



**PUNCH**

PUBS & CO

*Punch Promise*  
*Road to Net Zero*





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## WELCOME

Welcome to our inaugural Net Zero Roadmap. This highlights our commitment to Net Zero, the actions we have taken so far and our future ambitions.

As a key player in the hospitality sector and society more broadly, we take climate change seriously. We acknowledge the impact that our pubs have on the environment and therefore it is imperative that we play our part in reducing our carbon footprint.

That is why we have committed to being a Net Zero business by the end of 2040, 10 years before legislation set out by the UK Government.

We have embedded greenhouse gas emissions reduction within our Punch Promise, creating a dedicated Net Zero roadmap, with two of our priority United Nations Sustainable Development Goals (SDGs), Goals 7 & 12, at the centre of our strategy.

We know the urgency needed for change, so we will continue to make tangible progress along our Net Zero journey, implement reduction initiatives, establish partnerships and be a 'force for good' within the industry.

We hope this report outlines our Net Zero strategy and roadmap and proves our dedication to minimising our impact and commitment to tackling emissions to ensure a healthier planet for all to enjoy.

*Clive*



**Clive Chesser**  
Chief Executive Officer,  
Punch Pubs & Co

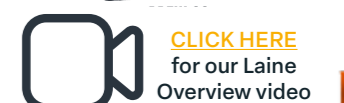
## WHO WE ARE

An independent pub company with around 1,300 pubs across the UK, Punch Pubs & Co is committed to empowering and working together with the very best Publicans and Management Partners to build and grow best-in-class community pubs.

In both 2020 and 2022, we were recognised as the Best Tenanted/Leased Pub Company (501+ sites) by the Morning Advertiser's Publican Awards, proving our passion for pubs and demonstrating the hard work put in by our teams on a daily basis.

Punch works collaboratively with its sister company Laine Pub Company, allowing us to cultivate an exciting and innovative partnership.

Operating an estate of 57 highly individual venues located across Brighton, London and Birmingham, Laine seeks to create inviting, indulgent and inspiring pub experiences that provide customers with a platform to ignite an enthusiasm for life.





# SETTING THE NET ZERO SCENE

We understand the importance of lowering our carbon emissions and driving energy efficiency across our estate. Our customers, employees, Publicans and Management Partners (MPs) want to know that we are taking environmental responsibility seriously and are on track to achieve our Net Zero target.

The climate crisis is real and is a major threat to our business and humanity. Without a doubt, climate change is significantly impacting the hospitality industry, from our food and beverage supply to the energy used to run our pubs. And this will only continue to be exacerbated.

The Zero Carbon Forum states that climate-related supply disruptions are projected to increase five times current rates by 2030,

impacting 36% of the food that is imported. What's more, only 43% of the UK's electricity grid is currently renewable, showing a major area of opportunity for us to target.

To stay still is to fall behind. We must step up to the table now, to mitigate climate impacts, protect our planet and safeguard the future of our business. We have identified key areas within our business where we can reduce our emissions, amplify our energy efficiency across our estate and encourage environmentally conscious behaviours.

Our Net Zero roadmap outlines our bold commitment to address the challenges of climate change and de-carbonise our operations, from plant to pub.

We know sustainability is a journey, not a destination. We continue to improve and implement actions to lower our footprint across our pub estate.

We have established our **Net Zero commitments** and targets, giving us a clear pathway to reduce emissions.

We have developed our emissions reduction strategy. The 'how' behind what we have planned to reduce emissions across Punch Pubs & Co.

With the help of Carbon Architecture and the Zero Carbon Forum, we established our **carbon footprint in 2022**. This provided a baseline as well as opportunities to identify hotspot areas.

We have defined our **roadmap** to act as a guide or pathway to Net Zero.

