



Cabinet Office

## CARBON REDUCTION PLAN GUIDANCE

### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

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<sup>1</sup>Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>2</sup>Technical Standard can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991625/PPN\\_0621\\_Technical\\_standard\\_for\\_the\\_Completion\\_of\\_Carbon\\_Reduction\\_Plans\\_\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf)

<sup>3</sup>Guidance can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991623/Guidance\\_on\\_adopting\\_and\\_applying\\_PPN\\_06\\_21\\_\\_Selection\\_Criteria\\_\\_3\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf)

# Carbon Reduction Plan Template

Supplier name: Jacob Douwe Egberts GB Ltd (Parent company JDE Peet's)

Publication date: ...12/12/2024.....

## Commitment to achieving Net Zero

JDE Peet's is committed to achieving Net Zero emissions by 2050.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

<b>Baseline Year:</b> 2020	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
JDE Peet's has amended it's baseline data for 2020, twice since establishing the base year as we have an improved understanding of our carbon footprint based on enhanced industry LCAs. In line with SBTi and GHG protocol requirements our policy includes for a baseline update if a change in methodology or a merger /acquisition / dis-investment impacts base year total by more than 5%	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	377,443
<b>Scope 2</b>	159,820 (market based data)
<b>Scope 3 (Included Sources)</b>	3,695,136 - Purchased goods and services emissions 167,356 - Capital goods emissions 103,788 - Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions 226,849 - Upstream transportation and distribution emissions

	2,716 - Waste generated in operations emissions 3,441 - Business travel emissions 9,044 - Employee commuting emissions 98,511 - Downstream transportation and distribution emissions 15,871 - Use of sold products emissions 197,235- End-of-life treatment of sold products emissions 7,128 - Franchises emissions <b>4,517,075 – TOTAL SCOPE 3</b>
<b>Total Emissions</b>	<b>5,064,338</b>

## Current Emissions Reporting

<b>Reporting Year: 2023</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>326,791</b>
<b>Scope 2</b>	<b>94,879</b>
<b>Scope 3 (Included Sources)</b>	3,333,387 - Purchased goods and services emissions 171,043 - Capital goods emissions 97,206 - Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions 200,036 - Upstream transportation and distribution emissions 1,134 - Waste generated in operations emissions 14,893 - Business travel emissions 9,846 - Employee commuting emissions 87,890 - Downstream transportation and distribution emissions 34,766 - Use of sold products emissions 173,228 - End-of-life treatment of sold products emissions 6,134 - Franchises emissions <b>4,129,565 – TOTAL SCOPE 3</b>

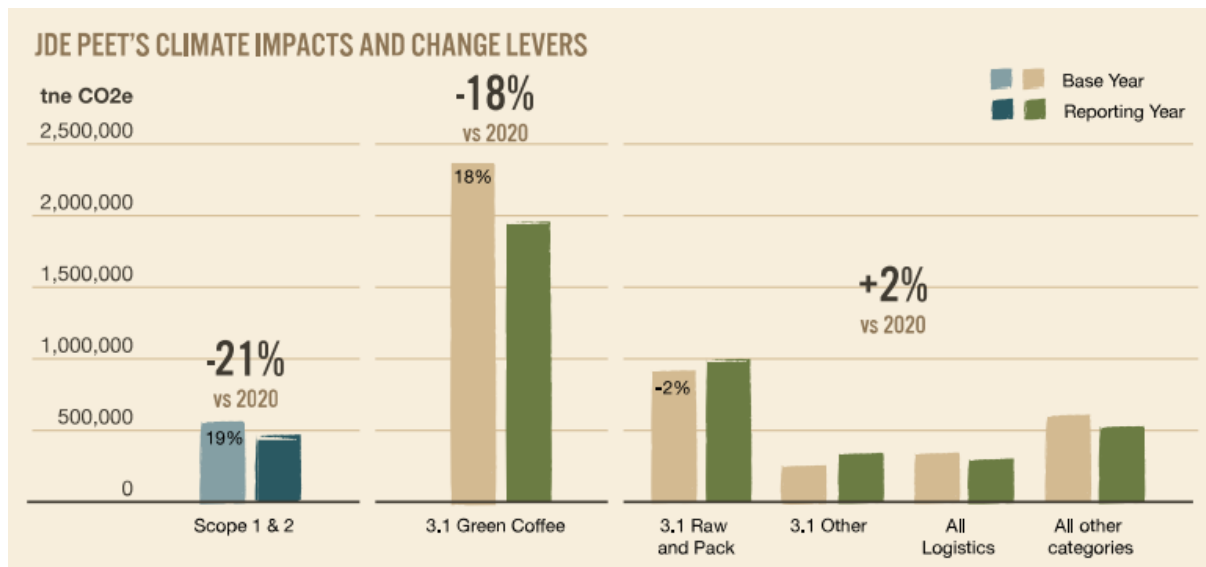
<b>Total Emissions</b>	<b>4,551,236</b>
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## Emissions reduction targets

In line with the New Forestry Land and Agriculture (FLAG) guidance we committed to three new near-term targets, which are validated by SBTi.

