JOHN COTTON GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2021

Streamlined Energy and Carbon Reporting

This is the first year of reporting under the requirements of the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Reporting) Regulations 2018. Future reports will compare performance against the previous year.

The carbon footprint has been calculated in line with the Greenhouse Gas (GHG) Protocol Emission Scopes; it categorises emissions into the three groups or 'scopes': -

Scope 1: Direct emissions that result from activities within your organisation's control.

Scope 2: Indirect emissions that result from any electricity, heat or steam you purchase and

use.

Scope 3: Any other indirect emissions from sources outside your control.

UK Greenhouse (GHG) Emissions & Energy	use financial year ended	28 February 2021
Scope 1	Tonnes CO2e	kWh
Gas and other fuels	3,089.60	16,803,182
Scope 2		
Grid-supplied electricity	4,656.07	19,971,152
Scope 3		
Transportation	1,370.12	5,784,089
Total	9,115.79	42,558,423
Intensity Ratio		
- Tonnes CO2e per £m turnover	55.97	

Methodology

Greenhouse gas emissions are reported in gross tonnes CO2e in line with the requirements of large unquoted companies as set out in the UK Government's Environmental Reporting Guidelines and have used the UK Government GHG (Green House Gas) Conversion Factors for Company Reporting to convert from kWh to CO2 equivalent emissions.

Emissions from electricity report purchased electricity (Scope 2) including associated transmission and distribution losses.

Fuel conversion factors based on litres of fuel used have been applied for vehicle fuel (scope 1). Transport (scope 3) is calculated from mileage in company vehicles for business purposes and miles done in personal/hire cars on business use.

Energy efficiency

The Company upgraded its forklift truck fleet during 2021 which utilise greener fuels reducing carbon emissions by at least 20%. The Company has solar panels fitted at one of the UK sites and the Group continues to invest in other technology and energy efficient lighting to reduce its overall carbon emissions.

This report was approved by the board on 14 July 2021 and signed by order of the board by:

S G Swalwell Company Secretary