

Shredall (East Midlands) Limited T/A Shredall SDS Group



**QUALIFYING EXPLANATORY STATEMENT, SUPPORTING PAS 2060:2014 -  
PENDING INDEPENDENT THIRD-PARTY CONFORMITY ASSESSMENT (NQA)**

**V1.7 FINAL – 11-22**

Written by: Carole Woolhouse, Compliance Manager  
With Cameron Phillips, Compliance Apprentice

Approved by: Lucy Shipley, Director

## 1. Introduction

This document forms the **Qualifying Explanatory Statement (QES)** to demonstrate that Shredall (East Midlands) Limited T/A Shredall SDS Group is committed to the achievement of **carbon neutrality** in accordance with **PAS 2060:2014**.

This is for its operational emissions, Scopes 1, 2 and 3 and spans the baseline period commencing 1 January 2021 to 31 December 2021.

For 2021, this will have/has been achieved by:

The offsetting of emissions through the purchase of recognised carbon offsets. These recognized carbon offsets have been independently validated against internationally recognised standards and are readily acceptable through our independent third-party assessor: UKAS-accredited NQA.

The **timetable** for our PAS 2060 carbon neutral verification is:

Pre-verification	26 July 2022
Verification (Bellshill)	14 November 2022
Verification (Nottingham)	15-16 November 2022
Post verification	25 November 2022

All information included in this document is believed to be correct at the time of writing. Should any additional data or information emerge that affects the content of this or associated documentation, Shredall SDS Group will update it.

### Section A – General Information

PAS 2060 Requirement	Response
Entity making PAS 2060 declaration:	Shredall (East Midlands) Limited T/A Shredall SDS Group, comprising: <u>Nottingham</u> Head Office, Joy House Bestwood Business Park Park Road, Bestwood Village Nottingham NG6 8TQ <u>Bellshill</u> Unit 6, 17 James Street Righead Industrial Estate Bellshill Glasgow ML4 3LU

<p>Period during which the entity is demonstrating commitment/achievement of carbon neutrality.</p>	<p>1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021</p>
<p>Subject of PAS 2060 declaration:</p>	<p>This declaration applies to the Scope 1, 2 and 3 emissions of Shredall SDS Group. We have drawn on the UK Environmental Reporting Guidelines, using 2021 DEFRA Conversion Factors and the ONS Greenhouse Gas Emissions Intensity.</p> <p>This enables us to minimise uncertainty and produce accurate, consistent, and reproducible results year on year.</p> <p>Our emissions arise from the following sources: vehicle usage, electricity usage and supplier consumptions.</p>
<p>Description of subject:</p>	<p>Shredall SDS Group is one of the UK’s largest independent document management services providers, supplying high quality document storage/archiving and secure destruction services coupled with excellent customer service (current Feefo 4.8/5.0) and additional innovative services.</p> <p>Shredall SDS Group provides secure destruction for over 80% of its customer base, with the rest serviced by approved &amp; qualified subcontractors.</p> <p>There is no outsourcing of storage and archiving services.</p> <p>Shredall SDS Group operates in the UK only and employs 60 to 70 people.</p>
<p>Defined subject:</p>	<p>All business and facility operations occur in the UK (that is our Nottingham and Bellshill offices and warehouses).</p> <p>Nottingham and Bellshill sites (Shredall): Confidential waste collection and destruction services, including transportation of waste, shredding facilities and equipment and baling of shredded waste. Bales transported/sold on for recycling either direct or via waste brokers. Offices, including administration.</p> <p>Nottingham site only (SDS): Offsite document storage and archiving services from two large warehouses and underground vaults; plus, container</p>

