

Animal Friends Pet Insurance | 2024

Towards a Sustainable Future

An ambitious Carbon Reduction Plan
compliant with PPN 06/21

**animal
Friends**
Pet Insurance



Contents

Introduction	1
Our Approach.	4
Corporate Responsibility	4
Charitable Donations	6
Our Carbon Reduction Targets	7
Carbon Reduction Plan	8
Commitment to Net Zero	9
Emissions Breakdown	10
Emissions Reduction Targets.	11
Completed Carbon Reduction Projects. .	12
Future Carbon Reduction Projects	14
Sign off and Declaration.	15



Introduction

On Monday 20th March 2023 António Guterres, Secretary-General of the United Nations said, the world is rapidly approaching catastrophic levels of heating with international climate goals set to slip out of reach unless immediate and radical action is taken. The climate time-bomb is ticking and humanity is on thin ice and that ice is melting fast.

The subsequent report released by the U.N. Intergovernmental Panel on Climate Change (IPCC), which draws on findings from hundreds of scientists to provide a comprehensive assessment of how the climate crisis is unfolding, concluded that the world is likely to pass a dangerous temperature threshold within the next 10 years. This temperature threshold would push the planet past the point of catastrophic warming unless nations drastically transform their economies and immediately transition away from fossil fuels. This is one of the most definitive reports ever published about climate change.

Researchers found that the world is on the brink of 1.5 degrees Celsius of warming, meaning it is close to surpassing an internationally agreed-upon threshold for climate warming. The current trajectory is for a 2.2 to 2.4 degrees Celsius of warming. Beyond that threshold, scientists have found, climate disasters will become so extreme that people will not be able to adapt. In fact, this amount of warming will threaten coral reefs, melt ice sheets, and contribute to sea level rise. We will see heat waves, famines, and more infectious diseases spread, claiming millions of additional lives by the end of the century.

In 2019 the UK became the first major economy to pass a Net Zero emissions law, meaning the UK government is now legally required to reach Net Zero emissions by 2050. When the UK government published its procurement policy note 06/21 (PPN 06/21), it was clear that businesses should focus on building back the economy in a sustainable fashion.





Patricia Gardiner
Chief Marketing Officer

We were founded 25 years ago with a single purpose; To create a better life for every animal. Since that time, our passion for helping our customers give their pets the healthcare they need has been mirrored by our drive for positive change in animal welfare, and to give back to animal charities and conservancies around the world. Fuelled by our three core values of being kind-hearted, passionate, and courageous, we believe that even the smallest act of kindness can make a big difference and that together, we can inspire action and be a voice for those that cannot speak for themselves.

We understand that every creature and every organism, has a crucial role to play in ensuring the sustainable future of our planet. From our humble hero hedgerows to our giant ocean allies, we have a responsibility to protect our precious environment. Not only must we take steps to support our most vulnerable species, but we must also act now to help protect the future of vulnerable ecosystems everywhere.

Through the support of our customers, to date we've helped more than 700 welfare charities and conservation organisations worldwide, giving hope of a better future to vulnerable animals across land, sea and air. We've donated over £7.8 million to large scale conservation campaigns, emergency and crisis appeals, and small community projects.

We are steadfast in our commitment to help animals, from the domestic to the exotic, and with the support of our customers, we believe we can make a difference to the future of our planet.



Allan Murray

Head of Facilities

We understand that everyone has a part to play in tackling climate change, from the choices we make as individuals through to the decisions we make as a business. Animal Friends Insurance is striving to become carbon neutral by 2050, and over the last three years we have taken several steps on this journey, including the planting of more than 100 laurel hedges around the perimeter of our office to support local wildlife and habitats. We have also undertaken a £200,000 refurbishment project to help reduce our energy consumption. This involved a number of key initiatives, including:

- Lowering the office ceilings to reduce the size of our rooms and the energy required to heat them during the winter months.
- Adding new window blinds to reflect heat in the summer and reduce our reliance on HVAC systems to keep colleagues cool.

