



Carbon Reduction Plan 2025

 ARROW
GROUP

Net Zero Commitment

Arrow Group Global Ltd recognises the importance of making a full and lasting commitment to reducing the greenhouse gas emissions from our activities, in support of the wider commitment of the world to limit global temperature increases and the impact on the planet.

We commit to the following:

- 1** For our company to achieve Net Zero in line with the Science Based targets set out by the UNFCCC i.e., to achieve Net Zero no later than 2050 and target a 50% reduction in emissions by 2030.
- 2** To set realistic short and long-term targets that are designed to achieve our Net Zero commitments.
- 3** To report the total Greenhouse Gas emissions of our business, at a minimum, on an annual basis.

COMMITMENT TO BE NET ZERO: **2050**

50% EMISSIONS REDUCTION: **2030**

Overview

There are 3 different approaches to measuring emissions, as defined by the GHG Protocol. This report has been constructed using the Operational Control Approach, considering the requirements of each potential approach.

Approach	Description	Taken
Operational Control	The organisation has operational control over an operation if it or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.	✓
Financial Control	The organisation has financial control over the operation if it has the ability to direct the financial and operating policies of the organisation with a view to gaining economic benefits from its activities.	
Equity Share	The organisation accounts for GHG emissions from operations according to its share of equity in the operation.	

January 2024 – December 2024

YEAR	Jan – Dec 2022	Jan – Dec 2024
Industry	Manufacturing	Manufacturing
No. of Staff	38	34
No. of Offices – Owned	0	0
No. of Offices – Leased	3	3
No. of Company Vehicles - Owned	2	2
No. of Company Vehicles - Leased	15	15

Emissions from Scope 1 & 2 have been measured along with certain Scope 3 emissions. The Scope 3 emissions that have been included are those that have been practical to measure with available data, which are as follows:

- Business Travel
- Employee Commuting
- Transmission and Distribution of Electricity
- Waste Disposal
- Material Used
- Water Treatment

The Company is committed to measure an increasing amount of Scope 3 emissions and will aim to reduce emissions across all activities.

**TOTAL
EMISSIONS
2022**

188.7
tonnes CO₂e

-2%

**TOTAL
EMISSIONS
2024**

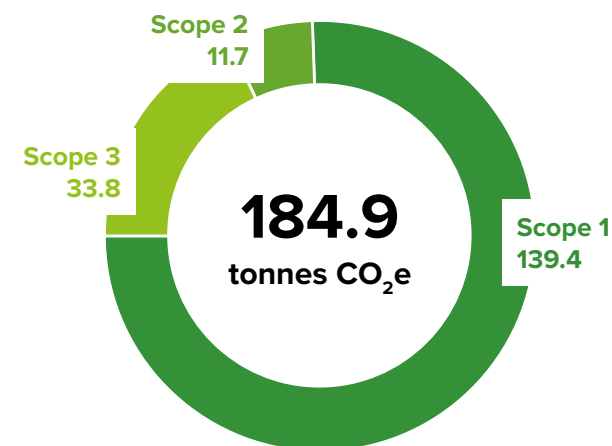
184.9
tonnes CO₂e

Carbon Emissions Overview

The total calculated emissions for the business for the period 2024 are 184.9 tCO₂e, a decrease of 2.0% from the benchmark period.

The Company will aim to measure an increasing amount of Scope 3 emissions and is committed to reducing their emissions across all scopes.

Analysis by Scope 2024



Scope 1 emissions amount to 139.4 tCO₂e, representing 75.4% of the company's emissions. Scope 1 emissions included fuels used in company offices and company vehicles.

Scope 2 emissions accounts for 6.3% of calculated emissions. This is the electricity used at the company's office. Scope 2 emissions were 11.7 tCO₂e in this period. The office is on a fully renewable tariff.

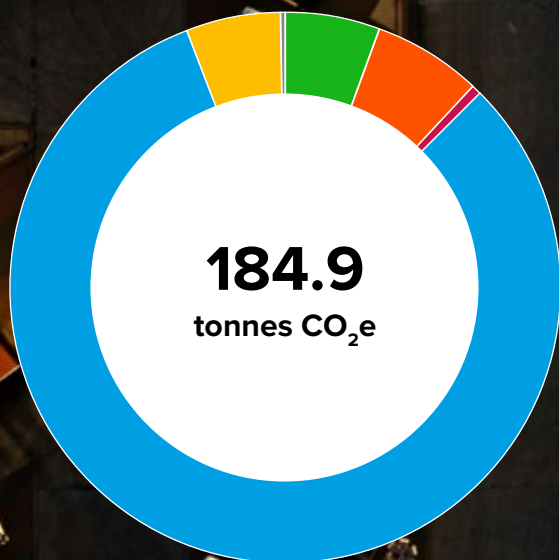
Scope 3 emissions accounts for 18.3% of calculated emissions and includes:

- Business Travel
- Employee Commuting
- Transmission and Distribution of electricity
- Waste Disposal
- Water Treatment

Scope 3 emissions were 33.8 tCO₂e in this period.