# OUR NET ZERO COMMITMENT

## MESSAGE FROM OUR EXECUTIVE TEAM SPONSORS



**Stephen Allen**  
Property Director  
Executive Sponsor - Goal 7



**Danny Hawkins**  
Commercial Services & Procurement Director  
Executive Sponsor - Goal 12

We have selected four priority SDGs to drive our support for the Goals. Two of these goals, Goals 7 & Goal 12, focus on our efforts towards reducing our emissions, transitioning to clean energy and achieving Net Zero across our business.

We are delighted to announce our Goal 7 and Goal 12 commitments and targets that will help Punch Pubs & Co on its way to achieving Net Zero and keep us accountable at the same time.

Amidst a climate emergency and energy crisis, we as a business must come together to ensure our pubs are less carbon and energy intensive. As Executive Team sponsors, we will oversee the successful delivery of our carbon-related projects and partnerships, make certain that our targets become actions and our actions create meaningful, long-lasting change.



## TARGET 7: AFFORDABLE AND CLEAN ENERGY

**COMMITMENT:** We are committed to driving energy efficiency across our business and supply chain to address our impacts on climate change.

**TARGET 1:** All of our pubs will have a minimum EPC rating of C or above by the end of 2026\*.

\*Unless listed under the PRS Exemption Register at the time of goal setting.

**TARGET 2:** We will reduce our energy consumption\* in our Management Partnerships (MP) pubs and at our Head Office, by 30% by the end of 2026\*\*

\*Leased & Tenanted energy consumption will be captured in our Scope 3 emissions. \*\*Baseline of 2022. Additional MP pubs will use baseline data from the year the pub transfers to MP.

**TARGET 3:** We aspire to procure the majority of the electricity, in our Management Partnerships pubs, from certified renewable sources by the end of 2027\*.

\*The UK Government has committed to de-carbonising the electricity system by 2035.



## GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

**COMMITMENT:** We commit to reducing our impact on our people and the planet through ambitious targets to reduce greenhouse gas emissions, waste and the sourcing of our food and drink from suppliers.

**TARGET 1:** We will send zero waste to landfill by the end of 2028, faster if we can.

**TARGET 2:** We will only work with suppliers that support our bold vision for our people and planet.

To achieve this, we will have an ambitious Supplier Charter and industry-accredited framework by 2024.

**TARGET 3:** Our aspiring goal is to reduce our direct emissions (Scopes 1 & 2) by 80% by 2032. We will also be Net Zero by the end of 2040.





# OUR FOOTPRINT

In 2022, we established our carbon footprint which gave us a baseline to measure, monitor and reduce our emissions, as part of our journey to Net Zero.

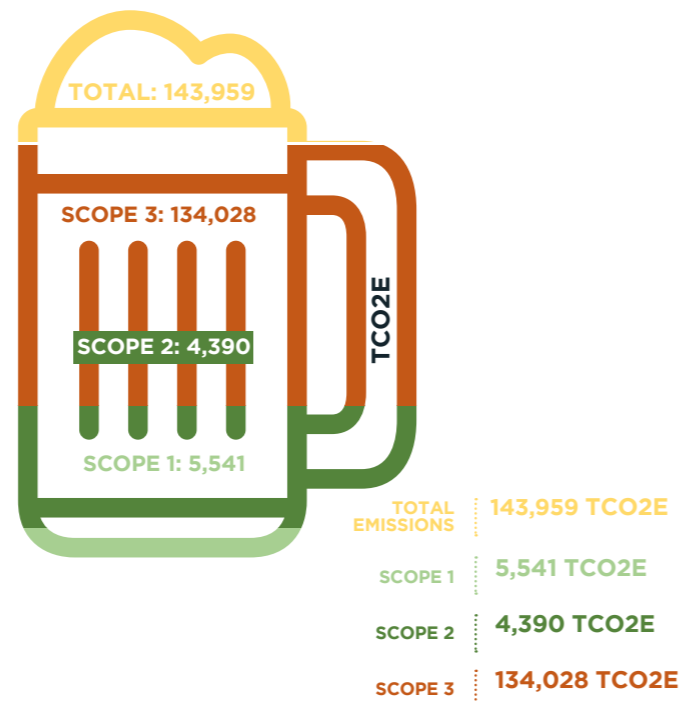
With the support of Carbon Architecture, we calculated our carbon footprint across our entire operation, which includes our Leased & Tenanted and Management Partnerships pubs. It was important to us to be transparent and inclusive of all our emissions, which is why we ensured our baseline included our direct (Scopes 1 and 2) as well as our indirect emissions (Scope 3). Only with a true reflection of our emissions can we identify our most carbon intensive areas and progress towards Net Zero.