In addition, part of our drive to continue with remote and hybrid working practices after the pandemic was the significant reduction in carbon emissions that are associated with commuting to and from our office premises. With 64% of colleagues now in a fully remote working role, with a further 34% taking a hybrid approach, our collective impact on the local and wider environment has been slashed. A number of our colleagues have also opted to use electric cars and we are currently exploring the installation of car charging points to support those that wish to move away from fossil fuelled vehicles. We are also exploring the viability of the installation of solar panels on site.

There are many more steps to take, and we understand that to become truly sustainable it takes time, but we are proud of what we have achieved so far.



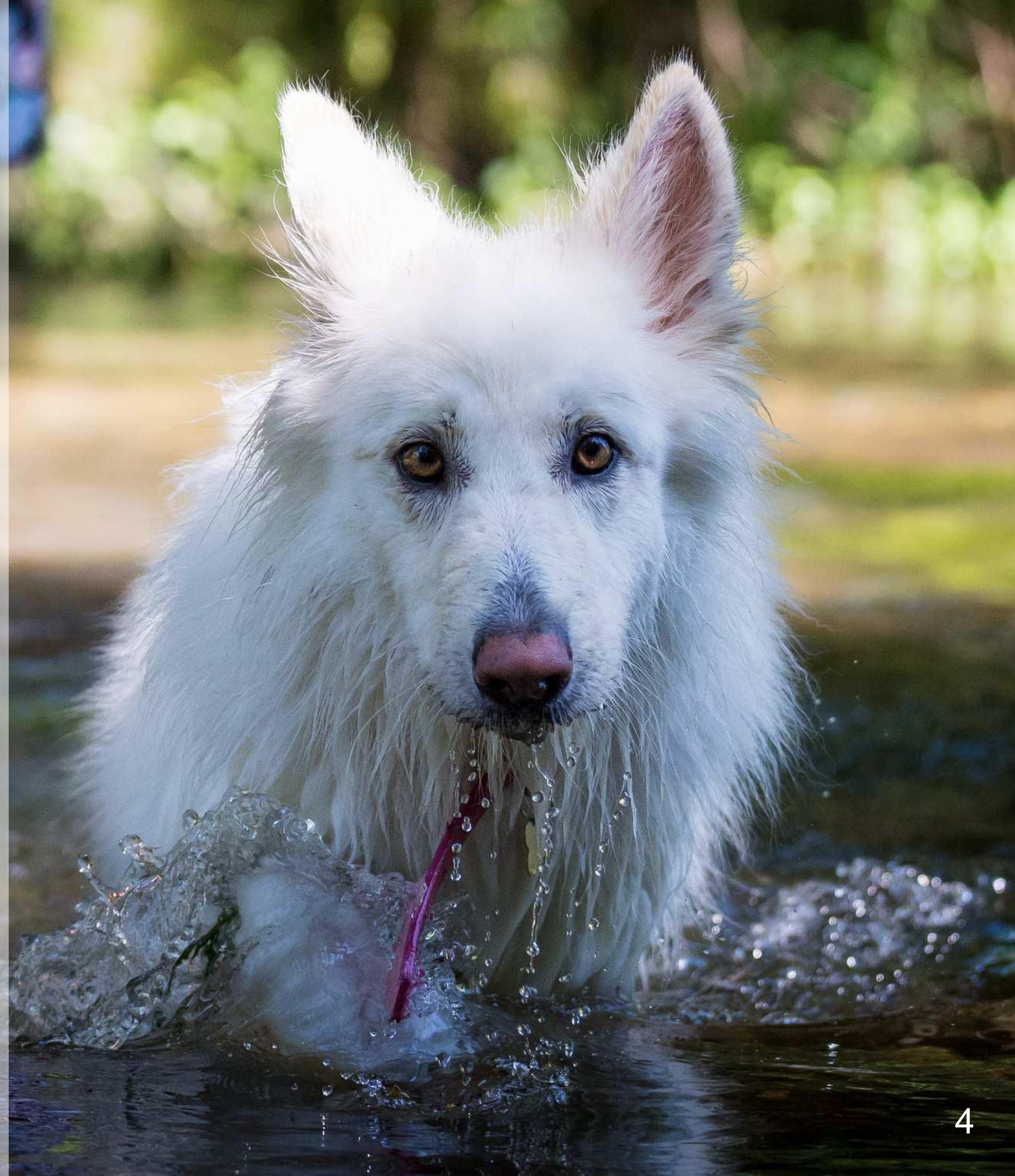
Our Approach

Animal Friends Pet Insurance is a customer focused company committed to creating a better future for our customers' and their animal friends.

As a business driven by its values of being kindhearted, courageous and passionate, we understand that change must come from deliberate and meaningful action. We recognise that in taking steps to become more sustainable, we are not only helping to change the future of our planet, we are also helping to shape the future for our colleagues and customers.

We understand that every species has a vital role to play in maintaining balance within the eco-system. We seek to learn more and more every day to understand how our business can contribute to maintaining this balance and aid humanity in continuing to form a better relationship with nature.

Our company is conducting a strategic review to ensure that our carbon reduction endeavours are integrated throughout our business, from suppliers to operations, down to our customers. We are prioritising the most valuable areas for reducing our carbon footprint and have set a target to achieve Net Zero by 2050.





Corporate Responsibility and Accountability

