

Streamlined Energy & Carbon Reporting (SECR)

Solotech UK Group Limited
FY24

SECR Highlights

Solotech UK Group Limited

Reporting Year: 26th February 2023 – 28th February 2024

FY24 is the first year of annual energy and carbon reporting for Solotech UK Group Limited.

Energy Saving Projects: Highlights

- Head Office relocation project
- Monitoring of energy usage through building energy management software

Table 1: Energy Source Breakdown for Total Location-Based Emissions

	Natural Gas	Electricity	Transport	Total
FY24 Carbon and Energy Consumption				
kWh	362,332	277,595	734,509	1,374,436
tCO ₂ e	66.28	57.48	165.2	288.96

Table 2: Emission Intensity Breakdown for Total Location-Based Emissions

	Natural Gas	Electricity	Transport	Total
Carbon Intensity Metric				
FY24 tCO ₂ e per Sales Revenue (£m)	1.27	1.10	3.17	5.54
FY24 tCO ₂ e per Full Time Equivalent (FTE) Employee	0.26	0.22	0.64	1.12

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Executive Summary

SECR disclosures are mandatory for listed and large unlisted UK companies with reporting cycles beginning on or after 1st April 2019.

This report summarises Solotech UK Group Limited's (Solotech) energy usage, associated emissions, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting (SECR). This is implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. Mandatory information for compliance is detailed on pages 4 – 6 of this report.

The appendix (page 6) includes the methodologies utilised for all calculations related to the elements reported under energy and carbon.

Under the legislation, as of FY24, Solotech must disclose its energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented for all UK operations.

Solotech is a UK-incorporated business. An operational boundary has been applied for the purposes of the reporting.

Details surrounding data completeness and methodology of estimation for missing data are detailed within the appendix of this report.

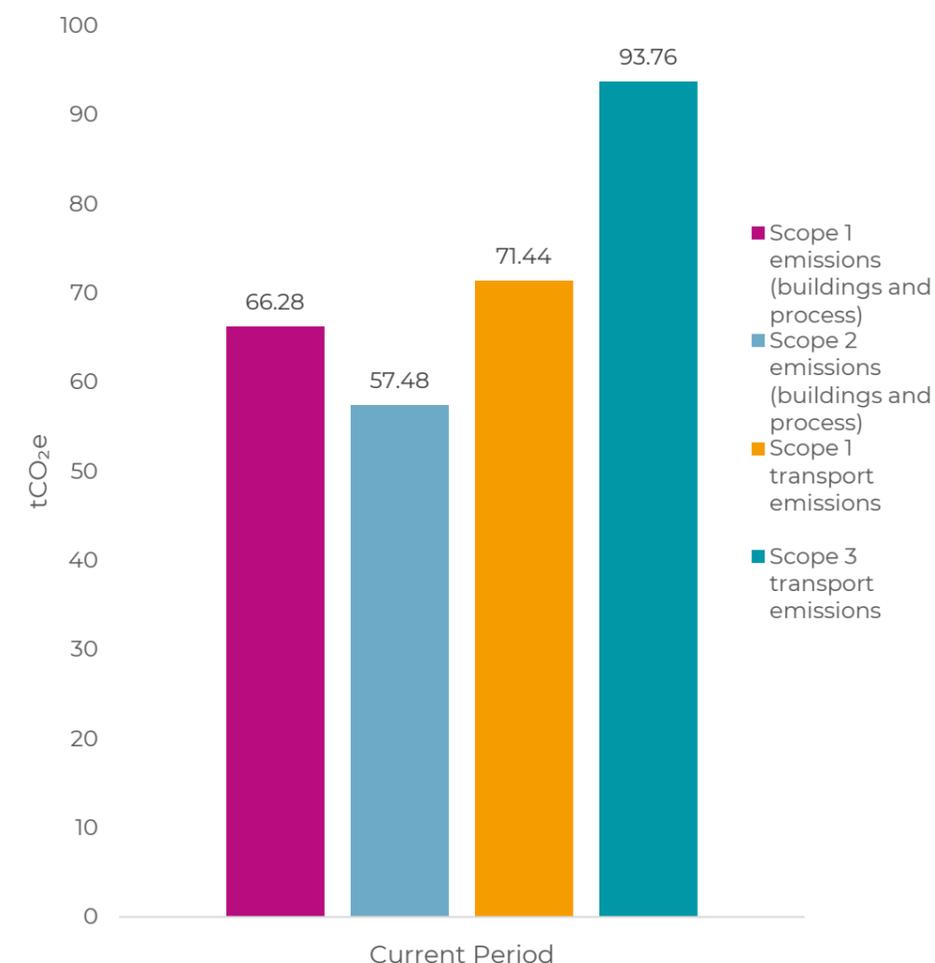
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Solotech UK Group Limited's Scope 1 direct and Scope 3 indirect emissions (combustion of natural gas and transportation fuels) for this reporting year are 231.48 tCO₂e, resulting from the direct combustion of 1,096,841 kWh.

Scope 2 indirect emissions (purchased electricity) for this reporting year are 57.48 tCO₂e, resulting from the consumption of 277,595 kWh of electricity purchased and consumed in day-to-day business operations.

Solotech's operations have an intensity metric of 5.54 tCO₂e per £m sales revenue for this reporting year. The business has elected to include a second intensity metric, equating to 1.12 tCO₂e per Full Time Equivalent (FTE) employee.

Figure 1: Scope 1,2 and 3 emissions (tCO₂e): this reporting period.



Annual Reporting Figures: Consumption and Location-Based Emissions

The following tables show the consumption and associated emissions for financial years ending February 2024 for all operations. From FY25, Solotech will include comparative figures for the prior year of operations.