Emissions by Activity

2024



ELECTRICITY

GAS

BUSINESS TRAVEL

EMPLOYEE COMMUTING

TRANSMISSION AND DISTRIBUTION

PURCHASED GOODS & SERVICES

CARBON REDUCTION PLAN

EMISSION TYPE	SCOPE	2022 tCO ₂ e	2024 tCO ₂ e	DATA SOURCE	DATA CONFIDENCE
Energy					
Gas	1	7.4	10.7	Gas Bills	High
Electricity	2	25.7	11.7	Electricity Bills	High
Transmission and Distribution of Electricity	3	2.4	1.0	Electricity Bills	High
Business Travel					
Van	1	47.5	57.6	Mileage Data	High
HGV	1	68.7	71.1	Mileage Data	High
Electric Car	3	6.9	9.3	Mileage Data	High
Hybrid Car	3	1.4	4.2	Mileage Data	High
Diesel Car	3	9.0	7.7	Mileage Data	High
Petrol Car	3	0.2	0.5	Mileage Data	High
Plane	3	4.4	0.0	Mileage Data	High
Rail	3	0.1	0.1	Mileage Data	Medium
Employee Commuting					
Electric Car	3	0.0	0.1	Mileage Data	Medium
Diesel Car	3	7.3	6.0	Mileage Data	Medium
Hybrid Car	3	0.3	0.4	Mileage Data	Medium
Petrol Car	3	6.3	4.0	Mileage Data	Medium
Rail	3	0.0	0.2	Mileage Data	Medium
Other					
Waste Disposal	3	0.8	0.2	Waste Transfer	High
Material Used	3	0.2	0.0	EEIO Analysis	Low
Water Treatment	3	0.1	0.1	Water Bills	High
TOTAL		188.7	184.9		