Our total emissions for FY21/22 were 143,959 tCO2e (tonnes of carbon dioxide equivalent), with direct emissions (Scopes 1 and 2) accounting for ~7% and indirect emissions (Scope 3) accounting for ~93% of that total.

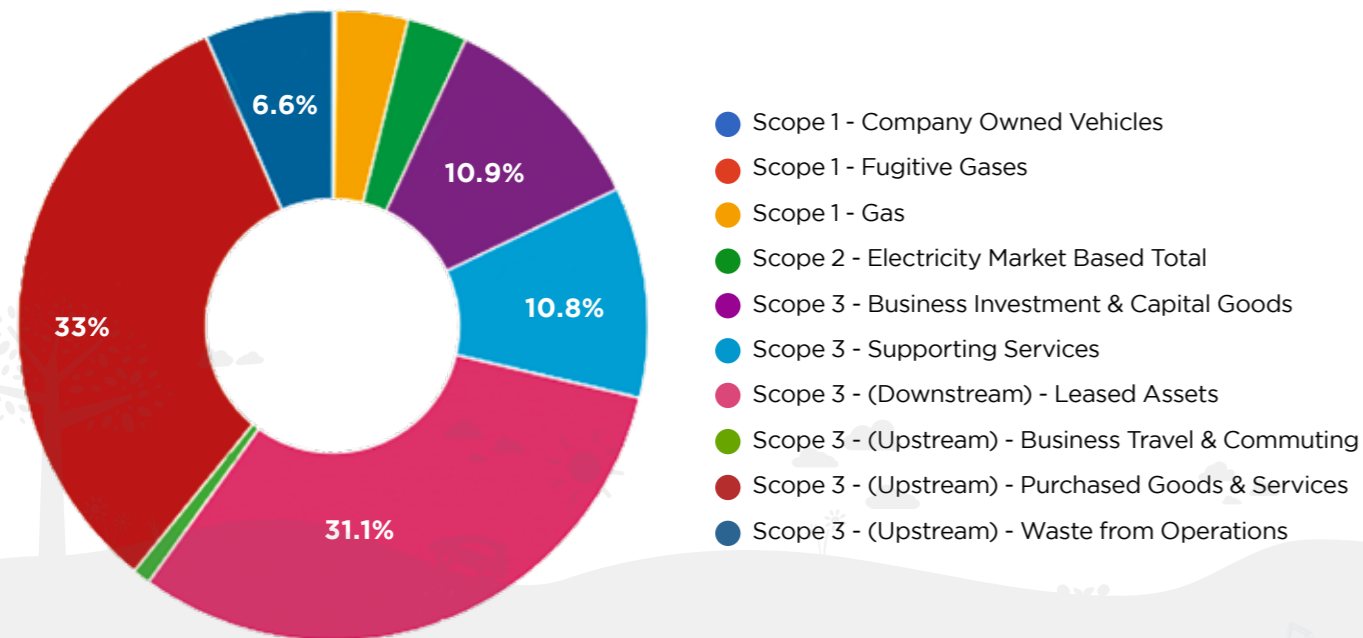
Our Scope 1 and 2 emissions are reflective of our direct emissions, which include the gas, electricity and fuels used throughout our operations.

Scope 3 includes all other indirect emissions across our business and in our supply chain, including business travel, purchasing, waste, shipping etc.

The most significant components of our footprint are purchased goods and services, contributing 33% of our total footprint closely followed by leased assets, accounting for 31.1% of our emissions.