Total consumption and location-based emissions are reported in Tables 4 and 5.

Scope 1 consumption and emissions include direct combustion of natural gas, and fuels utilised for transportation operations, for example, company vehicle fleets.

Scope 2 consumption and emissions cover indirect emissions related to the consumption of purchased electricity in day-to-day business operations.

Scope 3 consumption and emissions cover emissions resulting from sources not directly owned by Solotech i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Table 3: Solotech UK Group Limited Total Emissions Intensity Metric.

Intensity Metrics	Location-based tCO ₂ e
	FY24
Total Sales Revenue (£m)	52.16
All Scopes tCO₂e per Sales Revenue (£m)	5.54
Total Full Time Equivalent (FTE) Employee	258
All Scopes tCO₂e per Full Time Equivalent (FTE) Employee	1.12

Table 4: Solotech UK Group Limited FY24 Total Energy Consumption (kWh).

Utility and Scope	FY24 Consumption (kWh)
	UK
Scope 1 Total	679,959
Gaseous and other fuels (Scope 1)	362,332
Transportation (Scope 1)	317,627
Scope 2 Total	277,595
Grid-Supplied Electricity (Scope 2)	277,595
Scope 3 Total	416,882
Transportation (Scope 3)	416,882
Total	1,374,436

Table 5: Solotech UK Group Limited FY24 Total Location-based Emissions (tCO₂e).

Utility and Scope	FY24 Emissions tCO ₂ e
	UK
Scope 1 Total	137.72
Gaseous and other fuels (Scope 1)	66.28
Transportation (Scope 1)	71.44
Scope 2 Total	57.48
Grid-Supplied Electricity (Scope 2)	57.48
Scope 3 Total	93.76
Transportation (Scope 3)	93.76
Total	288.96

Energy Efficiency Narrative

Energy Efficiency Improvements

Solotech UK Group Limited is committed to year-on-year improvements in its operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures in the next five years.

Measures ongoing and undertaken through FY24:

Head Office relocation project

Head Offices of Solotech relocated through the reporting year from a highly inefficient office space to an electric-only office building. Overall efficiency of the office space is also increased as a result of building insulation being improved in the new office space. Operations in the North of the UK are also planned to move to a more efficient office space in the near future.

Monitoring of energy usage

The new head office space has also enabled Solotech to have an enhanced view of energy usage within the property. This visibility has enabled the business to understand on a more granular level energy use of operations, and where further savings can be made.

Measures prioritised for implementation in FY25

Further office relocations

Solotech look to continue to relocate operational space in the UK to more efficient space, where ongoing monitoring of energy consumption will enable the identification of energy efficiency opportunities, and associated carbon savings.

In FY25 reporting, the business will also look to voluntarily dual-report, and include market-based emissions reporting in emissions disclosures, allowing efforts made through renewable procurement to be represented in emissions statements.

Solotech also will look to gain visibility of emissions associated with global group operations, and include these voluntarily in UK reporting for complete transparency of all operations, in a demonstration of best practice.

I: Compliance Responsibility

This report has been prepared by the ESG division of Inspired PLC for Solotech UK Group Limited by means of interpreting the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 as they apply to information supplied by Solotech UK Group Limited and its energy suppliers.

Solotech UK Group Limited's registered CEO and CFO are responsible for complying with the Regulations. They must be satisfied that to the best of their knowledge, all relevant information concerning Solotech UK Group Limited's organisation structure, properties, activities and energy supplies has been provided to Inspired PLC.

This includes details of any complex ownership structures (for example, private equity funds, franchises for private finance initiatives) and electricity/gas usage that is covered by the EU Emissions Trading Scheme (ETS) or Climate Change Agreements (CCA) scheme generated on-site (including Combined Heat and Power (CHP)) or supplied to/from a third party (i.e. not a licenced energy supplier or a landlord/tenant).

II: Reporting Methodology

This report (including the Scope 1, 2 and 3 consumption and CO₂e emissions data) has been developed and calculated using the *GHG Protocol – A Corporate Accounting and Reporting Standard* (World Resources Institute and World Business Council for Sustainable Development, 2004); *Greenhouse Gas Protocol – Scope 2 Guidance* (World Resources Institute, 2015); *ISO 14064-1 and ISO 14064-2* (ISO, 2018; ISO, 2019); *Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance* (HM Government, 2019).

Government Emissions Factor Database 2023 version 1.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for the reporting period 26/02/2023 - 28/02/2024.

Annual quotient (AQ) data received from suppliers were used for the electricity and natural gas consumption reporting, as invoice copies were not available at the time of reporting compilation. Solotech are sourcing invoice copies and will conduct a retrospective review of this primary evidence prior to FY25 reporting, and will restate FY24 figures as required

Consumption and emission calculations have been calculated utilising primary evidence derived from fleet tracking software for Scope 1 transportation emissions, and expense claims for Scope 3 emissions. Expenses data was incomplete for the beginning of the reporting year – missing data has been estimated utilising the median monthly milage claim for the missing two months (March and April 2023).

Intensity metrics have been calculated using total tCO₂e figures and the selected performance indicator agreed with Solotech UK Group Limited for the relevant report period:

- Sales Revenue (£m) for FY24 £52.16m
- Full Time Equivalent (FTE) Employees for FY24 258

III: Glossary

Scope 1: Emissions associated with 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. Under SECR this is limited to emissions resulting from sources not directly owned by the Company, i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Location-based emissions: Methodology to calculate Scope 1 and 2 emissions using the average grid emissions factor of a region.

Market-based emissions: Methodology to calculate Scope 1 and 2 emissions using emissions factors specific to the contractual instruments in place.

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

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



IV: Quality Review

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