	<p>storage (Loft). Transportation of physical documents, in addition to document scanning services.</p> <p>Covering all applicable Scope 1, 2 and 3 categories within the UK Environmental Reporting Guidelines using 2021 DEFRA Conversion Factors and the ONS Greenhouse Gas Emissions Intensity, with exclusions and inapplicable data sources as listed –</p> <p><u>Scope 3</u></p> <p>Small-minor deliveries from couriers delivering to a large number of customers within the area have been excluded. Such deliveries would contribute less than 1% of the Carbon Footprint and have therefore been discounted based on the 1% materiality principle.</p>
<p>Rationale for selection of the subject:</p>	<p>Evidence of our total commitment to the project across the whole organisation and reassurance for customers and other interested parties.</p> <p>For our baseline/first year we have included Scopes 1 to 3.</p> <p>We have comprehensive data for Scope 1 and 2, although there is a reliance on provision of data from the landlord for the Nottingham site.</p> <p>In the spirit of PAS 2060 recommendations, appropriate Scope 3 emissions are included in this declaration and account for a significant proportion of our emissions due the level of purchasing in the baseline year</p> <p>We believe our Scope 3 inclusions portray an accurate, fair and reasonable approach. We have contacted 2021 suppliers for carbon footprint-related data, if available or practicable, in addition to working with other available data through accounts and the public domain</p> <p>Key suppliers impacting our own carbon footprint by 1% or more will be/are included in our final carbon footprint value for 2021 (and beyond).</p> <p>Rationale for 2021 exclusions set out above.</p>
<p>Type of conformity assessment:</p>	<p>Independent third-party verification, NQA Certification Ltd</p>

PAS 2060:2014 Qualifying Explanatory Statement


Baseline date for PAS 2060:2014 programme:	1 January 2021
Scope of emissions footprint:	Scopes 1, 2 and 3
Individuals responsible for provision and evaluation of data necessary for declaration:	Carole Woolhouse, Group Compliance Manager Amy Wright, Group Financial Controller Maureen Boulby, Assistant Accountant Cameron Phillips, Compliance Apprentice; Plus, Key Suppliers

EXAMPLE

## 2. Declaration of Commitment of Carbon Neutrality

PAS 2060:2014 Requirement	Response
<p>Declaration of commitment, including period:</p>	<p>Shredall SDS Group confirms that it is committed to carbon neutrality verification, inclusive of Scopes 1, 2 and 3.</p> <p>This applies to all UK operations controlled by Shredall SDS Group in accordance with PAS 2060:2014 as of 25 November 2022 and for the baseline period commencing 1 January 2021 to 31 December 2021.</p> <p>The baseline year is therefore the calendar year, 2021.</p> <p><b>Furthermore, Shredall SDS Group commits to maintaining carbon neutrality as verified, in accordance with PAS 2060:2104, for the subsequent period, 1 January 2022 to 31 December 2022, and for the foreseeable future.</b></p> <p>We currently plan to reach net zero by 2030, mindful of our customer base, and are assigning a known project manager to work with the Carbon Management Plan in 2022/23. This will include research and financial planning in support of prioritized objectives.</p>
<p>Carbon footprint target for the period:</p>	<p>To be carbon neutral by the end of November 2022, and to cut overall emissions as a percentage of turnover on-going and as part of the next verification period (1 January 2022 – 31 December 2022) - and then for the foreseeable future.</p>
<p>Which method, as recognised by PAS 2060:2014, will be followed to achieve carbon neutrality?</p>	<p>UK Government Environmental Reporting Guidelines, using DEFRA Conversion Factors 2021 and the ONS Greenhouse Gas Emissions Intensity.</p>

PAS 2060:2014 Qualifying Explanatory Statement

Location of GHG emissions report supporting this claim:	Section 4: N Drive – Carbon Neutral folder, <b>DEFRA PAS 2060 Values 2021</b>
Location of the Carbon Footprint Management Plan:	Section 5: Overview (this document); otherwise, N Drive – Carbon Neutral folder, <b>Carbon Management Plan 2021.</b>
Location of the Carbon Offset details:	Section 6: Overview (this document); otherwise, N Drive – Carbon Neutral folder, <b>Carbon Offsets 2021 folder</b>
<b>Name of Senior Representative</b>	<b>Signature of Senior Representative</b>
Lucy Shipley Director Shredall SDS Group	
Date: 23.11.22	

DEFRA

**3. Declaration of On-going Commitment to Carbon Neutrality**

Shredall SDS Group is committed to maintaining carbon neutrality for scope 1,2 and 3 emissions in accordance with PAS 2060:2014 for the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022.