## CARBON BASELINE



## PURCHASED GOODS AND SERVICES



Naturally, our sector relies on purchases, with every purchase we make having an impact on the environment. Whether that's where a supplier is located or how a product is made. According to the Zero Carbon Forum, purchased goods and services can often contribute up to 75% of a typical hospitality operator's emissions. Even with ours accounting for less than half of that at 33% 47,421 tCO2e, it is still our biggest contributor and a key area for us to target our emissions reduction and carbon-saving initiatives.

## ASSETS



Leased assets refer to our Leased & Tenanted pubs, and the energy purchased on their behalf. With this emissions area totalling 31.1% of our total footprint or 44,776 tCO2e, we need to consider green energy generation and improved energy efficiency of our buildings. To de-carbonise our energy supply, we will need to transition to an increased share of renewable energy, whether that's on-site generation or renewable energy tariffs, as well as moving to low carbon alternatives for gas and fuels like biomethane or hydrogen.



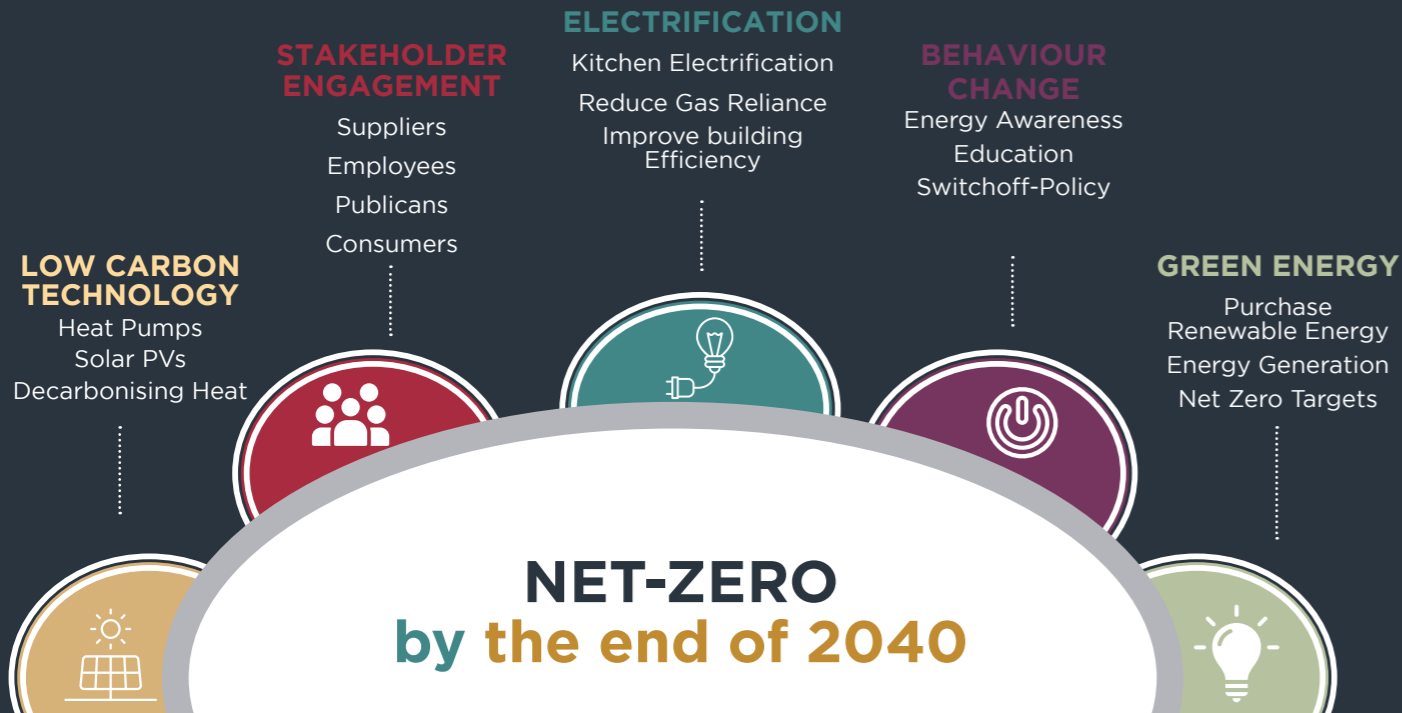
# OUR NET ZERO STRATEGY

To support our journey to Net Zero, we have developed our own strategy to bring focus to our emission reduction efforts. We have identified five measures that underpin the foundation of this strategy and we have already started to target hotspot areas of the business where we can make the most impact. These areas include low carbon technology, stakeholder engagement, electrification, green energy and behavioural change.

These measures will be implemented across several key areas including purchasing, supply chain, building and energy, waste, transport and brewing.

This strategy considers the themes and topics found in our priority Sustainable Development Goals – namely Goals 7 and 12 – and will form the ‘how’ behind achieving our targets and reaching Net Zero by the end of 2040.

## Net Zero Strategy Tackling Hotspot Areas



## GOAL 7 | BUILDINGS & ENERGY

The Zero Carbon Forum reports that UK buildings consume 35% of the country’s energy, with Punch Pubs & Co’s energy consumption last year totalling 50,259,809 kWh across our portfolio. This shows the transition towards using clean, energy efficient technology within the industry as an integral step towards de-carbonising our business. Tackling energy-related emissions sets us on the right path to reduce emissions associated with our leased assets and fugitive emissions. We are already implementing key initiatives across our emission areas as key steps within our Net Zero journey.