Intensity Metric Analysis

Scopes 1, 2 & 3

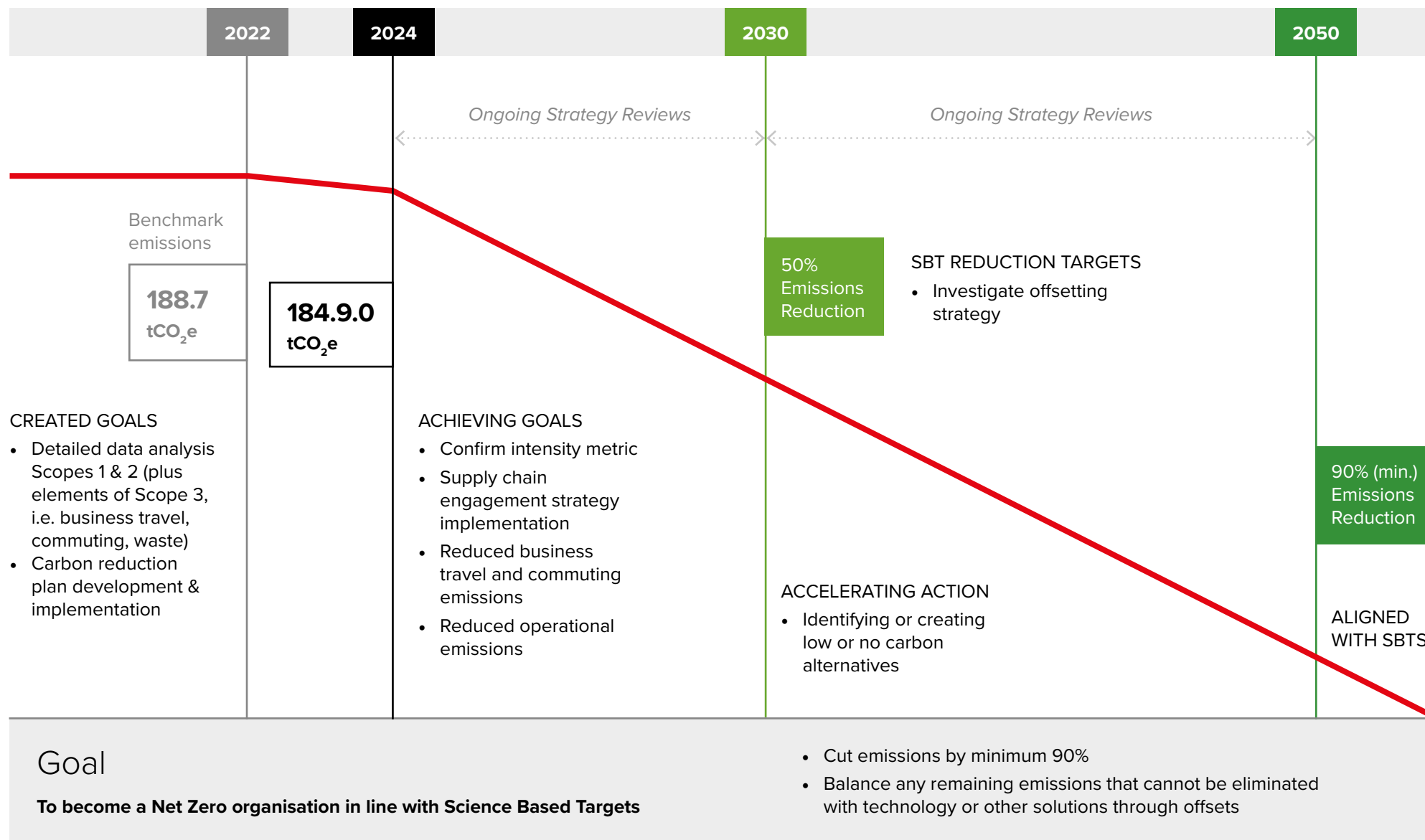


The chosen intensity metrics shows a carbon emissions value of 5.5 tCO₂e per employee, which is an increase of 11.1% from the benchmark year. The business headcount averaged 34 people during the reporting period.

It should be noted that emissions measured has increased due to more deliveries being carried out by owned vans. The increase is entirely due to this change in business practice and supports the approach to measure emissions and control the reduction plan.



Emissions Reductions Targets



Carbon Reduction Actions

Arrow Group will develop the following initiatives that will support the company's strategies to meet Science Based Targets:

Engagement of Team

To engage the entire team throughout the organisation in the Net Zero transition plan and to encourage staff to support lower carbon ideas, opportunities and activities. To add into company induction process to ensure all new team members are aware of our plan.

Commercial Vehicle Strategy

A large proportion of our calculated emissions are from our commercial vehicle fleet and we will develop a strategy to transition to low carbon when viable to do so. We will work to ensure delivery routes and choice of branch for dispatch are optimised to reduce travel distances as much as possible.

Staff Commuting

To encourage car sharing and using lower carbon options for travel to the office. The office has eight electric car charging points for staff to use as they transition to electric and hybrid vehicles.

Carbon Emissions Dashboard

Arrow Group has made the commitment to complete its carbon emissions dashboard on a regular basis. This is overseen by a member of the Senior Management Team and shared with the wider team on a regular basis. By partnering with Net Zero International and holding monthly consultations with them, we gain access to their expertise and support in reporting our emissions and how to reduce them, including best practice and insights. We will also publish our carbon emissions report and our reduction activities online to encourage others to make lower carbon decisions.

Supply Chain Strategy

To liaise with our suppliers to obtain data relating to goods supplied, and their own emissions reporting to ensure we look to work with businesses committed to reducing their carbon impact. To continue working to procure more products from factories closer to the UK (e.g. Europe rather than Far East) to reduce shipping mileage and transport emissions.



Signed on behalf of Arrow Group
Delwin Pallister, Managing Director

Emissions Data

2024

The data contained in the table opposite represents total emissions calculated and is consistent with SECR requirements. All sources of emissions that have been measured are included in the totals opposite. Emissions from key activities are summarised in the previous sections.

A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen.

