

Greenhouse Gas Reporting Criteria

General

These Greenhouse Gas (GHG) criteria have been developed to assist users of the Sustainable Business Report and to ensure Group wide consistent and transparent measurement and reporting.

Reporting Boundary

All DCC plc subsidiaries are included within the scope of the greenhouse gas (GHG) emissions data (Scope 1 and 2 as per the Greenhouse Gas Protocol) reported within the Responsible Business Section of DCC plc Annual Report and Accounts. New acquisitions are included from the date of completion and divestments are included up to the date of disposal. Prior year comparatives are not updated to reflect acquisitions or divestments in the current period.

DCC defines its GHG footprint as the amount of GHGs (reported as tCO₂e) emitted as a result of its direct, financially controllable operations i.e. those emissions where it has financial control of the company and pays for the fuel/electricity associated with those emissions.

These DCC GHG Reporting Criteria set out in detail the scope and sources included in the DCC Group GHG footprint as follows:

- the energy sources where DCC is the counter party to the contract to supply. Electricity and gas purchased and recharged to subtenants is included
- use of electricity and fuels to heat, light and operate buildings
- fuels used to operate company owned vehicles, plant and machinery
- fuels purchased with a company fuel card or credit card, irrespective of business or personal use and whether the vehicle is owned by the group or not
- any new acquisitions from the date of purchase completion
- any divestments up to the point of disposal.

Emission sources are classified into the following categories for reporting purposes:

Scope 1

Direct: On site fuel use

Fuels purchased and consumed for heating or process activities – such as oil, gas, kerosene, LPG, etc. It does not include fuel that is purchased for resale, such as bottled gas. Natural gas recharged to subtenants on shared sites where DCC pay the supplier for that usage and then recharge costs are included.

Direct: Company Transport

Petrol, diesel and other fuels paid for directly to run trucks, vans, cars, loaders, shunters, fork lift trucks or similar onsite transport. This could be via fuel cards, credits cards, onsite tanks with regular deliveries or other direct payment routes, such as direct payment to the refinery.

Direct: Fugitive Emissions

Fugitive emissions from the handling and bottling of refrigerant gases which have a Global Warming Potential are calculated annually, taking into account the type and number of gas transfer operations and the gas type.

Scope 2

Indirect: Electricity

Electricity paid for directly to run buildings, electric fork lift trucks and light outdoor areas, including owned and leased sites. This includes electricity that is paid for by DCC and recharged to subtenants, either directly or via a service charge.

Scope 3

Scope 3 emissions are not currently reported in the Annual Report. Given the nature of the products sold in the Retail & Oil and LPG division (primarily transport fuels, heating oils, commercial fuels and propane), GHG emissions in the Use of Sold Products category is the largest contributor to DCC's Scope 3 emissions profile. Details of Scope 3 emissions are provided in the annual submission to CDP.

Energy Data

DCC measures and reports its GHG emissions based on activity data during the reporting period multiplied by publicly available emissions factors. Activity is measured using actual consumption of electricity, natural gas or other fuel where readily available, although the following data sources are acceptable:

Energy use	Data sources
Electricity and Heating	<ul style="list-style-type: none">● Meter readings (manual or automatic)● Invoices from utility suppliers (based on meter readings where readily available, otherwise based on supplier estimates)● Annual statements from energy suppliers
Vehicles, Plant and Machinery	<ul style="list-style-type: none">● On site fuel tank readings● Invoices for delivery to onsite tanks● Fuel card invoices● Credit cards● Invoices for fuel supply at refineries/depots based on consumption. If consumption data is not available purchase data is used (e.g. heating oil with no tank gauge)

When data is missing and efforts to obtain actual data from a 3rd party have failed, usage is estimated rather than omitted. Several approaches are used, depending on specific circumstances:

- Seasonal change or site activity varies, an estimate can be taken using an average daily usage of the periods either side of the missing data (or just of the previous period if necessary).
- Where possible, if the missing data is electricity or gas usage (or similar) for the middle of the year, the invoices either side may be used if they have start and end estimates of usage.
- If the site activity has remained static during the year and does not have significant seasonal fluctuations, an estimate based on the average energy usage per day for up to 6 months either side of the missing data can be used.
- Significant estimates are replaced with real data when received.

Estimated data is reconciled to actual data where possible. Relevant adjustments are made when required within the reporting period.

Basis for inclusion/exclusion and significance

Significant is deemed to be greater than 1% of total Group emissions (i.e. not on a divisional basis).

Conversion Factors

Conversion factors used in the Accuvio reporting tool (<https://eco.accuvio.com>) are taken from the relevant published data from each jurisdiction. The following list are the organisations and government departments that are the source for the relevant emission factors:

- IEA
- DEFRA
- GHG Protocol
- EPA (US)
- SEAI
- IPCC
- Green-e.org (residual-mx factors for the US)
- Association of Issuing Bodies (European residual-mix factors)

Emissions = activity multiplied by emission factors

Both location based and market based approaches are used as the basis for Scope 2 emissions reporting. Supplier specific emissions factors are used when available to individual business to report their actual market based emissions. In the absence of supplier specific emissions factors, a market based Scope 2 emissions total is calculated using country specific residual mix emissions factors.

Scopes 1 & 2 - Metrics and Targets

DCC has set a near term 20% reduction target for Scope 1 & 2 absolute emissions by 2025 against a 2019 baseline. The baseline year is adjusted to account for acquisitions or divestments which increase/decrease annualised emissions of the DCC business by greater than 5% or 1,000 tCO₂e of the acquiring/divesting business. Adjustments are calculated using actual historical energy data where available, extrapolated from current energy use or estimated by reviewing business activity.