

Carbon Balance Sheet 2023 Produced for Stelrad Group PLC By Inspired ESG February 2024



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Introduction

This report contains Stelrad's Carbon Balance Sheet of Scope 1, 2 and 3 emissions for 2023 (1st January 2023 - 31st December 2023). This is Stelrad's Year 2 Carbon Balance Sheet and as such, contains a comparison between Stelrad's 2022 and 2023 emissions.

Until recently, most companies have focused on measuring emissions from their own operations and electricity consumption (Scope 1 and 2), whereas Scope 3 accounts for the greenhouse gas (GHG) emissions associated with a company's entire value chain. This Carbon Balance Sheet reports Stelrad's full Scope 1, 2 and 3 GHG emissions footprint and:

1. Enables Stelrad to identify the material emissions sources in its overall value chain and where it can make the most significant impact on global emission reductions.

2. Provides the baseline for making decisions about nearterm emission reduction targets and net-zero.

3. Provides a Scope 1, 2 and 3 GHG inventory which is compliant with the Science Based Targets initiative (SBTi) near-term criteria and net-zero standard

4. Covers the five Scope 3 emissions categories required in the UK Government's Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans.

5. Provides a consistent way to report and measure progress year on year.



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Key Findings

Stelrad's total greenhouse gas emissions (Scopes 1, 2 and 3) were 457,602 tCO₂e on a market basis.

Stelrad's total greenhouse gas emissions decreased by 16% between 2022 and 2023.

Scope 1 and 2 emissions represent 2.6% of total emissions on a market basis.

Scope 1 emissions decreased by 16%, while Scope 2 emissions (market-based) decreased by 22%.

Scope 3 emissions represent 97.4% of total emissions, and decreased by 16%.

The decrease in emissions was mainly driven by a decrease in Scope 3 Category 1 (Purchased Goods and Services) and Category 4 (Upstream Transport and Distribution) emissions, which decreased by 15% and 39%, respectively.

The most significant emissions source is the raw materials used in manufacture this Scope 3 category accounted for 90.9% of the company's total carbon footprint.

Emissions embedded in capital goods and fuel-related emissions are also significant contributors to Scope 3 emissions. Scope 1 and 2 emissions can be reduced over time through a mix of energy efficiency measures, on-site generation and green energy procurement.

Scope 3 emissions will be addressed through engagement with suppliers and customers.

Improved data was collected and used for Scope 3 – Category 1, 4 and 9 calculations.



Emissions Footprint Summary

This Carbon Balance Sheet contains Stelrad's full greenhouse gas (GHG) emissions inventory for 1st January 2023 - 31st December 2023.

Stelrad's emissions are reported on a consolidation, operational control approach, as defined by the GHG Protocol. All emissions have been calculated following the GHG Protocol's Corporate Accounting and Reporting Standard. All seven greenhouse gases defined by the Kyoto Protocol have been accounted for and reported on a tonnes of carbon dioxide equivalent (tCO₂e) basis.

Figure 2 shows Stelrad's emissions compared to a comparable company with the same revenue in Stelrad's sector and subsector.

Figure 1: 2023 Emissions breakdown by scope and Scope 2 reporting method



Table 1: Emissions summary

Emissions Scope	2023 GHG emissions tCO ₂ e	2022 GHG emissions tCO ₂ e
Scope 1	8,073	9,660
Scope 2 (location-based)	13,928	17,041
Scope 2 (market-based)	4,049	5,167
Scope 3	445,479	531,456
Total GHG emissions (location- based)	467,480	558,157

