VERNACARE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Streamlined Energy and Carbon Reporting

The SECR disclosure covers our United Kingdom greenhouse gas emissions (scope 1 and 2), an appropriate intensity ratio, the total energy usage of gas, electricity, fuel for transport and production, and a summary of energy efficiency improvements carried out during the financial year.

	31 March 2021	31 March 2020
Energy consumption used to calculate emissions (kWh)	36,739,700	39,267,957
Emissions from combustion of natural gas tCO ₂ e (Scope 1)	5,220	5,658
Emissions from purchased electricity tCO₂e (Scope 2, location-based)	1,844	1,945
Emissions from combustion of fuel for transport purposes tCO₂e (Scope 1)	90	150
Emissions from combustion of fuel for production purposes tCO₂e (Scope 1)	16	14
Emissions from aircon refrigerants tCO₂e (Scope 1)	2	-
Total greenhouse gas emissions based on above (tCO₂e)	7,172	7,767
Intensity ratio: tonnes of CO₂e emitted per £1m sales revenue	114.68	200.42

Energy Efficiency Action Summary for the Year ended 31 March 2021

During the financial year ending 31 March 2021, Vernacare Limited implemented the following energy efficiency projects:

- 1. Replaced 129 light fittings at the Bolton site throughout the year with energy efficient LED's.
- 2. Implemented a 2019 ESOS Phase 2 energy survey recommendation to replace over 400 light fittings at our Chorley site with energy efficient LED lighting.
- 3. Completed a project at our Bolton site to replace five large process vacuum pumps and motors with energy efficient versions which has reduced Scope 2 emissions from Oct 2020 onwards.

During financial year ending 31 March 2022 we will implement a further recommendation from our 2019 ESOS Phase 2 energy survey of replacing the 800kW chiller unit at our Chorley site with seven smaller energy efficient air-sourced heat pumps. At our Bolton site we will replace a further 110 conventional light fittings in post-Covid high use office areas with energy efficient LED's as well as carry out a feasibility study to reclaim and re-use wasted heat exhausted from our gas fired product drying tunnels in order to reduce our Scope 1 emissions. We will also commission another full energy survey of the Bolton and Chorley sites under the upcoming ESOS Phase 3 regulations.

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Methodology Notes

Reporting Period	1 st April 2020 to 31 st March 2021
Alignment with financial reporting	SECR disclosure has been prepared in line with Vernacare Limited's annual accounts for year ending 31 March 2021
Reporting method	GHG Emissions reporting are in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard
Emissions factor source	DEFRA, 2020 for all greenhouse gas emission conversion factors:- https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020
Calculation method	Activity Data x Emission Factor = GHG emissions
Other relevant information on calculation	Natural Gas and Electricity consumption is obtained from several meters and collated as part of our monthly reporting process. Fuel used for transport and production is obtained from Monthly invoices.
Reason for the intensity measurement choice	The chosen intensity ratio: 'tonnes of CO₂e emitted per £1m sales revenue' expresses the performance of our business compared with our energy consumption and associated emissions, it also follows the recommendations of the SECR legislation.

Matters covered in the strategic report

The business review and future outlook are included in the strategic report.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

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4/10/2021

N Bourton Director