Animal Friends Pet Insurance is on a journey to create a sustainable future and we want to ensure that journey is transparent, credible, impactful, and measurable. To this end, we have embarked on a journey to achieve Net Zero emissions by 2050. To ensure we achieve our aims, we partnered with carbon consultancy Enistic, who calculate and track our carbon emissions in accordance with the GHG protocol.

We firmly believe that our efforts to prioritise sustainability not only align with our core values but also position us for long-term success in an increasingly environmentally conscious society.

In addition, we are not only focusing on mitigating our own environmental impact, but we are also committed to making a positive impact outside of our business operations. For example, over the years we have helped more than 700 welfare charities and conservation organisations worldwide. This further emphasises our commitment to helping all animals, and their habitats, whether they be domestic or exotic.

Charitable Donations

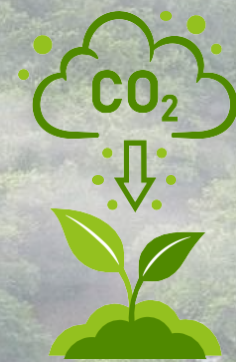
Animal Friends Pet Insurance is not only implementing stringent eco-friendly practices within its business operations but is also actively engaging in philanthropic initiatives and community partnerships to foster positive change. Our unwavering dedication to sustainability extends beyond compliance, making Animal Friends Pet Insurance a true pioneer in driving the transition towards a greener tomorrow.

In recent years, we have worked with RED2GREEN to plant fruit trees all around the world. As a result, we have helped feed local communities and educate local farmers on sustainable, and efficient, farming practices.

In addition, we have partnered with Redspace Interiors & The Senator Group to recycle our old office furniture. As a result, the old furniture has been diverted from landfill and was instead given another use.



**303 trees planted in
2020**



**Over 6,000 kgCO2e
absorbed every year**



Feeding communities



Educating farmers



**376 pieces of furniture
recycled**



**Over 11,000 kgCO2e
prevented**

Our Carbon Reduction Targets

Animal Friends Pet Insurance is committed to a 100% reduction in all scope 1, 2, and 3 emissions by 2050. Our carbon reduction goals align with the IPCC’s carbon reduction roadmap.