Figure 2: Your Scope 1, 2 and 3 emissions in context





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Carbon Balance Sheet 2023

Table 2: Carbon balance sheet	Greenhouse gas emissions inventory		Operational analysis	Product analysis	Comparison
Emissions Scope & Category	tCO2e %		tCO2e Operational emissions	tCO2e Product emissions	Previous Year 2022 tCO ₂ e
Scope 1	8,073	1.7%	8,073	8,073	9,660
Natural Gas	7,390	1.6%	7,390	7,390	8,901
Transportation (excluding grey fleet)	613	0.1%	613	613	684
Other Fuels	70	0.0%	70	70	75
Scope 2 (location-based)	13,928	3.0%	13,928	13,928	17,041
Scope 2 (market-based)	4,049				5,167
Scope 3	445,479	95.3%	21,343	35,450,304	531,456
1. Purchased Goods & Services	425,113	90.9%	4,545	420,567	499,998
2. Capital Goods	1,858	0.4%	1,858		4,297
3. Fuel-related Emissions	4,345	0.9%	4,345		5,074
4. Upstream Transportation and Distribution	8,728	1.9%	8,728	8,728	14,263
5. Waste Generated in Operations	163	0.03%	163	163	229
6. Business Travel	169	0.04%	169		156
7. Employee Commuting	1,536	0.3%	1,536		1,415
8. Upstream Leased Assets	-		-	-	-
9. Downstream Transportation and Distribution	512	0.1%		512	748
10. Processing of Sold Products	-				-
11. Use of Sold Products	35,017,277	-		35,017,277	43,654,352
12. End-of-life Treatment of Sold Products	3,056	0.7%		3,056	5,276
13. Downstream Leased Assets	-				-
14. Franchises	-				-
15. Investments	-				-
Total emissions (location-based)	467,480	100%	43,344	35,472,305	558,157
All tCO ₂ e (location-based) per £m Revenue	1,517		141	115,098	1,583



GHG Inventory

This follows the GHG protocol guidance and accounts for all operational and value chain associated with a company. The Scope 3 inventory is divided into the 15 categories established by the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard). Not all categories are applicable to every business. All applicable categories have been quantified.

Operational analysis

This section comprises all Scope 1, 2 and 3 emissions associated with the day to day running of the business. Therefore, emissions associated with the upstream and downstream aspects of sold products are not included in this section.

Product analysis

This section contains all emissions associated with the production of products Stelrad sells. This includes upstream emissions associated with raw materials,

processing/manufacturing emissions, upstream and downstream transportation, product usage and end of life treatment.

Figure 3: Emissions by Scope and Category

Emissions Analysis

The indirect energy use of Stelrad radiators produces over 35 million tCO₂e over their 33-year lifespan. On average, this equates to 9.1 tCO $_2$ e per radiator, an increase from 2022 due to a smaller number of higher-powered radiators being c

Scope 1

Scope 3 - Category 2. Capital Goods

number of higher-powered radiators being sold. Radiators sold in Denmark have the owest emissions due to 80% of homes in Denmark having district heating. On the other hand, radiators sold in Italy have the nighest emissions due to a combination of		Third-party transport and distribution, both paid for by Stelrad and paid for by others, account for 1.9% of total emissions, down from 4.7% in 2022, due to a combination of more accurate data and lower sales. Engagement with logistics	5. Waste Generated in Operations , 6. Business Travel	163 169
nigh grid emissions and The gradual shift of hea neat pumps and decarl will help to reduce thes	d 71% gas heating. ating to electric bonisation of grids ae emissions over	providers to consolidate journeys and switch to alternative fuels where available will help to reduce these emissions.	9. Downstream Transportation and Distribution	512
The purchase of materials used in radiators accounts for 420,567 tCO ₂ e, with the purchase of steel accounting for 68%		Scope 1 and 2 emissions account for 4.7% of total emissions. The continued switching of sites to 100% renewable contracts has reduced market-based Scope 2 emissions by 22%. Once all sites	2. Capital Goods	1,536
From 72% in 2022. Therefore, efforts should begin to focus on other raw materials and backaging.		globally move to 100% renewable electricity, market-based Scope 2 emissions will be 0 tCO ₂ e.	12. End-of-life Treatment of Sold Products	3,056
Table 3: Top 5 emissions	s categories		3. Fuel-related Emissions	4,345
Materiality Rank	GHG Emissions Scope	/ Category	Scope 1	8,073
1	Scope 3 - Category 1. P	Purchased Goods and Services		
2 Scope 2 (location-based)			4. Upstream Transportation and Distribution	8,728
3 Scope 3 - Category 4. Upstream Transport and Distribution			Scope 2 - Location-based	13,928
			1. Purchased Goods & Services	

These materials account for 22% of

and services purchased to run the

total emissions, while the other goods

business account for 1% of total emissions.

0



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5

100,000 200,000 300,000 400,000 tCO₂e

425,113

6

13,928

- 3,073
- ,345
- ,056
- 858
- 536



Year-on-year comparison

This is the second year Stelrad has quantified its full Scope 1, 2 and 3 GHG inventory. Overall, Stelrad's emissions decreased by 16.2%, driven by a decrease in Scope 3 – Category 1 (Purchased Goods and Services), Category 4 (Upstream Transport and Distribution) and Category 2 (Capital Goods) emissions. Stelrad's Scope 1 emissions decreased by 16% between 2022 and 2023. Scope 2 emissions were also reduced by 22% on a market basis.

