

## Scope 1 carbon emissions

### Overview

Reduction in Scope 1 GHG emissions on a tCO<sub>2</sub>e/£m Group sales basis against the FY19 baseline.

We have aligned our Scope 1 emissions reporting with the GHG Protocol.

### Scope

This target includes the following Scope 1 emission areas:

- Stationary combustion - Natural gas and gas oil used for heating within buildings owned or leased and managed directly by Dunelm.
- Fugitive and process emissions - Refrigeration gas used in air conditioning units and refrigerators within buildings owned or leased and managed directly by Dunelm.
- Mobile combustion - fuel used in our home delivery fleet; Made to Measure curtain and blind fitter vans and company cars used for business travel.

Total audited Group sales on a 52-week basis from accounting system.

This target excludes the following:

- Buildings and vehicles operated by third parties.
- Personal company car mileage, including commute to usual place of work.

On 3 May 2022, Dunelm (Soft Furnishings) Ltd acquired the trade and assets of Sunflex, a division of Hunter Douglas (UK) Limited. Due to the timing of this acquisition, this metric for FY22 excludes any data in relation to the Sunflex business.

### Methodology

#### Data collection

The following data sources are used in the calculations:

- Stationary combustion – Gas consumptions is obtained from natural gas kWh or gas oil litres included in third-party invoice billing information.
- Fugitive and process emissions – Refrigerants F-gas volumes and gas types are obtained from third-party contractor reports who have conducted system refills in the period.
- Mobile combustion – Business mileage and vehicle type is obtained from internal employee records.

Data is converted into carbon emissions by using conversion factors published by the Government Department for Business, Energy and Industrial Strategy, with 2019 DEFRA used for the baseline and 2022 DEFRA used for FY22 financial year.

#### Data estimates

The following data estimates are used in the calculations:

- Stationary combustion – If there are delays in receiving invoice data from suppliers, gas consumption will be estimated based on the same period in the prior year to reflect similar heating requirements.
- Fugitive and process emissions – The f-gas data is based on f-gas lost, using the re-fill amount minus the recovered amount when the system is replenished. This data is collated when f-gas is refilled rather than when it is lost as there is not a measuring device in the systems. For the baseline year we do not have information on gas recovered from the systems during refills, and therefore have applied a percentage reduction to refill data based on current recovery proportions.
- Mobile combustion – No estimates used as based on mileage incurred by vehicles.

### Calculations

For each reporting period, after multiplying consumptions from sources listed above with corresponding emissions factors, the total tCO<sub>2</sub>e is collated and divided by the group sales.

$$\frac{\text{Total tCO}_2\text{e}}{\text{£m group sales}} = \frac{\text{Total tCO}_2 \text{ per}}{\text{£m sales}}$$

### Baseline year

Based on data in the FY19 financial year.