

Introduction

We recognise that our operations have an environmental impact and we are committed to monitoring and reducing those impacts over time. In 2019, we commissioned Avieco to calculate boohoo Group's greenhouse gas (GHG) emissions. Our environmental reporting period is 1st January 2019 to 31st December 2019. We have chosen to offset our environmental reporting from our full financial year by two months in order to improve the accuracy of the data that underpins this exercise. We follow an operational control boundary for our emissions reporting and have included all material scope 1 and 2 emissions sources. While we have few offices and employees outside of the UK, we intend to report on our international operations next year. We are aware of our forthcoming obligations under The Companies (Directors' Report) and Limited Liability Partnerships Streamlined Energy and Carbon Reporting (SECR) Regulations 2018 and will comply with these next year.

Performance summary

Our 'location-based' GHG emissions are driven by electricity¹ consumption followed by natural gas. This year we have been exploring opportunities for energy-efficiency improvements across our warehouse and offices (see below). We have also switched to 100% renewable electricity across key sites, including our Burnley warehouse and our headquarters. As a result, our market-based emissions, which reflect the carbon intensity of electricity supplies we actively choose to procure, are 11% lower than our location-based emissions. We will also be purchasing 100% renewable electricity across all our UK sites from 2020.

Emission source	UK tCO ₂ e
Scope 1	487
Natural gas	240
Refrigerants	146
Company vehicles	86
Other fuels	15
Scope 2 – electricity (location-based)	2,928
Scope 2 – electricity (market-based)	2,608

We recognise that the majority of our emissions lie outside our immediate operations and are developing an extensive carbon programme to measure, report and reduce emissions from our direct operations and beyond (Scope 3).

Our energy efficiency objectives in 2019

We have implemented the following energy efficiency actions in 2019 across our sites, enabling us to reduce our energy consumption and associated carbon emissions:

- A switch to LED lighting and motion sensors across all UK Group sites as they are refurbished (current coverage is approximately 80%)
- Submitting an application for planning permission to install solar panels with a capacity of 2MW at our Burnley warehouse, and 200KW at our Manchester office (in addition to 200KW already installed in Manchester)
- Improving the insulation and roof covering for our Manchester office

¹ Location-based emissions are calculated using the average emissions intensity of the grid. Market-based emissions reflect the company's purchasing decisions taking into account the company's electricity supply purchases, which may be different from the electricity that is generated locally. For further information on 'location-based' and 'market-based' GHG emissions, please refer to the World Resource Institute's (WRI) 'Scope 2 Guidance'.

Methodology

We engaged with teams across our business to collect data from our operations. Data have been collected, reviewed and calculated in accordance with the World Resources Institute GHG Protocol Corporate Standard, taking into consideration the best practice reporting principles of relevance, completeness, consistency, transparency and accuracy. We have used Defra's 2019 carbon conversion factors to ensure our inventory is up to date. Where electricity and natural gas data were unavailable, benchmarks have been applied to estimate consumption. We will continue to focus on improving data quality and coverage across our sites to support an accurate representation of our environmental impact over time.