Figure 4: Stelrad's 2022 vs 2023 GHG emissions footprint 600,000 -16.2% 500,000 400,000 0,000 200,000 100,000 0

2022

2023

Scope 1

■ 1. Purchased Goods & Services

■ 3. Fuel-related Emissions

Scope 2 (location-based)

■ 4. Upstream Transportation and Distribution

Scope 3 (other)

Table 4: Explanation of 2022 to 2023 changes (% and absolute)

GHG Emissions Scope / Category	% change	tCO2e chang
Scope 1	-16.4%	-1,587
Scope 2 (location-based)	-18.3%	-3,113
Scope 2 (market-based)	-21.6%	-1,117
Scope 3 - 1. Purchased Goods & Services	-15.0%	-74,88
Scope 3 - 2. Capital Goods	-56.8%	-2,439
Scope 3 - 3. Fuel-related Emissions	-14.4%	-729
Scope 3 - 4. Upstream Transportation and Distribution	-38.8%	-5,535
Scope 3 - 5. Waste Generated in Operations	-29.0%	-66
Scope 3 - 6. Business Travel	+8.1%	+13
Scope 3 - 7. Employee Commuting	+8.6%	+121
Scope 3 - 9. Downstream Transportation and Distribution	-31.5%	-236
Scope 3 - 11. Use of Sold Products	-19.8%	-8,637,0
Scope 3 - 12. End-of-life Treatment of Sold Products	-42.1%	-2,220



je	Explanation
7	18% decrease in the kWh of natural gas used.
3	13% lower kWh usage, with grid decarbonisation.
	More 100% renewable electricity purchases.
35	Less steel purchased combined with a shift to some supplier-specific data.
9	46% decrease in inflation-adjusted spend.
	Lower kWh usage of gas and electricity.
5	Improved data accuracy and a decrease in total shipments.
	14% decrease in total waste weight, with increased recycling.
	72% higher spend on business travel.
	The absence of a new Turkey survey resulted in average emissions per FTE being used, which was higher than the Turkey average per FTE from 2022.
	Improved data accuracy and a decrease in total shipments.
)75	11% decrease in kW sold, heating electrification and gradual grid decarbonisation.
C	34% decrease in weight of sold radiators with slight increase in recycling rate.



Data Collection Recommendations

The guidance in the GHG Protocol has been followed throughout and a summary of the data sources and methodologies used for each category are set out in the methodology table.

The areas of data collection that would benefit from improvement in the future to improve the effectiveness of the Carbon Balance Sheet have been identified and are shown in Table 5.

Table 5: Data collection recommendations

Emissions Category	Data Collection Recommendations
I. Purchased Goods and Services	Aim to collect the weight of all purchase with all suppliers to collect supplier-spec
4. Upstream Transportation and Distribution and 9. Downstream Transportation and Distribution	Work to put processes in place that will outbound transport. The data needed in - mode of transport (sea, air, rail or road) - start and end location - weight of goods transported per journe
6. Business Travel	The use of a central business travel book business travel data to be collected. Any collect: - transport type (air, rail, hotel, taxi, ferry, - class of travel - start and end location - number of nights and country of hotel
	Work to ensure all subsidiaries are unde

7. Employee Commuting

Work to ensure all subsidiaries are undertaking a yearly employee commuting survey and aim for a 100% response rate.



ed raw materials and packaging. Engage ecific emissions.

ll automatically track all inbound and includes: ଏ)

ney

oking system would allow activity-based ny system imposed should be able to

y, etc.)

el stays

Methodology

This table sets out the applicability of each category, data sources and an overview of the methodology followed for Scope 3 calculations. Unless stated otherwise, all conversion factors are sourced from UK Government (DESNZ) GHG Conversion Factors for Company Reporting, v1.0 2023, and include Scope 3 Well to Tank and T&D losses.

The Greenhouse Gas Protocol Value Chain methodology is followed in all cases. Well to Tank refers to the emissions associated with extracting raw materials (e.g. oil and gas), processing them into fuels and transporting them to the point of use e.g. the fuel tank or the power station. Transmission & Distribution (T&D) losses represent the electricity consumed and lost in the network between the power generators and the consumers.