#### 4. Carbon Footprint Report

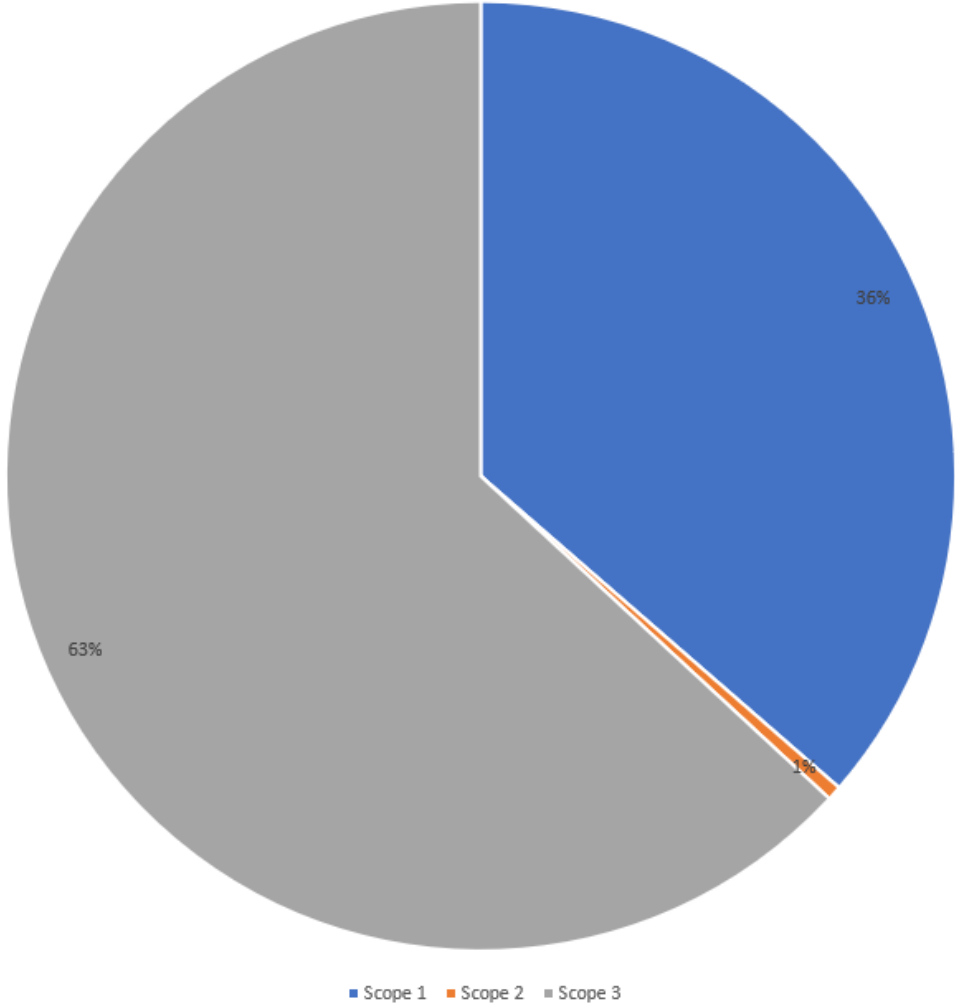
PAS 2060:2014 requires that an organisation provides an appropriate emissions breakdown (by scope) in their QES. Our carbon neutrality verification is based on Shredall SDS Group’s 2021 emissions data applying the operational control approach. We have sought independent third-party verification of the referenced emission sources from NQA.

For Shredall SDS Group, all calculations have been made as per the UK Government Environmental Reporting Guidelines, using 2021 DEFRA Conversion Factors and the ONS Greenhouse Gas Emissions Intensity. These methods are recognized for the report of GHGs under PAS 2060:2014, with materiality at 5%.

This is on the basis that organisational footprints should cover at least 95% of an organisation’s Scope 1 and 2 carbon emissions, with Scope 3 emissions included as far as possible. If emissions are excluded from any of the scopes, then a justification should also be provided.