### INITIATIVES IMPLEMENTED: BUILDINGS

#### • SMART METER INSTALLATION

To better manage and monitor our energy consumption, we have rolled out a meter improvement programme across our MP estate. A full MP roll-out is predicted by the end of August 2023, helping to ensure we meet our Net Zero targets.



## GOAL 7 | BUILDINGS & ENERGY

Smart meters ensure our operators can better track their energy usage through real-time updates and automatic meter readings, providing an accurate visibility of energy consumption.

#### • BOILER REPLACEMENT AND UPGRADE SCHEME

We have embarked upon a boiler replacement and upgrade programme (where required) across the estate, improving efficiency, serviceability and reducing ongoing costs.

#### • IMPROVING OUR CELLARS

As part of our wider efforts to improve energy efficiency across our buildings, we are in the process of trialling equipment in cellars and on beer line cooling, as well as packaged product refrigeration which will provide a large and lasting reduction in our drinks related energy consumption.

#### • EDUCATIONAL MATERIALS AND POLICIES

Reducing our energy consumption is a collaborative effort between our employees, Publicans and MPs. As part of our journey to Net Zero, we have implemented a range of actions to encourage energy-conscious behaviours across our pubs, reduce our consumption and improve energy awareness.

These measures include educational resources, promoting a switch-off policy and providing materials on energy-saving ideas. In fact, all of our lights at our Head Office are LED, supported by motion sensors wherever appropriate, to optimise efficiency.



### ENERGY

#### • SOLAR PANEL PROJECT

We are exploring our solar panel options at Head Office and across the estate.

This project could ensure 26% of electricity used at our Head Office would be generated from renewable sources within the first year at Head Office alone.



By increasing the proportion of self-generated renewables, we can become less reliant on the procurement of green energy and close the gap on reaching our Net Zero target.

#### • GREEN ENERGY GENERATION

Transitioning to renewable energy is an important measure within our strategy. We are working with suppliers to find a suitable agreement for its procurement. We are also exploring the possibility of a Power Purchase Agreement (PPA), a long-term arrangement to supply renewable electricity to our pubs. This would help to reduce our reliance on non-renewable energy sources and mitigate associated emissions.