- A 43.3% reduction in absolute Scope 1 & 2 emissions by 2030, from a 2020 base year
- A 30.3% reduction in absolute forest, land and agriculture (FLAG) emissions by 2030, from a 2020 base year
- A 25% reduction in absolute Scope 3 emissions by 2030, from a 2020 base year (industrial non-FLAG)
- Net Zero by 2050

Progress against these targets can be seen in the graph below:



## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2020 baseline.

#### SCOPE 1

In terms of climate, and guided by our Marginal Abatement Cost-Curve (MACC)<sup>13</sup> assessment, our Scope 1 levers are focused on energy reduction and decarbonisation across our facilities. Investments in proven technologies and in R&D underscore our commitment to a net-zero future. We continue to invest in decarbonising our fuel usage, and in 2023 one of our roasteries was converted to biofuel use. We also began investing in converting one of our instant facilities to use 100% biomass waste, which will be operational

in 2025. JDE Peet's Capital Expenditure process integrates financial and non-financial metrics to ensure reducing climate impact is an informed part of normal business decisions.

## **SCOPE 2**

Our Scope 2 levers are focused on continuing to use renewable sources, where appropriate. For example, our facility in Bulgaria recently adopted solar panels onsite as we continue to assess the suitability of all our assets to have on-site generation. We source over 22% of our total energy from renewable sources, which includes 49% renewable electricity and 100% in Europe. We use renewable electricity in a balanced way as part of delivering on our reduction commitments, along with investments in more direct energy reduction and decarbonisation.

## **SCOPE 3**

Scope 3 impacts have a number of levers. Because our coffee value chain accounts for 48% of our Scope 3 footprint, an essential aspect of our Minimising Footprint pillar is to continue investing in responsible sourcing farmer projects to promote sustainable agricultural practices and reduce emissions from green coffee production. Our combined investments across capex/opex cumulatively to 2030 is shown in our TNFD / TCFD assessment and are estimated at EUR 850 million (covering the Responsible Sourcing and Minimising Footprint pillars) these costs are integrated into our budgets. Including associated savings on some of these investments, this equates to a marginal abatement carbon price estimate of EUR 62 per tonne.

### **In the future we hope to implement further measures such as:**

Over the longer term, we expect developments in new coffee varieties and techniques, supported by our investment in World Coffee Research (WCR) and various start-ups, to provide better outcomes for farmers. We are also actively involved in consortia and are including work on biochar<sup>15</sup> in our projects, which has the potential to almost permanently retain the carbon from the coffee wastes from farming, while at the same time reducing fertiliser application levels. We believe that coffee is well-placed to be a commodity that can be grown well in a net-zero future.

We are also engaging with our supplier base, setting expectations for them to align with a 1.5°C scenario and a net-zero future. In 2023, we worked directly with our top suppliers, covering 44% of our raw and packaging footprint, and all now have 1.5°C pathway commitments in place. We continue to roll this out to our broader supplier base, and are investing in the tools to track supplier data and delivery against their commitments.

We continue to engage with suppliers who are developing new materials across multiple FMCG businesses. There is a clear plan in place to convert products to new materials in a phased approach. This includes investing in new lines to accept material changes and optimising portfolios, while maintaining product safety and quality.

Along with material efficiency, we have clear roadmaps to manage our energy footprint through a blend of progressive increases in the use of renewable energy and investments in energy reduction. Our investment programme ensures we invest in the technology choices that maintain and strengthen the resilience and competitiveness of our business. Our primary focus is to operate our manufacturing facilities efficiently and to reduce fossil fuel use. We have a roadmap in place to define future options to reduce impacts, including a balance of available technologies and R&D investments. We also want to help create future business resilience by ensuring that key suppliers within our supply chain have similar Science Based Targets' ambitions.

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>4</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>5</sup>.

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<sup>6</sup>.

This Carbon Reduction Plan has been produced by JDE Peets, the parent company of JDE UK Ltd. The figures reported represent the global footprint of JDE Peets and are not country specific to the United Kingdom

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

### Signed on behalf of the Supplier:

*Angela White*

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Date: 6th January 2025

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<sup>4</sup><https://ghgprotocol.org/corporate-standard>

<sup>5</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>6</sup><https://ghgprotocol.org/standards/scope-3-standard>