##### **Carbon Emissions Overview (16.11.22):**

Scope 1	Scope 2	Scope 3
448.55	6.05	777.92
36.39	0.49	63.12
Direct Emissions from Company's fixed and mobile combustion	Indirect Emissions from the consumption of electricity	Other indirect emissions generating during operation, such as employee commute and supplier assistance



A detailed carbon footprint (calculator) is held separate to the QES – N Drive, Carbon Neutral folder, **DEFRA PAS 2060 Values 2021**.

### Standard and Methodology Used

Shredall SDS Group categorises its GHG emissions as Scope 1, 2 and 3 following the application of UK Government Environmental Reporting Guidelines, using 2021 DEFRA Conversion Factors and the ONS Greenhouse Gas Emissions Intensity with emissions calculated accordingly.

Shredall SDS Group therefore calculates its carbon footprint using the principles set out in Annex C of PAS 2060:2014 for organisations and presents its data to UKAS-accredited NQA for independent third-party assessment.

### Data Quality and Assumptions

Primary data has been utilised, contributing almost 100% of the total dataset used to calculate our current carbon footprint. This was derived from invoices and metered fuel consumption figures covering the reporting period (2021).

The emission factors were sourced from the appropriate national database (DEFRA and ONS). This allows for high confidence in the data. Wherever uncertainty exists, efforts have been made not to underestimate the actual carbon footprint of the given activity. In total, over 95% of carbon emissions are accounted for within the defined scopes and boundary as required by PAS 2060:2014.

<b>Scope 3: All assumptions made in this table may apply to one or all the different services &amp; goods listed under this scope.</b>
All mileage is calculated using the distance between our site and the site of the supplier
All weights have been taken from applicable documentation, where possible (where not, standard weights have been taken from reputable sources)
Where items have been purchased in bulk (such as archiving boxes) all items are assumed to have the same weight for the purposes of reporting
Where no quantity has been provided, the nearest purchase to it has been used to approximate the quantity
Where no definite number of round trips is presented in accounts information, assumptions have been made that the number of visits is the same as the number of invoices

**Scope 1 Emissions (448.55 tCO<sub>2</sub>e – Nottingham 333.22 tCO<sub>2</sub>e, Bellshill 115.33 tCO<sub>2</sub>e)**

Fuel – data collected primarily from fuel cards and fuel invoices for ad hoc purchases.

Gas – data collected from provider dashboard (Bellshill only)

**Scope 2 Emissions (6.05 tCO<sub>2</sub>e – Nottingham 0 tCO<sub>2</sub>e, Bellshill 6.05 tCO<sub>2</sub>e)**

Electricity – data collected from provider dashboard (Bellshill only); data collected from landlord reports (Nottingham).

NB1> Nottingham electricity provider has issued evidence of power sourced, solely from zero carbon, 100% renewable sources, such that zero carbon emissions can be reported for electricity consumption under scope 2 carbon emissions under the GHG Protocol market-based method.

NB2> Clarification of green tariff/REGO certificate availability for Bellshill pending.

**Scope 3 Emissions (777.92 tCO<sub>2</sub>e – Nottingham 763.74 tCO<sub>2</sub>e, Bellshill 14.18 tCO<sub>2</sub>e)**

Shredall SDS Group has endeavoured to include all technically feasible and carbon neutrality cost-effective Scope 3 emissions sources in this declaration, such that our Scope 3 emissions have been demonstrated to account for more than 60% of our total CO<sub>2</sub>e emissions for 2021.

**Total carbon footprint**

The total carbon footprint for Shredall SDS group across all scopes for the commitment/achievement period 1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021 is **1232.52 tCO<sub>2</sub>e**.

**Additional Commentary:**

Water

To date, there is no data available for water usage at the Nottingham site. On the basis that we have data for the Bellshill site, we have decided to use this to extrapolate data for Nottingham.

Whilst the data collected or generated with respect to water usage is minimal, we have chosen to include the data in our carbon footprint calculation. This is in the spirit of compensating for any potential shortfalls in terms of supplier data.

Employee Travel

Private car or motorcycle usage for commuting and business purposes is accounted for in Scope 3 emission data. Where miles could not be determined directly, an appropriate online map or distance - based calculator was used (e.g., Google maps). Any car mileage paid for by company fuel cards was accounted for in the Scope 1 emissions data.