#### • IMPROVE EPC RATINGS ACROSS OUR PUBS

We are working with Compliance365 to have all of our pubs certified to show their energy performance. This will include listed buildings where possible, without compromising the character of the building. Knowing the EPC (energy performance certificate) rating of our buildings will help us obtain a clear overview of our energy performance across the estate, indicating areas where energy reduction measures should be targeted first and help reduce cost for our Publicans.

So far, 100% of our pubs have an EPC rating of A to E, with 50% achieving a rating of A to C. But we won’t stop there. Any newly acquired properties without a suitable EPC rating will undergo an EPC certification process, with improvements to meet the ‘C’ rating implemented as required.

What’s more our Property Managers and Surveyors are undergoing training to ensure any investments are geared around EPC and our ambition for Net Zero.







## TRANSPORT

Transport and distribution include emissions associated with transporting to and from our suppliers, our wholesalers and our customers, as well as business travel and employee commuting. As such, reducing our transportation emissions will make a significant impact on our footprint. Therefore, we are already implementing a variety of initiatives to tackle transport emissions and continue to look at how we can further extend efforts in the future to better optimise transportation and distribution.

### INITIATIVES IMPLEMENTED:

#### • ELECTRIC VEHICLE CHARGING POINTS

To reduce our travel emissions, we have partnered with a national operator to install rapid electric vehicle charging points across several of our pubs and at our Head Office. This will encourage our customers to use electric vehicles when they visit our pubs, helping to mitigate associated travel emissions. What's more, we encourage car-sharing where feasible whilst the majority of our new company cars are full electric, so these charging points will no doubt be beneficial to our team too.



#### • PARCEL LOCKERS

We have installed over 100 self-service parcel lockers across our pub estate. By installing these lockers, we are supporting the community by offering a way to reduce emissions associated with deliveries and couriers.



#### • UTILISING TRAIN HUGGER

We have partnered with Train Hugger, an organisation with a mission to restore the natural world by planting trees. For every ticket that is purchased through Train Hugger, a tree is planted in the UK. We encourage our teams to use the app whenever they are booking a ticket to extend our impact further.



## GOAL 12 | SUPPLIERS

Sustainable best practice extends past our direct operations. We understand that our suppliers are a significant contributor to our carbon impact, not only in the items we procure, but the behaviours or actions that they take to be more sustainable. If we are to achieve Net Zero, we all need to work together. Strong supplier relationships for both data and action are another central part of us achieving our goals.

### INITIATIVES IMPLEMENTED:

#### • SUPPLIER CHARTER



We have developed our own Supplier Charter and industry-accredited framework to encourage our suppliers to consider their own Net Zero pathway and actions they can take to reduce emissions.

The Charter allows us to assess supplier performance across topic areas such as human rights, environment, and business ethics, aligning with our core ESG strategy - our Punch Promise.

We can identify risks within our supply chain and set corrective action plans, as well as provide responsible sourcing policies for our suppliers.



By encouraging and working with our suppliers ensures we continue to have open conversations about where we are now and how we can work together to improve across our supply chain.

The Charter clearly sets out the minimum standards we expect from our suppliers, including advice and support on energy

management, diversity and inclusion as well as emission reduction targets, ensuring that we practice responsible business.

## GOAL 12 | BREWING

Climate change continues to threaten the entire brewing industry. There are over 45,000 pubs across the UK, with almost 1,300 of these being a Punch Pubs & Co pub. As such, we must consider and plan for potential threats to our industry, including climate-related supply issues, water scarcity and reduced agricultural practices.

We continue to review and implement initiatives and measures to mitigate these threats and safeguard our industry.

### INITIATIVES IMPLEMENTED:

#### • BREWING GREEN

We have joined forces with other UK brewers and pubs to showcase the steps our businesses are taking to reduce our environmental impact, and outline what more could be done by the Government to further our sustainability efforts.

We have outlined three key asks to support our efforts on sustainability:

- Reduce complexity and costs of the environmental regulatory framework.
- Resource the development of low carbon technologies through greater investment.
- Release potential for carbon reduction by providing funding opportunities for businesses.



