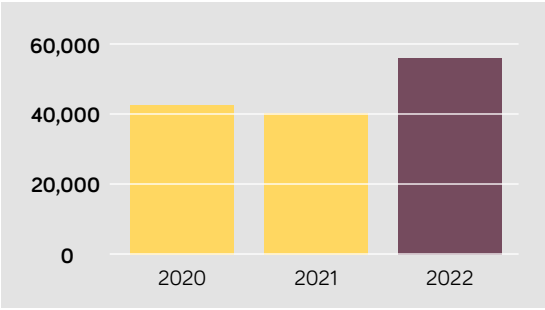
Scope 3 Emissions Category:

13. Downstream leased assets

Methodology and Observations

- This category includes emissions from the operation of assets owned by Travis Perkins plc which are leased to other entities that are not already included in Scope 1 and Scope 2. For Travis Perkins plc this refers to the lease of tools and the lease of buildings.
- Calculations follow the spend-based method, as this allows for the most consistent estimation of the footprint across the two categories of leased assets.
- For the estimation of leased tools, tools are mapped against a selection of spend based emissions factors for the lease of products. The annual value of the lease is multiplied by the selected emissions factors to yield the final values
- For the estimation of leased buildings, the annual lease value is multiplied by a spend based emissions factor.

Year on Year Trend



2022: **54,413 tonnes**

Scope 3 Emissions Category:

14. Franchises

This category was not found to be relevant to the Scope 3 inventory. No franchises are operated within the Group.

Scope 3 Emissions Category:

15. Investments

This category was not found to be relevant to the Scope 3 inventory of Travis Perkins plc. Travis Perkins plc does not invest directly into companies with equity.

Travis Perkins plc

Scope 3 Overview 2022

The UK's largest distributor of building materials

Leading partner to the construction industry

Travis Perkins plc
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Northampton NN5 7UA

www.travisperkinsplc.co.uk