GHG Scope	Emissions sources
Scope 1	Direct emissions resulting from sources that are owned and controlled by Animal Friends Pet Insurance
Scope 2	Indirect emissions from purchase of electricity and onsite EV charging
Scope 3	Indirect emissions from other sources not included in Scope 1 and 2 categories



All our emissions reductions will be primarily achieved through ambitious carbon reduction projects and offsetting carbon emissions will only be considered in cases of unavoidable emissions. Animal Friends Pet Insurance will work with its partners to establish a yearly emission reduction target and this KPI will be integrated into our reporting system to ensure annual targets are met.

Emissions Categories

Currently, we measure all our scope 1 and scope 2 emissions following the GHG protocol, and we measure a subset of scope 3 emissions (PPN 06/21 requirement) following the Corporate Value Chain Scope 3 Standard.





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Animal Friends Pet Insurance Carbon Reduction Plan

in accordance with requirements for PPN 06/21

Commitment to Net Zero

In our commitment to becoming Net Zero, our carbon reduction goals align with the IPCC’s carbon reduction roadmap.

This report sets out a Net Zero roadmap, detailing the strategies we have put in place to achieve this goal.

Emissions Comparison

The table below shows both our baseline year (Jan-Dec 2021) and reporting year (Jan-Dec 2023) emissions. Baseline emissions are a record of the GHGs that have been produced in the past – before introducing any strategies to reduce emissions – and are the reference point against which emission reductions can be measured.

2021 was the first year where we had a complete GHG inventory, which is required for PPN 06/21 compliance. Our current reporting period is 01 Jan 2023 - 31 Dec 2023.

Emissions	Total (tCO2e) for reporting period	Total (tCO2e) for baseline period	% Change
Scope 1	34.3	73.9	-54%
Scope 2	36.3	26.8	35%
Scope 3 (Including Sources)	511.1	402.0	27%
Total Emissions	581.6	502.7	16%
Intensity Ratio	8.96 kgCO2e per £1,000	8.91 kgCO2e per £1,000	0.6%

Calculation Assumptions: A sample of colleagues were surveyed for commuting and working from home. The answers were then extrapolated across the whole workforce.



Emissions Breakdown

Scope 1	Total (tCO2e) for reporting period	Total (tCO2e) for baseline period	% Change
1: Energy – Natural Gas	34.2	71.8	-52.4%
1: Company Vehicles	1.6	2.1	-23.8%
Total Emissions Scope 1	34.3	73.9	-53.6

Scope 2	Total (tCO2e) for reporting period	Total (tCO2e) for baseline period	% Change
2: Energy – Electricity	36.3	26.8	35.5%
Total Emissions Scope 2	36.3	26.8	35.5%

Scope 3	Total (tCO2e) for reporting period	Total (tCO2e) for baseline period	% Change
3.01: Purchased Water	0.2	0.4	-50.0%
3.04: Deliveries (Upstream)	0.8	0.5	60.0%
3.05: Waste Generated in Operations	0.1	1	-90.0%
3.07: Commuting	106.3	100.9	5.4%
3.08: Home Working	300	204.7	46.6%
3.09: Deliveries (Downstream)	71.3	94.2	-24.3%
3.10: Business Travel	32.4	0.3	-
Total Emissions Scope 3	511.1	402.0	27.1%