For more information [click here](#).



## GOAL 12 | WASTE

The Zero Carbon Forum estimates that 1.3 billion tonnes of food are wasted every year, accounting for 8% of global emissions. This is of particular concern for the hospitality and food service industry, as not only is food waste causing emissions, but it costs this sector almost £3 billion per year.

We must play our part in reducing food waste within our pubs, especially as waste makes up nearly 7% of our footprint.

Moreover, we must address not only food waste, but all types of waste found within our value chain, from plastic waste to water waste to E-waste. That's why we are actively opening conversations with our team on how we can reduce waste across our estate and consider the entire life cycle of our products.

### INITIATIVES IMPLEMENTED:

- **RECYCLING EQUIPMENT**

At our Head Office, we recycle our IT equipment and donate our furniture to local charities to encourage circular economy principles and avoid waste sent to landfill or incineration.



## GOAL 12 | PURCHASING

How we spend our money matters. The purchasing of goods and services captures many different areas when it comes to emissions.

For us, in the hospitality sector, we can divide this area into broader groups of 'food and beverage' (the meals and drinks we sell) and 'non-food and beverage' (office supplies or packaging). Robust procurement standards and goals are a central part of us reaching Net Zero.

### INITIATIVES IMPLEMENTED:

- **OFFICE SUPPLIES**

When purchasing supplies for our Head Office, Jubilee House, from the paper we use to the cleaning equipment, we actively consider



- **REDUCE PLASTIC PACKAGING**

Plastic continues to be a massive threat to the planet, with plastic waste set to triple to 1.2 billion tonnes per year by 2060, reported by the Zero Carbon Forum. It is not a choice, but a need for us all to take responsibility to reduce plastic where we can.



At Punch, we continue to have constructive conversations with our suppliers to discourage the use of plastic and switch to recyclable alternatives where possible. We want to understand our food and beverage life cycle to determine where and how we can reduce our plastic usage, particularly when it concerns packaging.

- **WORKING WITH BIFFA**

Across our MP pubs and at Head Office, we are working with Biffa, a leading waste management company, to reduce our waste through the correct waste segregation. We have installed separate bins for organic, general, recycling and glass waste, meaning we can record and track food waste. This can be useful when calculating our waste emissions and helps us to make conscious efforts to reduce our wastage.



more sustainable alternatives where possible and ensure we are not overbuying supplies that may eventually end up in landfill.

Throughout our Head Office, we track our printing and postage to set benchmarking targets. This will allow us to reduce our printing intake by optimising digital solutions, and where printing cannot be avoided, we print on 100% recycled paper.

All of our cleaning equipment is battery powered, whilst we have made the decision to remove all paper towels from our toilets to reduce the need for unnecessary purchases and waste. By making more conscious purchasing decisions, we aim to reduce our emissions.



## OUR PARTNERSHIPS



Achieving Net Zero will be no easy feat. That's why we have partnered with great organisations to help us along our journey. It's a simple fact that we can achieve more when we work together.

### eden project

We are working with the Eden Project to develop a purpose-driven biodiversity partnership centring on three core pillars to reduce environmental harm:

- Indirectly mitigating residual emissions through biodiversity.
- Greening gardens.
- Community hubs including Big Coronation Lunch participation.

This partnership is the first step on our biodiversity investment journey, an important element of our strategy and race to Net Zero. Through nature-based investments we can enhance biodiversity, restore habitats, and continue to drive down emissions. We look forward to growing our partnership with Eden and creating long-lasting change.



For more information [click here](#).



### ZERO CARBON FORUM

We are proud to be a member of the Zero Carbon Forum, a non-profit organisation, supported by UK Hospitality and the British Beer and Pub Association, which helps the hospitality industry take meaningful steps to reduce its carbon footprint. So far, 88% of hospitality businesses who are members of the Zero Carbon Forum have taken action to reduce their emissions.

As a member of the forum, we continue to share our journey with industry peers, access guidance and resources and work collaboratively towards achieving our targets.