Table 6: Methodology, data sources and accuracy rating

Emissions Category	Applicable	Data source/s	Method comments
Scope 1	Yes	Gas invoices Fuel consumption data in milage or litres	 Activity-based approach The Scope 1 and 2 CO₂e emissions data has been calculated using the GHG Proto Accounting and Reporting Standard (World Business Council for Sustainable De Resources Institute, 2004); Greenhouse Gas Protocol – Scope 2 Guidance (World 2015); ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO, 2019a); Environmental Reportin Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).
Scope 2 – Location-based	Yes	Electricity Invoices	 A location-based method reflects the average emissions intensity of grids on wh energy consumption occurs (using mostly grid-average emission factor data). DESNZ 2023 factors have been used, utilising the published kWh gross calorific v emissions factors
Scope 2 – Market-based	Yes	Electricity Invoices	 A market-based method reflects emissions from electricity that companies have chosen (or their lack of choice). It derives emission factors from contractual instruany type of contract between two parties for the sale and purchase of energy bu about the energy generation, or for unbundled attribute claims. Market-based emissions are reported in tCO₂ only Market-based emissions in this report have been calculated using the REGO-bac contract or residual grid factor emissions factors.



Data quality rating

e purposefully uments, which include Indled with attributes

High

cked electricity

Table 6 continued

Scope 3 Category	Applicable	Data source/s	Method comments
1: Purchased Goods and Services	Yes	Quantity and weight of purchased goods Opex data	 Hybrid approach using spend and activity-based methodologies. Activity-based approach Where supplier-specific emission factors per tonne of steel were available, these we The weight of other purchased materials was converted into emissions using the DB for virgin material use. Spend-based approach Opex. spend converted into £ value of the year of conversion factors using average e and the Bank of England inflation calculator. Emissions calculated using converted spend and spend-based emissions factors from the spend of th
2. Capital Goods	Yes	Capex. data, bucketed into categories	Spend-based approach •Capex. spend converted into £ value of the year of conversion factors using average and the Bank of England inflation calculator. •Emissions calculated using converted spend and spend-based emissions factors fro
3. Fuel-related Emissions	Yes	Electricity, gas and transport fuel consumption data from SECR	 Activity-based approach Includes Well-to-Tank and T&D losses from direct (Scope 1) and indirect (Scope 2) er For natural gas, other fuels and transport fuel consumption, the WTT emissions fact by the UK Government were applied to calculate Category 3 emissions. For electricity consumption, the transmission and distribution (T&D), WTT – generat T&D emissions factors were applied to calculate category 3 emissions. These losses from other sources are included in their respective categories.
4. Upstream Transportation and Distribution	Yes	Estimated milage data of transported goods. Spend on postage	 Hybrid approach using spend and activity-based methodologies. Activity-based approach Location data converted to tCO₂e using relevant emissions factors from the DESNZ emissions factors conversion database and the distance travelled by transport type. It was assumed transportation took place via diesel-fuelled heavy goods vehicles or Spend-based approach Spend on transportation services converted into £ value of the year of conversion fa Bank of England inflation calculator. Emissions calculated using converted spend and spend-based emissions factors from the conversion fa converted spend and spend-based emissions factors from the conversion factors from the conversion factors for the conversion factors converted spend and spend-based emissions factors from the conversion factors from the conversion factors for the conversion factors converted spend and spend-based emissions factors from the conversion factors from the conversion factors converted spend and spend-based emissions factors from the conversion factors from the conversion factors for the conversion factors for the conversion factors from the co
5. Waste Generated in Operations	Yes	Categorised waste from waste notes	Activity-based approach •DESNZ 2023 emissions factors for specified types of disposed material and specified routes (recycling, energy recovery/combustion, landfill) used to calculate emissions.



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		Data quality rating
vere us DESNZ e excha from D	sed. 2 2023 factors ange rates EFRA.	Medium
ge exch from D	nange rates EFRA.	Low
energy ctors a ration a	/ consumption. s published and WTT –	High
IZ 2023 e. or cont factors from D	ainer ships. s using the EFRA.	Low
ed disp	oosal	Medium