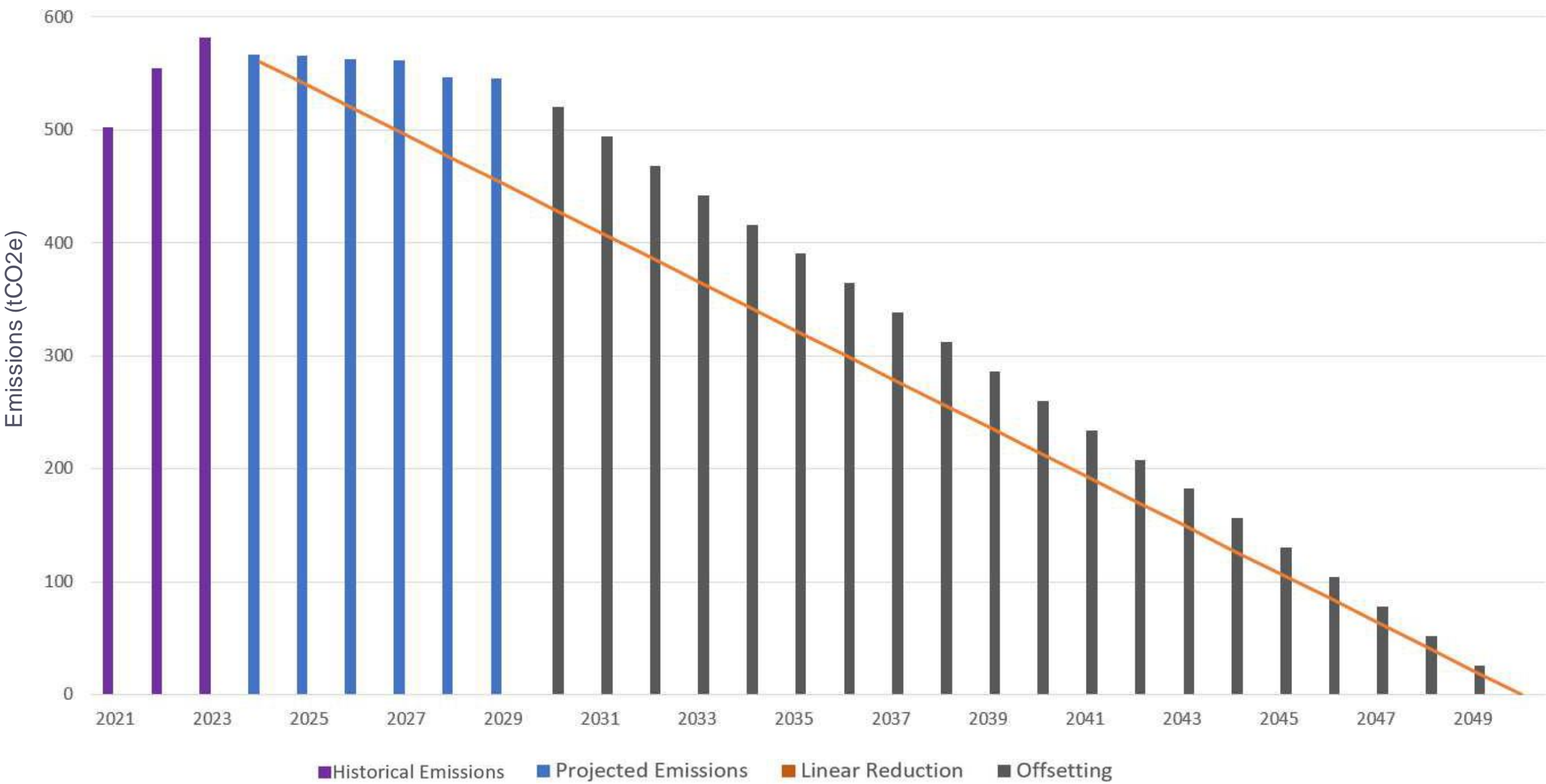


Emission Reduction Targets

To continue our progress towards achieving Net Zero, we project an absolute linear reduction in our emissions from our baseline year to 2050. However, these targets may change as new projects are implemented. Prior to our baseline year, we tracked scope 1 and 2 emissions.

The graph on the right depicts our projected vs targeted emissions. Starting with our baseline emissions from 2021, the historical (purple) bar shows our previous emissions, meanwhile the projected (blue) bar shows our potential emissions as we introduce carbon reduction plans. This shows a slight reduction between now and 2029. In addition, the target emissions (orange) shows a gradual reduction until 2050.

Moving forward, more carbon reduction measures may become more feasible and so further scope 3 mitigation could occur - altering these current projections. As a last case scenario, we have also included an offsetting (grey) bar. This is where any residual emissions, that we are unable to mitigate, will be offset in order for us to achieve our Net Zero target.