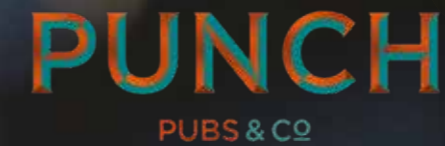


For more information [click here](#).





# OUR NET ZERO ROADMAP



Our Net Zero roadmap shows how our strategy will be implemented. The roadmap highlights key milestones and targets we aim to achieve through various reduction initiatives and investments.

**2022**  
**2023**

**2024**  
**2026**

**2027**  
**2028**

**2030**  
**2040**

- Published Net Zero Roadmap.
- Established our carbon baseline.
- Ongoing boiler upgrade and replacement roll-out programme.
- Smart meter installation across our MP estate by August 2023.
- Biodiversity partnerships.
- Simple efficiency and behaviour change.

- Create Supplier Charter and industry-accredited framework by 2024.
- Ramp up research into Green Energy generation opportunities, such as through installation of solar panels.
- Extend research and implement energy efficiency measures.
- Achieve 30% reduction in energy consumption in our MP Pubs.

- All pubs have a minimum EPC rating of 'C' by 2027.
- Majority of PubSpark\* electricity sourced from certified renewable sources by 2027.
- Zero waste to landfill by 2028, faster if we can.
- Invest in low carbon technology.
- Reducing energy consumption through modernising our pubs' building fabric, and equipment and appliances.
- Further procurement of green energy.

- 80% reduction in Scopes 1 and 2 by 2032.
- Enhanced supply chain engagement.
- Look to nature-based investments to remove residual emissions.
- We will be Net Zero by the end of 2040.



# SUMMARY



Our ambition is to be a Net Zero business. We understand that we have a long way to go but we are making huge strides towards our goals and won't stop until we get there.

We hope that this Net Zero roadmap illustrates our plans and progress and reiterates our Punch Promise. From plant to pub, we are reducing emissions, transitioning to cleaner energy and improving our operations. We aim to regularly review our progress and publish our actions to ensure we keep hitting our milestones.



## CONTACT DETAILS



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# GLOSSARY

- Greenhouse Gas** ..... Greenhouse gases (GHGs) can be natural or human-induced, and lead to the greenhouse effect. The most common GHGs include carbon dioxide, water vapour, methane, nitrous oxide and ozone.
- Emissions** ..... Describes the gases and particles which make up greenhouse gases.
- Net Zero** ..... Categories to define the type of direct (Scopes 1 and 2) and indirect (Scope 3) emissions that are emitted.
- Carbon Footprint:** ..... A carbon footprint is the amount of carbon dioxide that is produced by an individual, product, or a business used to compare emissions across activities
- CO<sub>2</sub>e** ..... Carbon dioxide equivalent is a metric used to compare the emissions from various greenhouse gases on the basis of their global warming potential.
- tCO<sub>2</sub>e** ..... Tonnes of carbon dioxide equivalent, the units used to measure carbon footprints.
- kWh** ..... Kilowatt-hour(s) is the metric used to measure energy consumption.
- Management Partnerships (MP)** ..... Punch Pubs & Co's Management Partnerships operating model is designed to maximise profitability and optimise the retail proposition in each of our pubs, whilst at the same time minimising operating costs for our Group. Each of these pubs are generally operated by a limited company and by a self-employed Management Partner, who receives a share of the pub sales.
- Energy Performance Certificate (EPC) Rating** ..... An EPC rating shows the energy efficiency of a particular product or property. The rating is from A (most efficient) to G (least efficient).
- Green Energy** ..... Green energy refers to energy that is generated from natural resources such as solar or wind, reducing the reliance on non-renewable resources or fossil fuels.
- Methodology Statement** ..... Data on carbon emissions has been calculated and provided by Carbon Architecture. All other statistics referenced throughout this roadmap that align to the hospitality sector are courtesy of the Zero Carbon Forum.





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