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All data was calculated using appropriate emission factors corresponding to the type of fuel.

Where public transport is taken, then this is accounted for via the relevant DEFRA conversion factor.

### Hotel Stays

All hotel stays have been identified through invoicing with the upper-level DEFRA conversion factor being applied.

DEFRA


## 5. Carbon Management Plan

PAS 2060:2014 Requirement	Response
Timescale for achieving carbon neutrality:	<p>Using offsets, carbon neutrality will be/has been achieved in November 2022 for the baseline period (1<sup>st</sup> January to 31<sup>st</sup> December 2021).</p> <p>Shredall SDS Group is committed to on-going carbon neutrality for all emissions scopes (1,2,3) as per PAS 2060:2014 for the next verification period of 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022.</p>
Targets for GHG reduction for the defined subject appropriate to the timescale for achieving carbon neutrality:	<p>For the baseline period, all GHG emissions shall be mitigated using carbon offsets.</p> <p>Shredall SDS Group shall demonstrate a reduction in its GHG emissions at each re-verification audit.</p>
Planned means of achieving and maintaining GHG reductions including assumptions made and any justification of the techniques and measures to be employed to reduce GHG emissions:	<p>Broadly, Shredall SDS Group’s long-term strategy will focus on reducing vehicular fuel consumption through the introduction of electric vehicles and working on a programme of awareness and carbon footprinting principles with purchasers across the organization.</p> <p>Reducing energy consumption (through lighting improvements) and renewable energy generation, potentially through solar installation/s, will also be explored, although Scope 2 emissions are currently zero in Nottingham.</p> <p>The long-term strategy will be supported by carbon offsetting/credits as a proportion of turnover, with this dependency decreasing over time. We will be focusing on emissions intensity due to on-going investment across organizational infrastructure.</p> <p>Shredall SDS Group will continue to collect and document the metrics in the format used for</p>

	<p>the carbon footprint’s baseline year.</p> <p>We will calculate our total emissions/turnover ratio to arrive at a percentage measure (emissions intensity) which we plan to reduce year on year.</p> <p>This will also mean a reduction in the proportion of carbon credits year on year.</p> <p>This approach will account for growth and change across the organisation.</p> <p>NB&gt; Our CMP is a natural evolution of our previous ISO 14001 management objectives.</p> <p><b>A detailed CMP is held separate to the QES - N Drive – Carbon Neutral folder, Carbon Management Plan 2021.</b></p>
<p>Description of offsets made to achieve carbon neutrality, including:</p> <ul style="list-style-type: none"> <li>• Which GHG emissions have been offset</li> <li>• The type of offset and projects involved</li> <li>• The scheme through which the offsets were made</li> </ul>	<p>The cumulative total of <b>1232.52 tCO<sub>2</sub>e</b> from scope 1, 2 &amp; 3 activities will be offset by the purchase and on-going retirement of an equal or greater number of carbon credits.</p> <p>Currently, we are looking to purchase through a pre-validated scheme, such as the UN’s carbon offset platform, e.g.</p> <p><a href="https://offset.climateneutralnow.org/10-mw-biomass-based-renewable-energy-generation-for-the-grid-at-saradambika-power-plant-private-limited-at-chandrapur-district-maharashtra?searchResultsLink=%2FAIIProjects%3FSearchTerm%3DIndia%26CountryId%3D335">https://offset.climateneutralnow.org/10-mw-biomass-based-renewable-energy-generation-for-the-grid-at-saradambika-power-plant-private-limited-at-chandrapur-district-maharashtra?searchResultsLink=%2FAIIProjects%3FSearchTerm%3DIndia%26CountryId%3D335</a></p>