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Table 6 continued							
Scope 3 Category	Applicable	Data source/s	Method comments				Data quality rating
6. Business Travel	Yes	Travel and accommodation spend Business travel milage	Spend-based approact •Assumptions were may total distance travelled •Assumptions were may hotel usage. •Distances and hotel st	ch ade on the average cost of a mile pe d by each transport mode. ade on the average cost of a hotel st tays were converted to emissions us	er transport mode in order to tay in order to estimate the nu sing DESNZ 2023 emissions fa	estimate the umber of nights of actors.	Low
7. Employee Commuting	Yes	Employee commuting questionnair e results FTE number	Activity-based approa •Employee survey used •Annual emissions cald •Results extrapolated t •Average emissions pe	ach d to collect distance travelled, trans culated for each employee that resp to account for full number of emplo r FTE from the other subsidiaries wa	port type and frequency. bonded to survey yees as applied to the Italy and Tur	·key FTEs.	Medium
8. Upstream Leased Assets	No – leased assets accounted for in Scope 1 and 2			NA			
9. Downstream Transportation and Distribution	Yes	Volume of products sold per customer, distance travelled and transport type	Hybrid approach using Activity-based approact •Location data convert emissions factors conv •It was assumed transp Spend-based approact •Spend on transportati Bank of England inflati •Emissions calculated to	g spend and activity-based metho ach eed to tCO ₂ e using relevant emission version database and the distance to cortation took place via diesel-fuelle ch ion services converted into £ value o ion calculator. using converted spend and spend-l	odologies. Ins factors from the DESNZ 20 ravelled by transport type. ad heavy goods vehicles or co of the year of conversion factor based emissions factors from	23 ntainer ships. ors using the DEFRA.	Low
10. Processing of Sold Products	No – finished products sold			NA			



Group plc Stelrad Carbon Balance Sheet Report		et Report	OVERVIEW CARBON BALANCE SHEET EMISSIONS ANALYSIS METHODOLOGY	APPENDIX
Table 6 continued				
Scope 3 Category	Applicable	Data source/s	Method comments	Data quality rating
11. Use of Sold Products	Yes	Quantity and kW of radiators sold	Average-data based approach •The kW consumption of all radiators sold in the year was used to calculate the indirect lifetime emissions. •It was assumed that radiators were used in the country they were sold, using country-specific heating patterns and average percentage of gas and electric heating. •A 33-year lifetime was assumed.	Low
12. End-of-life Treatment of Sold Products	Yes	Quantity, weight and item name of products sold. Product packaging weight and type.	Average-data based approach • The total mass of radiators being disposed of was used to calculate the weight of steel, plastic and paper/card using a 96.2%, 0.9% and 2.9% split, respectively. •The disposal method was assumed using average recycling rates for steel, plastics and paper.	Low
13. Downstream Leased Assets	No – no downstream leased assets		NA	
14. Franchises	No – no franchises		NA	
15. Investments	No – no financial investmen ts or joint ventures		NA	



Glossary

Adjusted Spend: Adjusting the provided spend values for the baseline year 2020 to the year of the spend-based DEFRA databases (2018/2011). This adjusted value is used to calculate the associated carbon emissions.

Carbon dioxide (CO2): a greenhouse gas that enters the atmosphere through burning fossil fuels (coal, natural gas, and oil), solid waste, trees and other biological materials, and also as a result of certain chemical reactions (e.g., cement production).

Carbon Neutral: Carbon neutral means an organisation has purchased an equivalent number of compensatory measures, such as carbon offsets and green energy certificates, to neutralise their GHG emissions

Carbon Offsets: Investing in voluntary carbon offsets funds low-carbon projects that replace high emitting alternatives. Carbon offsets can be used to compensate for the emissions produced by a company.

Embodied Emissions: Embodied emissions are emissions associated with the cradle to gate manufacture of products, for example emissions produced through extraction of raw materials, transportation of material and manufacturing processes.

Fluorinated gases: Hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride are synthetic, powerful greenhouse gases that are emitted from a variety of household, commercial, and industrial applications and processes.

Greenhouse gas (GHG): are gases that trap heat in the atmosphere.

GHG Protocol: The Greenhouse Gas Protocol is the most widely used standards for calculating greenhouse gas (GHG) emissions.

Global warming potential: (GWP) GWP is a measure of how much energy the emissions of 1 ton of a gas will absorb over a given period of time, relative to the emissions of 1 ton of carbon dioxide (CO₂). The larger the GWP, the more that a given gas warms the Earth compared to CO_2 over that time period.