CARBON REDUCTION PLAN

	2022	2024
Energy consumption used to calculate emissions Electricity Scope 2 - UK & Offshore (kWh)	132,783	95,482
Energy consumption used to calculate emissions – Global, excluding UK & Offshore (kWh)	N/A	N/A
Basis of Energy reporting (Location or Market)	Location	Market
% of total energy sourced from certified renewable sources	0%	40.6%
Emissions associated with energy consumption - UK, Offshore & Global (tCO2e)	25.7	11.7
Emissions from activities for which the company is responsible including combustion of fuel & operation of facilities - Scope 1 (tCO2e)	131.8	139.4
Emissions from purchase of electricity, heat, steam and cooling for own use - Scope 2 (tCO2e)	25.7	11.7
Total Scope 1 & 2 Emissions (tCO2e)	157.5	151.1
Emissions from upstream activities out of operational control - Scope 3 (tCO2e)	31.2	33.8
Emissions from use of sold products and services out of operational control - Scope 3 (tCO2e)	<i>None included</i>	<i>None included</i>
Total Gross Scope 3 Emissions (tCO2e)	31.2	33.8
Total Scope 1, 2 & 3 Emissions (tCO2e)	188.7	184.9
Intensity ratio tCO2e (gross Scope 1, 2 & 3) p/e	4.9	5.5
Carbon offsets (tCO2e)	0.0	0.0
Total Annual Net Emissions (tCO2e)	188.7	184.9

Standard and Methodology Used

Arrow Group Global Ltd categorises its Greenhouse Gas (GHG) Emissions as Scope 1, 2 or 3 as referred to in the WBCSD – WRI Greenhouse Gas Protocol (revised edition, dated March 2014). Emissions in Carbon Dioxide equivalent (CO₂e) for all scopes are calculated using the conversion factors listed in DESNZ Greenhouse Gas Conversion Factors for the relevant 12 month period over which the Carbon Footprint is calculated. Procured renewable electricity and gas is calculated in accordance with the WBCSD – WSI Scope 2 Guidance on procured renewable energy (2015).

Data Quality / Confidence

The data used to generate this report has been collected from various sources from both within the company and using assumptions gathered by Net Zero International. These emissions have been converted to CO₂e using GHG Protocol and DESNZ frameworks and conversion factors for the relevant period.

Declaration & Sign Off

This Carbon Reduction Plan has been completed in accordance with SECR and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

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) Standard.

This Carbon Reduction Plan has been reviewed and agreed by the board of directors (or equivalent management body).



Signed on behalf of Net Zero International
David Hawes, Co-Founder



Glossary

Benchmark Data

The chosen 12-month period that sets the calculated emissions that need to be mitigated and/or offset.

Carbon Reduction

Reduction in measured CO₂e emissions.

Carbon Reduction Plan

Plan to reduce CO₂e emissions over a period of time, updated annually.

Carbon Emissions (Gross)

CO₂e emissions from Company activities.

Carbon Emissions (Net)

CO₂e emissions from Company activities minus verified carbon offsets the Company purchases.

Carbon Neutral

When emissions are fully offset including those emissions that could be mitigated.

Carbon Offsets

A removal or reduction of carbon emissions through a verified scheme.

CO₂e

All greenhouse gases expressed in terms of Carbon Dioxide equivalent (CO₂e) for consistency of reporting.

DESNZ

Department of Energy Security and Net Zero
gov.uk/government/collections/government-conversion-factors-for-company-reporting

EEIO

Environmentally Extended Input Output
– Emissions estimated on spend
ghgprotocol.org

GHG Protocol

Greenhouse Gas Protocol
ghgprotocol.org

Greenhouse Gases

Carbon Dioxide (CO₂), Methane (CH₄), Nitrous Oxide (N₂O), Chlorofluorocarbons (CFCs and HCFCs), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF₆).

Greenhouse Gas Conversion Factors

Annually published conversion factors normally published by relevant government departments. Converts activity into CO₂e emissions.

Greenhouse Gas Emissions (GHG)

Gases in the atmosphere that absorb and radiate heat.

Intensity Metric/Ratio

A metric that measures carbon emissions per relevant unit of activity in a business.

Market Reporting v Location Reporting

Market is based on actual tariffs. Location is based on UK government emissions factors.

Net Zero

GHG emissions are mitigated and those that cannot are offset.

Renewable Tariff

An energy tariff that is 100% powered by renewable energy and is certified.

SBT

Science Based Targets – reducing emissions by 50% by 2030 and by 90% by 2050 and offsetting the remaining amount.

Scope 1

The fuels that are burnt (gas, transport the company owns, refrigerant gases).

Scope 2

The energy that is bought (electricity from the grid, purchased heat).

Scope 3

Emissions embedded in everything a company buys and emitted as a consequence of everything a company sells.

SECR

Streamlined Energy & Carbon Reporting

tCO₂e

Metric tonnes of CO₂ equivalent emitted.

WBCSD

World Business Council for Sustainable Development
www.wbcsd.org

WRI

World Resource Institute
www.wri.org

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