Year	2021	2023	2029	2035	2045
Historical/ Projected Emissions	502.7	581.6	500.55	357.5	119.1
Target Emissions	502.7	581.6	452.4	323.5	107.7

Completed Carbon Reduction Projects

LED Lighting

In 2022, we replaced all of our office lighting with LEDs. LED lights are highly energy efficient, consuming significantly less electricity compared to traditional incandescent or fluorescent bulbs. This energy efficiency translates into reduced electricity bills and a positive environmental impact by lowering carbon emissions. Additionally, LEDs have an impressively long lifespan, lasting up to 50,000 hours or more, which means fewer replacements and reduced maintenance costs.



Construction Work of Lowered Ceilings



Lowered Ceilings after Construction

Lowered Office Ceilings

In 2023, we lowered all of our office ceilings to improve heating efficiency. As the ceilings are lower, there is now less space to heat in each room, therefore retaining heat for longer periods. Consequently, this will reduce our energy usage, too.

Installed Heat Reflective Blinds

In 2022, we replaced our existing blinds with heat reflective blinds. Heat reflective blinds are designed to minimise the amount of heat that enters and exits a room. This means that during the summer these blinds will help to maintain a moderate temperature with little use of air-conditioning. Furthermore, during the winter, they will help retain heat and reduce the need for heating.

Another benefit of these new blinds means that we can reduce the load on HVAC systems (heating, ventilation, and air conditioning) which will extend the life of these systems. Consequently, fewer repairs and replacements will be required. This provides both savings opportunities and a reduction of demand on the planet's limited resources.



Completed Carbon Reduction Projects

Reduced our Office Space

In 2020, Animal Friends operated from three office buildings; two being in Amesbury and one in Swindon. Since the COVID-19 pandemic, we have embraced and formalised a new agile working policy, enabling us to close our Swindon building in 2022. Additionally, as more colleagues have chosen to opt for hybrid or remote working, we no longer require the use of our second Amesbury building. As such, the majority of our operations now take place within one building which means we have reduced both utility usage and waste.

Additionally, agile-working provides environmental benefits outside of our immediate operations. For example, colleagues working from home are less likely to purchase lunch at nearby shops, restaurants, and cafes - which tend to have a higher carbon footprint than home cooked meals. It also reduces commuting traffic on the roads, helping to lower road congestion and commuting emissions.



EV Electric Charging Points at our Amesbury Office

Installed Electric Charging Points for Colleagues

Although this won't have a huge impact on our direct emissions, it will help to encourage our colleagues to adopt more environmentally friendly choices. As many homes don't have EV charge points accessible, installing them at work places will give colleagues an option to purchase an electric vehicle. Consequently, this will reduce commuting emissions and also reduce our colleagues personal footprint.



Future Carbon Reduction Projects

We aim to implement the following carbon reduction projects to reach our emission goals.

Solar Panels

We are currently looking into the feasibility of installing solar panels at our site by 2027. If implemented, we estimate they will contribute approximately 45% of our electricity consumption.

The benefits of solar panels are well known. They reduce reliance on fossil fuels, create energy independence, and improve efficiency as electricity is not lost during travel from a power plant.

Electric Company Van

We also aim to replace our petrol van with an electric van. We currently use our van for the delivery of products and so are unable to eliminate the need for it. As such, we would like to make this business operation as environmentally friendly as currently possible. By switching to an electric van, we have predicted it will only contribute 0.4 tCO₂e of electricity emissions to charge the vehicle (assuming we do not use any renewable sources) and will completely eliminate the current 2 tCO₂e caused by the petrol we use.



Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans. Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, and the subset of Scope 3 emissions have been reported in accordance with the published standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the Board of Directors for Animal Friends Pet Insurance

Signed

Richard Mills

Richard Mills (Jul 15, 2024 07:52 GMT+1)

Position

Chief Executive Officer

Date

Jul 15, 2024



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