Kyoto Protocol: the Kyoto Protocol operationalises the UN Framework Convention on Climate Change by committing industrialised countries and economies in transition to limit and reduce greenhouse gases (GHG) emissions in accordance with agreed individual targets. There are seven GHGs that are required to be reported under the Kyoto Protocol: Carbon dioxide (CO₂), Methane (CH_{4}) , Nitrous oxide $(N_{2}O)$, Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur hexafluoride (SF₆) and Nitrogen trifluoride (NF₃)

Location-based emissions: Methodology to calculate scope 2 emissions using the average grid emissions factor of a region.

Market-based emissions: Methodology to calculate scope 2 emissions using emissions factors specific to the contractual instruments in place.

Methane (CH₄): a greenhouse gas emitted during the production and transport of coal, natural gas, and oil. Methane emissions also result from livestock and other agricultural practices, land use, and by the decay of organic waste in municipal solid waste landfills.

Net-zero: net-zero requires a concerted effort over time to eliminate GHG emissions, with compensatory measures as a final step for any emissions that can't be reduced. The SBTi net-zero standard requires a 90% reduction in emissions prior to any residual offsets, up to 10% of the baseline, being offset using carbon removal offsets.

Nitrous oxide (N₂O): a greenhouse gas emitted during agricultural, land use, and industrial activities; combustion of fossil fuels and solid waste; as well as during treatment of wastewater.

science.

Scope 1: Emissions from gas usage and transportation fuels (under the company's control).

Scope 2: Emissions associated with the consumption of purchased electricity. Are presented on both a location based (using country average electricity emission factors) and market based (taking into account any purchased renewable generated electricity) approach.

Scope 3: Company's value chain emissions, divided into 15 categories, as established by the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard.

Sulphur hexafluoride (SF₆): a greenhouse gas that is primarily used in electrical transmission and distribution equipment.

tCO₂: Tonnes of carbon dioxide gas released into the atmosphere. This metric is often used when reporting electricity emissions factors.

tCO₂e: Greenhouse gases have different global warming potentials and are converted to a carbon dioxide equivalent for ease of comparison and reporting.

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SBTi: The Science Based Targets initiative (SBTi) is the internationally recognised body for validating emissions reduction targets that are in line with the latest climate



GHG Protocol – Data Types

The Greenhouse Gas Protocol is the primary, internationally accepted, method for companies to account for their operational and value chain emissions.

According to the GHG Protocol, calculating emissions requires the use of two types of data: activity data and emission factors. "Activity data" is a quantitative measure of an activity that results in GHG emissions (for example, litres of fuel consumed, or kilograms of material purchased). An "emission factor" is a factor that converts activity data into GHG emissions data (for example kg CO₂ emitted per litre of fuel consumed, or kg CO₂ emitted per kilograms of material produced).

When considering which activity and emissions data to use, there are two types of data that can be used in Scope 3 calculations:

Primary data is data from specific activities within a company's value chain. It includes data provided by suppliers or others that directly relate to specific activities in that company's supply chain. E.g. when calculating emissions for Scope 3, Category 5 – waste, the weight of waste collected by the disposal company, broken down by waste stream and disposal route, would count as primary data.

Secondary data is data that is not from specific activities within a company's value chain. This includes industry average data (e.g. from published databases, government statistics, literature studies and industry associations), proxy data and other generic data that isn't specific to your business. E.g. when calculating emissions for Scope 3, Category 7 – employee commuting, if actual employee commuting patterns are unavailable, Office for National Statistics commuting data can be used instead.

There are a range of methods that can be used for calculating Scope 3 categories, the most common methods include:

- Supplier-specific: using supplier-specific emissions factors for goods/ services (primary data)
- Hybrid: using a combination of supplier-specific emissions factors (primary data) and industry average emissions factors (secondary data)
- Average-data: using industry average emissions factors (secondary data) based on quantities of goods/services used, e.g. DESNZ annual emission factors (kgCO₂e/t)
- Spend-based: using industry average emissions factors (secondary data) based on spend on goods/services used e.g. DEFRA spend emissions factors (kgCO₂e/ \pm)

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IV: Quality Review

Prepared for: Stelrad Group PLC

Document Reference: Inspired ESG_Scope 3_Carbon Balance Sheet_Stelrad_FY23_V1

Date: 05/02/2024

Document Version: 1

Author: Dr Harriet Kildahl

	Document Control				
Issue Number	Date	Author	I		
VI	05/02/2024	Dr Harriet Kildahl			
V2	08/02/2024	Dr Harriet Kildahl	Te>		



Description of Changes

First Issue

xt, figure and logo changes



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