<p>The number and type of carbon credits alongside the period over which the credits were generated and the date(s) of their retirement</p>	<p>Total number: <b>1233</b></p> <p>Reference screenshot below (at Carbon Offsetting Arrangements) for further information.</p> <p><b>Retirement date:</b> Rolling programme as part of on-going Carbon Neutrality Verification.</p>
<p>The offset strategy to be adopted to meet the achievement of carbon neutrality element of PAS 2060:2014. This should include:</p> <p>An estimate of the quantity of GHG emissions to be offset</p> <p>The nature of the offsets</p> <p>The number and type of credits</p>	<p>Broadly, Shredall SDS Group’s long-term strategy will focus on reducing vehicular fuel consumption through the introduction of electric vehicles and working on a programme of awareness and carbon footprinting principles with purchasers across the organization.</p> <p>However, that long-term strategy needs to be supported by carbon offsetting/credits as a proportion of turnover, with this dependency should decrease over time.</p> <p>Any offsets purchased in the future will be from validated sources recognized for PAS 2060:2014.</p> <p><b>For 2021, we have an emissions intensity of 0.25, based on kgs CO2e/turnover.</b></p> <p><b>For 2022, we are aiming for a modest reduction in our emissions intensity of between 1% and 5%. We anticipate more specific targets will be set year on year as our carbon management plan is implemented.</b></p> <p>This is to account for the fact that our baseline year is potentially reduced due to the impact of the COVID-19 pandemic and the significant level of investment made by the company in new equipment and Loft – all part of the Board’s future-proofing strategy.</p> <p>The Board of Directors is currently working with the Group Financial Controller in respect of financial planning in support of the Carbon Management Plan and its key milestones. It is</p>



	<p>anticipated that additional support will be provided by the project manager.</p>
<p>What type of conformity assessment will be/has been undertaken?</p>	<p>Shredall SDS Group will be assessed by an independent third party (UKAS-accredited NQA) for its baseline year (2021).</p> <p>This will include verification of our carbon footprint methodology and approach for establishing the scale of emissions in that year - and therefore the extent of year one carbon offsetting, and carbon credits purchased, to achieve carbon neutrality, in accordance with PAS 2060:2014.</p>
<p><b>Name of Senior Representative</b></p>	<p><b>Signature of Senior Representative</b></p>
<p>Lucy Shipley Director Shredall SDS Group</p> <p>Date: 23.11.2022</p>	

## Section 6: Carbon offsets

Through the United Nations Carbon Offset Platform, 1240 tCO<sub>2</sub>e standard certified offsets were purchased and validated. This offset the calculated Scope 1, Scope 2, and Scope 3 emissions.

Shredall SDS Group is committed to retaining carbon neutral status for the next calendar year (2022) and for the foreseeable future.


Offset schemes will be selected from recognised certification schemes. Going forward the scope of carbon neutrality and offsets purchased will at least match this year's carbon footprint boundary and may possibly extend to include further suppliers with scope 3.

For 2021, please refer to the following projects:

[United Nations online platform for voluntary cancellation of certified emission reductions \(CERs\). Yunnan Lincang Zhenai Hydropower Project \(climateneutralnow.org\)](https://climateneutralnow.org)

[United Nations online platform for voluntary cancellation of certified emission reductions \(CERs\). Wind power project in Jaisalmer, Rajasthan by Centaur Mercantile Pvt. Ltd. \(climateneutralnow.org\)](https://climateneutralnow.org)

### Evidence of Carbon Credits Purchased:



United Nations  
Framework Convention on  
Climate Change

DATE: 23 NOVEMBER 2022  
REFERENCE: VC25546/2022

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**VOLUNTARY  
CANCELLATION  
CERTIFICATE**

Presented to  
Shredall SDS Group  
Project  
Yunnan Lincang Zhenai Hydropower Project, Wind power project in Jaisalmer, Rajasthan by  
Centaur Mercantile Pvt. Ltd.

Reason for cancellation  
I am offsetting greenhouse gas emissions for my company

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Number of units cancelled **1,240 CERs**  
Equivalent to 1,240 tonne(s) of CO<sub>2</sub>



Start serial number: CN-5-1160500950-2-2-0-1994 End serial number: CN-5-1160501849-2-2-0-1994 Start serial number: IN-5-297473915-2-2-0-5439 End serial number: IN-5-297474254-2-2-0- provided by the cancellor.  
5439

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

**Carbon Credits Retired:**

None to date on the basis that this is the baseline year for Shredall SDS Group.

Going forward information relating to the retirement of carbon credits used to offset emissions for the baseline period and beyond will be detailed.

EMANA